

U.S. HOUSE OF REPRESENTATIVES

NATURAL RESOURCES COMMITTEE

CHAIRMAN DOC HASTINGS



Wednesday, February 22, 2013

Chairman Hastings' Keynote Speech before the Family Farm Alliance Annual Conference

Thank you for that warm welcome and introduction, Mike (LaPlant).

For those of you who don't know, Mike is the President of the Washington State Farm Bureau and a Director of the Quincy-Columbia Basin Irrigation District. Mike is not only a constituent from Ephrata, Washington, but a friend.

And I want to thank you at the Family Farm Alliance for inviting me here today. We have enjoyed a great relationship over the years, where many of your members have testified before the Natural Resources Committee. You have provided on-the-ground insight on how laws and proposals would impact rural America.

The area in which Mike and I live is a living symbol of our visionary water and power forefathers. The federal Columbia Basin and Yakima Projects literally turned desert into some of the most productive farmland in the world. The dams that impound the water for these projects helped power the Manhattan Project to develop the nuclear bomb that enabled our nation to win World War II and the Cold War. To this day, they continue to provide renewable and emissions-free hydropower for millions and form the basis of local and regional economies now and well into the future. They also provide food security for our nation and growing international markets.

These investments are just two of the many projects throughout the West. The Central Valley Project in California, the Central Arizona Project, the Pick-Sloan Missouri Basin Project, the Colorado River Storage Project and the nearby Hoover Dam are just a few of the projects that have literally transformed the West. Instead of arid wastelands, we now have cities that have grown from the desert and rural economies and ways-of-life based on irrigated agriculture and the waters that feed it.

As Chairman of the U.S. House Natural Resources Committee, I have the privilege of overseeing the federal laws that impact current and future water projects. Being the top Republican on the Committee for the past four years, I can tell you, has been at times challenging, but also has provided new opportunities when it comes to natural resources.

CHALLENGES

I believe we are at a crossroads when it comes to protecting our multi-purpose federal dams and reservoirs. At a time when many are rightly saying that we need to increase our water and power supplies through new projects, we must also remember to protect what

has worked for generations. For example, if we increase hydropower by 100 megawatts in one region, but lose 300 megawatts in the same region due to endangered species and other laws, we are still down 200 net megawatts.

Those of you from the Pacific Northwest are very aware of our challenges to protect the multi-purpose projects in the Federal Columbia River Power System. For years, environmental litigants have used the courts to pursue a one-dimensional agenda to remove or impair four Snake River dams that have, time and again, proven their worth on a multi-dimensional scale. Since only Congress can remove the dams, those litigants have failed and will continue to fail as long as I'm Chairman. But, the never-ending lawsuits have taken a toll, with over 30% of power rates – close to a billion dollars annually -- now related to salmon, and court-mandated spills that are actually harmful to endangered fish and regulatory uncertainty. And, this comes at a time when there are near record salmon returns.

Despite these impressive returns, the National Marine Fisheries Service concluded a few years ago that FIFRA-registered and widely-used pesticides in Washington, Idaho, Oregon and California jeopardized endangered salmon species. The agency's faulty science could force unreasonable requirements including a quarter mile buffer zone around water bodies that would impact over 60% of agricultural land in Washington State alone. And, they would do little to help salmon.

Ironically, the Environmental Protection Agency – certainly no lightweight when it comes to federal regulation -- found numerous flaws in the biological opinions. These confusing and conflicting regulations would simply devastate agriculture. While these regulations are pending peer review by the National Academy of Sciences, and the House Natural Resources Committee I chair, with the House Agriculture Committees will closely monitor this issue, it is yet another symbol of how the Endangered Species Act has been abused and distorted. Those in the San Joaquin Valley of California are no strangers to endangered species litigation. As many of you know, the 2009 water year was one of the worst ever thanks to federal biological opinion on endangered Delta smelt, a three-inch fish. Pumping restrictions led irrigators and cities in the San Joaquin Valley to get a fraction of their contracted water and economic devastation ensued. Some communities experienced 40% unemployment and the fruit, nut and vegetable capital of the world became an importer of Chinese carrots to feed those in the food lines.

We acted in the House last year by passing a comprehensive bill to ensure that this man-made drought doesn't return. However, the Senate and the Obama Administration opposed our solution without offering a substantive alternative. Now, once again, irrigators are left with a lot of fear and uncertainty, with over 700,000 acre feet having been lost to the smelt over the past two months.

Many of the issues facing communities and irrigators today are related to the ESA. The Act has become a tool for litigation that has little to do with recovering species but much to do with collecting taxpayer-financed attorneys' fees. Even Jamie Clark, President Bill Clinton's Fish and Wildlife Service Director, said that ESA litigation has become a quote-unquote "industry". Certain environmental groups have exploited unworkable deadlines in the ESA statute to file endless lawsuits. This has led to a so-called "megasettlement" where the Fish

and Wildlife Service and the Center for Biological Diversity and Wildearth Guardians met behind closed doors and settled the potential listing of 779 species in 85 lawsuits and legal actions.

Not only will this settlement lead to even more attorneys' fees being paid to the litigants, but it will force the federal agency to rush potential listings that will certainly leaving gaping holes in the science to justify such listings. Those of you from Texas and four other nearby states are certainly aware of one high profile candidate for listing, the lesser prairie chicken. Another looming potential listing is the greater sage grouse, which could restrict grazing, farming, mining, and other energy production on tens of millions of acres in the interior West.

With just a one percent success rate, the ESA is not working for species and it's certainly not working for people - unless you are a lawyer. Litigation and the threat of litigation are not just relegated to the Endangered Species Act. As many of you know, the EPA is threatening Clean Air Act regulations on the Navajo Generating Station in Page, Arizona. This coal-fired station provides the electricity to pump Colorado River water to cities and tribal and non-tribal irrigated fields in Arizona. It employs 545 workers - 80% of whom are Navajo Nation and Hopi Tribe members - and pays workers an average of over 100,000 dollars per year in wages and benefits. Electricity sales also finance previously agreed to Arizona Indian Water Rights settlements.

Despite these benefits, the EPA has proposed to make over half a billion dollar quote - visibility - unquote improvements that won't even be visible to the human eye. This would drive up water costs substantially since someone must absorb the costs associated with the improvements. Intermittent wind and solar, which cost more than twice and five times, respectively, than the coal generation are not cost-effective replacements.

I note that a Family Farm Alliance witness from Arizona testified at a hearing our Committee held on this subject two years ago. We will continue our oversight on this issue and we welcome your continued input.

OPPORTUNITIES:

At this point, I've painted a challenging picture. But, there is hope in this marathon. First, congressional oversight is one of the best tools in the toolbox to help bring about accountability and transparency. We plan to continue holding oversight hearings and asking the Administration for more details on some of their policies.

I just mentioned the issues associated with the ESA, a federal law clearly ripe for oversight. The ESA was last amended in 1988, when a movie ticket was \$3.50 and a cell phone - if you had one - was the size of a brick. A lot has changed since then. We need to have an honest conversation about the strengths and weaknesses of the ESA and consider if there are ways to update the law to make it work better for both species and people. To start, there needs to be more transparency in how our federal government is settling claims with environmental litigants. And, the ESA needs to more thoroughly factor the economic impact that ESA-related actions have on people. Addressing these and other topics relating to ESA will be one of my top priorities as Chairman this Congress.

We can also pursue positive and proactive policies that expand our domestic resources. One of my top priorities is to encourage an “all-of-the-above” approach to American energy production that includes hydropower, nuclear, geothermal, biomass, coal, solar, wind, oil and natural gas. Our nation has just begun to utilize its true and vast energy potential with the revolutionary technologies on oil and natural gas directional drilling and fracking. But, we can do much more to produce enough energy to reduce our dependence on hostile foreign countries, while also creating good-paying energy jobs right here in the U.S.

We can do the same on hydropower. Now, I spoke earlier about how our forefathers had the vision of harnessing the power of water to develop the West. Hydropower accounts for 7% of our national energy production and 70% of Washington State’s energy output, but a lot of low-hanging fruit still exists in this area. You know this firsthand. With the recent technological advances made in low-head hydropower turbines, the West’s vast network of water canals and pipes represent quite an opportunity to replace diesel-powered generators needed to move water or to sell on the electricity marketplace.

At a time of tight federal budgets, home-grown hydropower generated on canals and pipes and sold can provide much-needed revenue and more financial security for a water district. By itself, one hydropower unit may not seem like a lot, but collectively it can add up. For example, there is enough conduit-based hydropower in Colorado alone to match the output of the 1,400 megawatts produced by the Glen Canyon Dam. You have recognized this by helping my colleague, Scott Tipton, with his legislation to authorize hydropower at Bureau of Reclamation conduits throughout the West and remove unnecessary red-tape associated with the National Environmental Policy Act (NEPA).

We also need to look at expanding and building new surface water storage. Time and again, water storage has proven its multiple uses, such as hydropower, water for irrigation and municipal needs, recreation, flood control and fish and wildlife needs. Yet, over two-thirds of the Bureau of Reclamation’s dams are 50 years old. We need to ensure that these dams remain useful but we also need to build new ones where financially and environmentally possible.

Granted, the federal government simply does not have the same financial wherewithal it did generations ago. But, even if the federal monies were available, one of the main problems is getting through the red tape and the environmental permitting necessary to even design and build a project. I note that Family Farm Alliance representatives testified a year ago in front of the Committee about the need for regulatory permitting reform. For example, one dam in Wyoming took 15 years to permit, yet only two years to build. Another potential dam that can be financed privately in California is facing over 50 NEPA alternatives in the environmental analysis phase. This dam has been studied for over ten years and there is no end in sight. I find this paralysis-by-analysis approach troubling when it took our country eight years to put a man on the moon.

The same red tape problem exists with non-federal dam owners who want to expand their storage facility or relicense hydropower units with the Federal Energy Regulatory Commission. They often face federal land agencies imposing a maze of mandates that have nothing or little to do with the actual project and this after years and millions of ratepayer

dollars are spent.

This is a time when the federal government needs to unleash its stranglehold on America's ingenuity. Major permitting reforms, such as one-stop-shop-permitting and transparency, are needed to do achieve this. When there's a political will, there's a way.

EDUCATION

These are just some of the many things we will pursue in this Congress. We need to continue building a positive case about why we can provide abundance not at the expense of the environment. But, a lot of education needs to be done, particularly to those outside the West who do not experience these issues in their everyday backyards.

I've noticed that you are already building the case for irrigated agriculture through Dr. Darryll Olsen's economic benefits study of irrigation. At a time when many consumers have little idea where their food, power and water come from, we need to step up together to educate them on why it's necessary to have federal policies which provide food, water and energy security.

For those of you who watched this year's Super Bowl, I hope many of you enjoyed the commercial replaying Paul Harvey's 1978 "God Made a Farmer" speech to the other FFA – the Future Farmers of America. Although it came in the form of a Dodge commercial, it reinforced a powerful image of what farming is about and what it does for America. For those living in urban and suburban areas out East and on the West Coast, I sincerely hope it played a role in educating them about American agriculture.

Now, I'm just waiting for the "God Made an Irrigator" commercial. You and your families have a great story to tell.

In closing, I commend you in your efforts to bring food to our table and for your leadership and love of our great nation. It has been a pleasure working with you over these years and I look forward to our continued partnership.

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