

CONGRESSMAN

PAUL GOSAR

Representing the 1st District of Arizona



HOUSE SUBCOMMITTEE ON WATER AND POWER

Oversight hearing on *“Water for Our Future and Job Creation: Examining Regulatory and Bureaucratic Barriers to New Surface Storage Infrastructure”*

February 7, 2012 - 10:00 a.m.

1324 Longworth HOB

First, I would like to thank Chairman McClintock for convening today’s hearing and for providing me the opportunity to make a few remarks. While I much prefer the friendly confines of rural Arizona, it is good to be back here at the Subcommittee on Water and Power in 2012. I look forward to building on our subcommittee’s successes from last year.

The Colorado River is a fundamental component of our regional economy. The over twenty-plus major dams built on the Colorado River serve multiple purposes such as maintaining a year round steady flows of water and a stable water supply; producing an abundance of clean, renewable hydropower production; providing recreational opportunities; and facilitating many environmental protections.

Hydropower facilities like the Hoover Dam, Parker Dam, and Glen Canyon Dam are vital power resources for consumers in the Western states – keeping our electrical bills low and the economy growing. The Central Arizona Project delivers water to 80 percent of my state’s population. The \$10.3 billion agricultural industry in my state would not exist without the irrigation of over 800,000 acres of agriculture land via our state’s water infrastructure. Additionally, recreation and tourism industry related to the river supports nearly 800,000 jobs in the seven Colorado River states, including 82,000 jobs in Arizona. In other words – this infrastructure is our lifeblood and we need more of it throughout the West.

Given the overwhelming benefits, one would think that the federal government would be focused on maintaining our current infrastructure and expediting the development of new surface storage. Instead, the Obama Administration is taking actions that compromises existing infrastructure and is standing in the way of development.

For example, the Glen Canyon Dam, located in Northern Arizona lost a third of its hydropower generation - over 400 megawatts or enough to power almost half a million homes - due to an environmental experiment. This experiment had an average economic cost of nearly \$50 million per year, totaling more than \$435 million for the nine-year study period. The cost of replacing that power the dam could have produced is borne by the customer, my constituents.

Last summer, this committee held an oversight hearing on the potential job loss and economic impacts of proposed EPA mandates on the Navajo Generating Station. Beyond the thousands of good paying tribal jobs, the NGS is critical to Arizona’s water supply because it provides 95% of the power for the Central Arizona Project (CAP) – the infrastructure that deliver more than 500 billion gallons of Colorado River water to 80% of the state’s population.

By the Obama Administration's own report released last month, its mandates on the NGS would increase water rates for millions of Arizonans, ranging from a 16 percent rate increase for agricultural users and Indian tribes to a 7 percent increase for municipal and industrial users. These estimates are all based off on the assumption that the mandates will not force the plant to shutdown, which is directly contrary to testimony heard directly from the plant owners in the House Natural Resources Committee. All these devastating economic impacts would be imposed on our weak economy for an uncertain environmental impact, per the Administration's own report.

It is clear the Administration should abandon these nonsensical regulatory mandates and focus on policies that will stimulate our economy, not further damage it. The federal government needs to get back to working with the people, not against the people.

I look forward to hearing from today's witnesses. These hardworking Americans— the people on the ground, dealing with the regulations and bureaucrats that prevent them from doing their jobs to the best of their capabilities— have an important story to tell.

I am committed to pushing policies that reduce the planning time and regulatory permitting costs associated with the development of new federal and non-federal dams and reservoirs and fighting unnecessary regulatory actions that compromises existing infrastructure. These efforts will reduce U.S. dependence on foreign energy production, ensuring a safe and stable water supply, and facilitating badly needed local job growth in communities throughout the West.

Thank you.