

U.S. HOUSE OF REPRESENTATIVES

NATURAL RESOURCES COMMITTEE

CHAIRMAN DOC HASTINGS

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Water and Power Subcommittee Examines Federal Regulations that Cost Jobs and Raise Energy Prices

WASHINGTON, D.C. – The Subcommittee on Water and Power held an oversight hearing to examine the federal regulations that are blocking job growth and abundant water and power supplies. Attention was also given to potential future regulatory obstacles to water deliveries and hydropower generation that will further compound economic hardships in rural communities.

“For many years, the central objective of our water and power policy was to create abundance – to make the desert bloom as the Bureau of Reclamation’s founders put it. But this original mission seems to have been lost to a radical and retrograde ideology that seeks to create, maintain and ration government-induced shortages,” said Subcommittee Chairman Tom McClintock (CA-04). “We need to return to abundance as the central objective of our water and power policy – by providing abundant water, clean and cheap hydroelectricity, new recreational centers, desperately needed flood protection, burgeoning fisheries and re-invigorated farms.”

In 2010, the Small Business Administration’s Office of Advocacy estimated that federal regulations cost our economy \$1.75 trillion per year. In 2010 alone, the Obama Administration issued 43 major rules that will cost an estimated [\\$26.5 billion annually](#).

Current regulatory interpretations of environmental laws have significant impacts on consumer electricity prices. Today, federal power customers pay hundreds of millions in indirect and direct costs associated with judicial interpretations of federal regulations.

Some special interest organizations have abused well intentioned environmental laws to stop the flow of water to communities who depend on irrigation or cheap, clean hydroelectricity. In California’s San Joaquin Valley, unemployment reached 40% in some communities due to inaction by the Obama Administration and a regulatory man-made drought. The Glen Canyon Dam in northern Arizona alone has lost one third of its hydropower generation due to activist interpretations of environmental regulations.

“The Navajo Generating Station and Glen Canyon Dam are two examples in my district where government regulations and environmental compliance is restricting economic development and electric generation. In the case of NGS, they are threatening to destroy over 1000 jobs. I know similar cases are occurring across the country, making it even more urgent that the Congress exercise its oversight authority and restore sanity to the regulatory system in this

country,” said Rep. Paul Gosar (AZ-01). “The natural resources, mining, and energy generation sector can fuel economic recovery in my state, but the federal government needs to get out of the way, remove regulatory and bureaucratic barriers to development and generation, and put Arizonans back to work. Our country needs it, and my constituents need it.”

The Environmental Protection Agency’s overzealous regulations have given uncertainty to the future of a Navajo coal-fired power plant that supplies water pumping power to Arizona. New EPA emission controls could raise pumping rates by 200%, forcing some Arizona irrigators to stop operating or use limited groundwater.

“Reducing the burdensome regulations that the government has imposed is critical to the vitality of our nation,” said Rep. Raul Labrador (ID-01). “The EPA continues to reach beyond their statutory authority to impose regulations that affect not only the people of Idaho but also people nationwide.”

All of these regulations have a devastating impact on rural communities and the small business, farming, and ranching jobs that they support.

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