



HOUSE COMMITTEE ON
NATURAL RESOURCES
CHAIRMAN BRUCE WESTERMAN

To: Subcommittee on Water, Wildlife and Fisheries Republican Members
From: Subcommittee on Water, Wildlife and Fisheries staff: Annick Miller x58331 (annick.miller@mail.house.gov), Doug Levine (doug.levine@mail.house.gov), Kirby Struhar (kirby.struhar@mail.house.gov), and Thomas Shipman (thomas.shipman@mail.house.gov)
Date: Thursday, May 16, 2024
Subject: Oversight Hearing on “*Examining the President’s Fiscal Year 2025 Budget Proposals for the U.S. Bureau of Reclamation, the U.S. Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and the Power Marketing Administrations*”

The Subcommittee on Water, Wildlife and Fisheries will hold an oversight hearing on “*Examining the President’s Fiscal Year 2025 Budget Proposals for the U.S. Bureau of Reclamation, the U.S. Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and the Power Marketing Administrations*” on **Thursday, May 16, 2024, at 2:30 p.m. EDT in 1334 Longworth House Office Building.**

Member offices are requested to notify Thomas Shipman (thomas.shipman@mail.house.gov) by 4:30 p.m. on Wednesday, May 15, 2024, if their Member intends to participate in the hearing.

I. KEY MESSAGES

- Committee Republicans are focused on promoting access, conservation, habitat restoration, and transparency. The Biden administration’s budget for Fiscal Year 2025 falls short of all these goals and will not result in economic or environmental benefits for the American people or our natural resources.
- Over the past several years, Democrats have poured billions of dollars into the U.S. Fish and Wildlife Service. The agency has pursued an agenda that limits access and places burdens on America’s landowners and ranchers. At the same time, it has cut popular conservation programs and failed to streamline the burdensome permitting process.
- The National Oceanic and Atmospheric Administration continues to pursue actions that could harm vital sectors of the economy like fishing, energy production, and maritime transportation.

II. WITNESSES

Panel I

- *The Honorable Camille Touton*, Commissioner, Bureau of Reclamation, Department of the Interior, Washington, D.C.
- *The Honorable Martha Williams*, Director, U.S. Fish and Wildlife Service, Department of the Interior, Washington, D.C.
- *The Honorable Richard Spinrad*, Under Secretary of Commerce for Oceans and Atmosphere & National Oceanic and Atmospheric Administration Administrator, Department of Commerce, Washington, D.C.
- *Mr. John Hairston*, Administrator and CEO, Bonneville Power Administration, Department of Energy, Portland, Oregon
- *Ms. Tracey LeBeau*, Administrator and CEO, Western Area Power Administration, Department of Energy, Lakewood, Colorado
- *Mr. Mike Wech*, Administrator, Southwestern Power Administration, Department of Energy, Tulsa, Oklahoma
- *Mr. Virgil Hobbs*, Administrator and CEO, Southeastern Power Administration, Department of Energy, Elberton, Georgia

III. BACKGROUND

The Subcommittee on Water, Wildlife and Fisheries has within its jurisdiction the following agencies within the Department of the Interior (DOI), the Department of Commerce (Commerce), and the Department of Energy (DOE):

- **Bureau of Reclamation**, which oversees or provides funds for multi-purpose storage reservoirs in western states, hydropower generation, federal irrigation projects, water recycling and desalination, and Indian water rights settlements.
- **U.S. Fish and Wildlife Service**, which implements statutes and activities including the Endangered Species Act, the Marine Mammal Protection Act, the Lacey Act, migratory birds, the National Wildlife Refuge System, and wildlife and sport fish restoration.
- **National Oceanic and Atmospheric Administration**, which covers matters relating to commercial and recreational fisheries, the Endangered Species Act, the Marine Mammal Protection Act, coastal zone management, and other marine resources.
- **Power Marketing Administrations**, which deliver electricity generated from federal water projects to wholesale customers such as rural electric cooperatives, municipal utilities, and Indian tribes.
- **United States Geological Survey**, which is the science arm of the Department of the Interior. The Subcommittee has jurisdiction over the Water Resources and Ecosystems mission areas.¹

¹ This memo does not cover USGS. The agency will be testifying before the Subcommittee on Energy and Mineral Resources on May 22, 2024. Please contact Committee staff for a full breakdown of the USGS line offices

Agency	FY 2023 Actual	FY 2024 Enacted	FY 2025 Request	Change (FY 2024 vs. FY 2025)
Reclamation	\$1.93 billion	\$1.9 billion	\$1.60 billion	-\$300 million
U.S. Fish & Wildlife Service	\$1.77 billion	\$1.72 billion	\$1.89 billion	\$314 million
NOAA	\$6.2 billion	\$6.3 billion	\$6.6 billion	\$300 million

U. S. Bureau of Reclamation

Established in 1902, the U.S. Bureau of Reclamation (Reclamation) manages federal water projects for agriculture activities, municipal and industrial use, hydropower production, environmental purposes, and flood control and recreation for millions of people in the 17 western states.² Through its 294 reservoirs and 490 dams,³ Reclamation delivers 10 trillion gallons of water to millions of people across the 17 western states, providing irrigation to 10 million acres of farmland.⁴ Reclamation is the largest wholesale supplier of water in the United States⁵ and the second largest producer of hydroelectric power,⁶ providing 14 percent of the nation’s hydroelectric capacity and generation.⁷

The Fiscal Year (FY) 2025 budget request represents a reduction of about \$300 million in discretionary funding over the FY 2024 enacted level. While not part of the appropriations request, Reclamation’s overall budget for FY 2025 includes an additional \$2.5 billion in other mandatory federal funding and non-federal funds, including \$1.66 billion from the Infrastructure Investment and Jobs Act (IIJA).⁸

Central Valley Project (CVP): Over the last two decades, much of the western United States has experienced prolonged, persistent drought and below-average precipitation, including the droughts of 2012-2016 and 2019-2022. In recent years, Reclamation has been unable to provide water supplies to most CVP agricultural water service contractors, including in 2021 and 2022, and was forced to cut supplies for some senior water rights holders.⁹

² U.S. Bureau of Reclamation, Mission. <https://www.usbr.gov/main/about/mission.html>.

³ U.S. Bureau of Reclamation FY 2025 Budget Request. W&RR-1. <https://www.usbr.gov/budget/2025/FY-2025-Bureau-of-Reclamation-Budget-Justifications.pdf>.

⁴ U.S. Bureau of Reclamation FY 2025 Budget Request. GS-1. <https://www.usbr.gov/budget/2025/FY-2025-Bureau-of-Reclamation-Budget-Justifications.pdf>.

⁵ U.S. Bureau of Reclamation FY 2025 Budget Request. W&RR-4. <https://www.usbr.gov/budget/2025/FY-2025-Bureau-of-Reclamation-Budget-Justifications.pdf>.

⁶ U.S. Bureau of Reclamation FY 2025 Budget Request. BW-44. <https://www.usbr.gov/budget/2025/FY-2025-Bureau-of-Reclamation-Budget-Justifications.pdf>.

⁷ U.S. Bureau of Reclamation FY 2025 Budget Request. W&RR-9. <https://www.usbr.gov/budget/2025/FY-2025-Bureau-of-Reclamation-Budget-Justifications.pdf>.

⁸ U.S. Bureau of Reclamation FY 2025 Budget Request. W&RR-1. <https://www.usbr.gov/budget/2025/FY-2025-Bureau-of-Reclamation-Budget-Justifications.pdf>.

⁹ Bureau of Reclamation Historical Central Valley Project Water Allocations, https://www.usbr.gov/mp/cvo/vungvari/water_allocations_historical.pdf.

However, an extremely wet winter in 2022-2023 and a wetter-than-normal winter in 2023-2024 have significantly improved the state's hydrology. Currently, most of California's water supply reservoirs are at or above their historical averages.¹⁰ In addition, the statewide snow water equivalent (the depth of water that would cover the ground if the snow cover was in a liquid state) is 105 percent of average – with some regions of the state reaching as high as 116 percent of average.¹¹ Despite these conditions, many agriculture water service contractors have been allocated 35 percent of their maximum contract supplies for 2024.¹² At a 2023 WWF Subcommittee field hearing in Tulare, California, Members and witnesses raised concerns that the Biden administration has not focused enough efforts on increasing storage opportunities in the state.¹³ The Committee subsequently passed H.R. 215 (Rep. Valadao), the *WATER for California Act*, to help resolve some of these water supply issues.¹⁴

Klamath Project: Reclamation's Klamath Project in northern California and southern Oregon irrigates approximately 200,000 acres and is the regional hub for agriculture production and wildlife refuge habitat for waterfowl in the Pacific Flyway. In addition, tribal nations upstream and downstream within the Klamath watershed depend on water, although their needs vary depending on their location.

On April 15, 2024, the Bureau of Reclamation announced it allocated 230,000 acre-feet of water from Upper Klamath Lake to be used for farms and ranches in the area this year.¹⁵ This is the fifth-worst allocation on record for the project. Given the favorable snowpack and hydrology in 2023/2024, the farming community has expressed disappointment in the allocation.¹⁶ The Klamath Water Users Association has noted that this allocation is roughly two-thirds of historic irrigation demand.¹⁷

Colorado River Basin: Despite an uptick in higher precipitation levels in the past two winters, the Colorado River Basin continues to experience long-term drought. In March 2024, Reclamation published a Final Supplemental Environmental Impact Statement (SEIS) that revised the current interim operating guidelines for the near-term operation of Glen Canyon and Hoover Dams.¹⁸ The SEIS finalized measures to address potential shortages under the guise of protecting these dams' water supply and hydropower operations for 2024 through 2026. Parallel to analyzing near-term operational changes, in 2022 Reclamation initiated efforts to study and

¹⁰ California Department of Water Resources, Major Water Supply Reservoirs, April 15, 2024, <https://cdec.water.ca.gov/resapp/RescondMain>.

¹¹ California Department of Water Resources, California Snow Water Content, April 15, 2024, https://cdec.water.ca.gov/reportapp/javareports?name=PLOT_SWC.

¹² Central Valley Project Water Allocations, <https://usbr.gov/mp/cvp-water/allocations.html>.

¹³ Legislative Field Hearing on H.R. 215 "WATER for California Act" and H.R. 872 "FISH Act" <https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=413035>.

¹⁴ Press Release: Congressman Valadao's Water for California Act Passes out of the House Natural Resources Committee, April 28, 2023. <https://valadao.house.gov/news/documentsingle.aspx?DocumentID=652>.

¹⁵ Press Release: *Reclamation announces 2024 Klamath Project allocation, and additional funding for drought resiliency, ecosystem enhancement*, April 15, 2024. <https://www.usbr.gov/newsroom/news-release/4797>.

¹⁶ O'Brien, Molly. Irrigators disappointed by Bureau of Reclamation's 230,000 acre-feet allocation from Upper Klamath Lake, April 16, 2024, https://www.heraldandnews.com/news/irrigators-disappointed-by-bureau-of-reclamations-230-000-acre-feet-allocation-from-upper-klamath-lake/article_648d977c-fc35-11ee-b301-ebb6eafef586.html.

¹⁷ *Id.*

¹⁸ Press Release: *Biden-Harris Administration Announces Major Milestone to Protect Short-Term Stability of Colorado River Basin*, March 5, 2024. <https://www.doi.gov/pressreleases/biden-harris-administration-announces-major-milestone-protect-short-term-stability>.

recommend alternatives for long-term (post-2026) operations on the Colorado River.¹⁹ The post-2026 operational planning process aims to identify a range of alternatives to be employed to manage the Colorado River for decades into the future. If the Upper and Lower Basins fail to come to an agreement on post-2026 operational terms, the Secretary of the Interior could opt to propose long-term management terms unilaterally. Despite ongoing negotiations, Upper and Lower Basin states have not agreed on a consensus-based plan for post-2026 operations. As a result, the Upper and Lower Basins submitted different proposals to Reclamation in March 2024.²⁰ Reclamation is engaged in modeling these and other operational alternatives to finalize a long-term operations plan by late 2024.

In addition, on February 23, 2023, Reclamation released a draft Glen Canyon Dam/Smallmouth Bass Flow Options Environmental Assessment (EA) that presented four potential operational flow options; all four bypass hydropower generation and are aimed at preventing smallmouth bass from spawning and establishing downstream of Glen Canyon Dam. Non-native smallmouth bass and other predatory fish pose a threat to federally listed fish species and other native fish downstream, according to some stakeholders.²¹ Based on the EA's analysis and nearly 7,000 comments received, Reclamation concluded that additional analysis was warranted and published a draft Supplemental Environmental Impact Statement (SEIS) in February 2024.²² The SEIS includes similar flow options to the original EA. Consumer-owned electric system organizations have expressed concerns about the potential loss of hydropower generation due to the bypass flows.²³ This loss will lead utilities to purchase higher-cost replacement energy,²⁴ which could further exacerbate the ongoing challenges that American families face with higher electricity bills and elevated inflation levels.

U. S. Fish & Wildlife Service (Service or USFWS)

The Service is responsible for implementing the Endangered Species Act (ESA), the Migratory Bird Treaty Act (MBTA), the Marine Mammal Protection Act, the Lacey Act, and international agreements like the Convention on International Trade in Endangered Species (CITES).

¹⁹ Request for Input on Development of Post-2026 Colorado River Reservoir Operational Strategies for Lake Powell and Lake Mead Under Historically Low Reservoir Conditions, 87 Fed. Reg. 37884-37888.

²⁰ Letter from Colorado River Upper Division State Representatives of Colorado, New Mexico, Utah, and Wyoming to the Honorable Camille Touton, Commissioner, U.S. Bureau of Reclamation, March 5, 2024, <http://www.ucrcommission.com/wp-content/uploads/2024/03/UDS-Alternative-Submittal-March-5-2024.pdf>; and Letter from Colorado River Basin States Representatives of Arizona, California, and Nevada to the Honorable Camille Touton, Commissioner, U.S. Bureau of Reclamation, March 6, 2024, <https://library.cap-az.com/documents/public-information/press-release/2024-03-05-CAWCD-SNWA-Metropolitan-Joint-Letter-in-Support-of-Lower-Basin-Alternative.pdf>.

²¹ Draft Glen Canyon Dam/Smallmouth Bass Flow Options Environmental Assessment. https://www.usbr.gov/uc/DocLibrary/EnvironmentalAssessments/20230200-GCDSmallmouthBassFlowOps_Draft%20EA_508.pdf.

²² Glen Canyon Dam Long-Term Experimental and Management Plan, Environmental Impact Statement, February 2024, https://www.usbr.gov/uc/DocLibrary/EnvironmentalImpactStatements/GlenCanyonDamLong-TermExperimentalManagementPlan/20240207-Draft-GCDLTEMP-SEIS_508.pdf.

²³ Letter from Colorado River Energy Distributors Association to the Bureau of Reclamation, “Glen Canyon Dam Long-Term Experimental and Management Plan (LTEMP) Draft Supplemental Environmental Impact Statement (DSEIS) – 89 FR 28, February 9, 2024”, March 24, 2024.

²⁴ Adaptive Management Work Group Meeting, February 15-16, 2023. Draft Minute Meetings. <https://www.usbr.gov/uc/progact/amp/amwg/2023-02-16-amwg-meeting/20230216-AMWGMeeting-DraftMinutes-508-UCRO.pdf>.

The Service manages over 850 million acres of land and water and almost 800 field stations.²⁵ They also manage 570 National Wildlife Refuges (see Figure 1), 71 National Fish Hatcheries, 51 Fish and Wildlife Conservation Offices, and 79 Ecological Services Field Stations.²⁶

As noted above, the FY 2025 budget request represents a \$163.4 million increase over the FY 2024 enacted level. The stated primary reasons for this increase are to increase staffing at the Service by 871 full-time employees (from 8,536 full-time employees), implement the Biden administration’s 30x30 goals, “address climate change effects on FWS trust resources,” and reconnect Americans with the outdoors.²⁷



Figure 1: National Wildlife Refuge System. Source: USFWS

Ecological Services: The Service has requested \$338.2 million for the Ecological Services program, a \$49.9 million increase from the FY 2024 enacted amount of \$288.3 million.²⁸ The agency intends to use this funding to increase environmental permitting capacity to implement the IJA, the Inflation Reduction Act (IRA), and to reduce other permitting backlogs.²⁹ The Service, however, makes no reference and provides no policy recommendations for reforming the National Environmental Policy Act (NEPA) or the Endangered Species Act (ESA) to streamline the permitting process. In fact, the Service’s FY 2025 budget request for Ecological Services includes a proposed reduction of \$500,000 and 3 FTEs for NEPA permitting, stating that “the decrease will reduce technical assistance for agencies in support of the National Environmental Policy Act.”³⁰

Endangered Species Act: The Service has requested \$23.9 million for species listings under the ESA, a \$1.9 million increase from the FY 2024 enacted amount of \$22 million.³¹ In FY 2025, there are pending listing decisions for species, such as the monarch butterfly, which would have

²⁵ “Budget Justifications and Performance Information Fiscal Year 2025.” The United States Department of the Interior. U.S. Fish and Wildlife Service. Page EX-2. <https://www.fws.gov/sites/default/files/documents/2024-03/fy2025-508-fws-greenbook.pdf>.

²⁶ *Id.*

²⁷ *Id.* at EX-4.

²⁸ Budget Justifications and Performance Information Fiscal Year 2025.” The United States Department of the Interior. U.S. Fish and Wildlife Service. Page BG-1. <https://www.fws.gov/sites/default/files/documents/2024-03/fy2025-508-fws-greenbook.pdf> *Congressional Record*, vol. 170, no. 39, (March 5, 2024). Page S1799.

<https://www.congress.gov/118/crec/2024/03/05/170/39/CREC-2024-03-05.pdf>.

²⁹ “Budget Justifications and Performance Information Fiscal Year 2025.” The United States Department of the Interior. U.S. Fish and Wildlife Service. EX-11. <https://www.fws.gov/sites/default/files/documents/2024-03/fy2025-508-fws-greenbook.pdf>.

³⁰ Budget Justifications and Performance Information Fiscal Year 2025.” The United States Department of the Interior. U.S. Fish and Wildlife Service. Page ES-15. <https://www.fws.gov/sites/default/files/documents/2024-03/fy2025-508-fws-greenbook.pdf>.

³¹ Budget Justifications and Performance Information Fiscal Year 2025.” The United States Department of the Interior. U.S. Fish and Wildlife Service. Page BG-1. <https://www.fws.gov/sites/default/files/documents/2024-03/fy2025-508-fws-greenbook.pdf> *Congressional Record*, vol. 170, no. 39, (March 5, 2024). Page S1799.

<https://www.congress.gov/118/crec/2024/03/05/170/39/CREC-2024-03-05.pdf>.

impacts in all of the lower-48 states.³² In this Congress, the WWF Subcommittee has held four hearings on legislation to reform the ESA and two oversight hearings on the ESA more broadly.³³ These hearings resulted in six bills being favorably reported out by the Committee on April 27, 2023.³⁴ Of the bills passed by Committee, three have passed the floor of the House of Representatives, two of which were Congressional Review Act resolutions that would have overturned FWS actions and were vetoed by President Biden. Committee Republicans have also sought to hold the Biden administration accountable for recent actions it has taken to weaponize the ESA, including three rulemakings that were recently finalized that reverse ESA reforms made under the Trump administration.

National Wildlife Refuge System: The President’s budget request includes \$602.3 million for FY 2025 for the National Wildlife Refuge System (System),³⁵ including \$160.1 million for Refuge Maintenance and \$63.4 million for increased law enforcement capacity.³⁶ As the Committee noted in a recent oversight hearing, the proposed funding increases coincide with proposed cuts to important programs like the North American Wetlands Conservation Act (NAWCA). The budget request cuts funding for that program by nearly one-third, from \$49 million to \$33 million.³⁷

The proposed funding for the System comes as the Biden administration seeks drastic changes to the way the System is managed. On February 2, 2024, the Service issued a proposed rule to “ensure that the biological integrity, diversity, and environmental health (BIDEH) of the National Wildlife Refuge System (Refuge System) are maintained.”³⁸

The proposed rule would alter how refuge managers operate on System lands, creating a new “default position” that prohibits certain management practices unless a full analysis of environmental impacts of the proposed activity is conducted in accordance with NEPA and additional scientific peer review would also be required. These proposed changes would impact cooperative agricultural management practices on System lands, pesticide usage and predator control efforts, among other practices. The Committee held an oversight hearing on the proposed BIDEH rule issue on April 10, 2024.³⁹

³² “Endangered Species Act Petitions Received by Fish and Wildlife Service.” Environmental Conservation Online System. [ECOS: Endangered Species Act Petitions Received by Fish and Wildlife Service \(fws.gov\)](https://ecos.fws.gov/ecos/petitions)

³³ WWF Hearing on March 23, 2023 and April 18, 2023 <https://docs.house.gov/Committee/Calendar/ByEvent.aspx?EventID=115633> and <https://docs.house.gov/Committee/Calendar/ByEvent.aspx?EventID=115638>

³⁴ House Natural Resources Full Committee Mark-up on April 27, 2023. https://naturalresources.house.gov/uploadedfiles/markup_memo_fc_mu_of_9_bills_04.27.26.pdf

³⁵ FY 2025 Greenbook. EX-12. <https://www.fws.gov/sites/default/files/documents/2024-03/fy2025-508-fws-greenbook.pdf#page=24>

³⁶ *Id.*

³⁷ USFWS Budget Table for FY 2025. U.S. Fish and Wildlife Service. https://naturalresources.house.gov/uploadedfiles/fws_fy_2025_summary_table_nwrs_breakdown.pdf.

³⁸ U.S. Fish and Wildlife Service. National Wildlife Refuge System; Biological Integrity, Diversity, and Environmental Health. Proposed Rule. February 2, 2024. <https://www.federalregister.gov/documents/2024/02/02/2024-02076/national-wildlife-refuge-system-biological-integrity-diversity-and-environmental-health>

³⁹ House Natural Resources Committee hearing, “The National Wildlife Refuge System at Risk: Examining the Impacts of the U.S. Fish and Wildlife Service’s Proposed BIDEH Rule.” April 10, 2024. <https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=415815>

National Oceanic and Atmospheric Administration (NOAA)

The FY 2025 budget request for discretionary appropriations for NOAA is \$6.6 billion,⁴⁰ a \$224.8 million increase from the FY 2024 enacted level.⁴¹ NOAA's request for new discretionary appropriations is one part of the agency's requested discretionary direct obligations, which also includes transfers and recoveries from prior year obligations.⁴² NOAA requested a total of \$7.0 billion in discretionary direct obligations for FY 2025.⁴³ NOAA's core mission and activities include weather forecasting, climate prediction, managing fisheries, coastal, and ocean resources, and research to support and advance these operational areas. NOAA carries out this mission through six major line offices:

- **National Ocean Service (NOS)**, responsible for mapping and charting coastal areas and providing other navigation support services.
- **National Marine Fisheries Service (NMFS)**, responsible for stewardship of living marine resources through the conservation, management, and promotion of healthy ecosystems.
- **Office of Oceanic and Atmospheric Research (OAR)**, responsible for research supporting most NOAA missions, including atmospheric, coastal, and oceanic sciences, climate and air quality research, ecosystem research, and fisheries and marine mammal research. The House Committee on Natural Resources shares jurisdiction over this line office with the House Science, Space and Technology Committee.
- **National Weather Service (NWS)**, responsible for weather forecasts and warnings. The House Science, Space and Technology Committee has jurisdiction over this line office.
- **National Environmental Satellite, Data, and Information Service (NESDIS)**, responsible for satellite operations and acquisitions as well as environmental data and information. The House Science, Space and Technology Committee has jurisdiction over this line office.
- **Office of Marine and Aviation Operations (OMAO)**, manages and operates NOAA's fleet of 15 research and survey ships and nine specialized environmental data-collecting aircraft. The NOAA Commissioned Officer Corps is under this line office. The House

⁴⁰ National Oceanic and Atmospheric Administration. FY 2025 Congressional Justification. NOAA-17.

https://www.noaa.gov/sites/default/files/2024-03/NOAA_FY25_Congressional_Justification.pdf.

⁴¹ The discretionary appropriations amount includes amounts for the following accounts: Operations, Research, and Facilities (ORF); Procurement, Acquisition, and Construction (PAC); Fishermen's Contingency Fund (FCF), Pacific Coastal Salmon Recovery Fund (PCSRF), Fisheries Disaster Assistance Fund (FDAF), Marine Mammal Unusual Mortality Event Fund (MMUMEF), and Medicare Eligible Retiree Health Care Fund (National Oceanic and Atmospheric Administration [NOAA], *Budget Estimates Fiscal Year 2025, Congressional Submission*, March 2024, p. Control Table-14, hereinafter NOAA, *Budget Estimates Fiscal Year 2025*; and personal correspondence with NOAA, April 16, 2024).

⁴² See CRS In Focus IF12406, National Oceanic and Atmospheric Administration (NOAA) FY2024 Budget Request and Appropriations, by Eva Lipiec for a discussion of direct obligations. This memo does not include a discussion of mandatory accounts.

⁴³ NOAA, *Budget Estimates Fiscal Year 2025*, p. Control Table-15.

Committee on Natural Resources shares jurisdiction over this line office with the House Science, Space and Technology Committee.

While the House Committee on Natural Resources has jurisdiction over NMFS, NOS, and shares jurisdiction on parts of the OMAO and OAR, this memo will focus on NMFS and NOS. Please contact Committee staff for a full breakdown of the other line offices.

National Marine Fisheries Service: The NMFS line office manages 492 marine and anadromous fish stocks within the U.S. Exclusive Economic Zone (EEZ), along with invertebrates, sea turtles, marine mammals, and other marine and coastal species and their habitats.⁴⁴ The United States' EEZ are waters under federal jurisdiction, generally extending up to 200 nautical miles from shore.⁴⁵ The FY 2025 budget requests \$1.23 billion for⁴⁶ NMFS, which will help NOAA “optimize advances in science and technology to create value-added, data-driven economic opportunities and solutions to pressing societal needs.”⁴⁷

The FY 2025 NMFS budget request is \$10.0 million less than the FY 2024 enacted amount.⁴⁸ A troubling aspect of this budget request is NOAA's focus on offshore wind energy development, at the expense of important activities such as the John H. Prescott Marine Mammal Rescue Assistance, fisheries data collection, and habitat restoration programs – all of which received reductions in funding requests or were proposed for termination.⁴⁹

Recreational Fisheries Surveys and Data, Including Red Snapper: NMFS' fisheries surveys and management has long been a subject of scrutiny for Committee members and other impacted stakeholders. For example, in 2023 the Center for Sportfishing Policy (CSP) released its “Modern Fish Act Implementation Report,” which monitored and graded the federal government's implementation of the Modernizing Recreational Fisheries Management Act of 2018 (Modern Fish Act). The legislation was enacted in December 2018 and, according to CSP, “recognizes that recreational and commercial fishing are fundamentally different endeavors and should be managed accordingly and adds more appropriate management tools for policymakers to use in managing federal recreational fisheries.”⁵⁰ While the report indicated that NMFS is improving on some matters of implementing this law, CSP indicated that the agency is “not yet meeting expectations” as it relates to the statute's section requiring the improvement of federal-state cooperative data collection or improving recreational data collection.⁵¹

⁴⁴ National Oceanic and Atmospheric Administration. FY 2025 Budget Summary. Page 21.

https://www.noaa.gov/sites/default/files/2024-04/NOAA_Blue_Book_FY25_Budget_Summary.pdf.

⁴⁵ National Oceanic and Atmospheric Administration, What is the EEZ? <https://oceanservice.noaa.gov/facts/eez.html>.

⁴⁶ National Oceanic and Atmospheric Administration, FY 2025 Congressional Justification. NMFS-1.

https://www.noaa.gov/sites/default/files/2024-03/NOAA_FY25_Congressional_Justification.pdf.

⁴⁷ National Oceanic and Atmospheric Administration. FY 2025 Budget Summary. Page 22.

https://www.noaa.gov/sites/default/files/2024-04/NOAA_Blue_Book_FY25_Budget_Summary.pdf.

⁴⁸ Congress provided funding to NMFS in FY2024 through several accounts, including ORF, FCF, PCSRF, and FDAF. CRS combined the discretionary direct obligations for these accounts to determine the FY2024 NMFS enacted amount (Mrs. Murray, Unanimous Consent Agreement-H.R. 4366, *Congressional Record*, daily edition, vol. 170 (March 5, 2024), pp. S1401 and S1403).

⁴⁹ NOAA, *Budget Estimates Fiscal Year 2025*, pp. NOAA-21-NOAA-25.

⁵⁰ 2023 Modern Fish Act Implementation Progress Report, Center for Sportfishing Policy.

<http://www.sportfishingpolicy.com/2019-modern-fish-act-implementation-progress-report/>.

⁵¹ *Id.*

Most concerning to CSP was that on December 1, 2022 NMFS announced a final rule to calibrate red snapper data collected by the Gulf of Mexico states (Alabama, Florida, Louisiana, Mississippi, and Texas) to the Marine Recreational Information Program (MRIP).⁵² Recreational anglers believe that MRIP is incapable of providing the precision and accuracy needed for in-season management, leading to faulty federal management actions that reduce the allowable catch of red snapper.

In August 2023, NMFS published a report which evaluated the potential sources of bias in the MRIP Fishing Effort Survey (FES).⁵³ The FES estimates the number of private/rental boat and shore fishing trips taken by anglers.⁵⁴ NMFS concluded that the current FES design is likely overestimating recreational fishing efforts and is implementing a follow-up study throughout 2024.⁵⁵

In an April 18, 2024, letter to Janet Coit (NOAA's Assistant Administrator for Fisheries), several members of the Committee expressed concern that NMFS continues to rely on the MRIP-FES and stated that utilizing this survey is "causing premature fishery closures across the country, limiting both economic and recreational opportunities."⁵⁶

Offshore Wind (OSW): NOAA has stated it will continue to work closely with the Bureau of Ocean Energy Management (BOEM) to minimize the effects of offshore energy projects on protected marine resources, fisheries, and important habitats; and to reduce delays and minimize adverse economic impacts to the fishing industry and related coastal communities.⁵⁷ BOEM is responsible for leasing areas for offshore wind in federal waters. In 2022, NMFS and BOEM announced a joint strategy to address the potential impacts of offshore wind energy development on NMFS's scientific surveys, which include fishery abundance surveys and surveys of protected species populations (i.e., threatened and endangered species, marine mammals, etc.).⁵⁸ NOAA pays for these surveys or any impact from offshore wind on these surveys.⁵⁹ These surveys inform stock assessments with information that is applied toward sustainable management of U.S. fisheries and protected species.⁶⁰ For FY 2025, NOAA requests more than \$30 million to

⁵² Final Rule Published in the Federal Register; Dec. 2, 2022 <https://www.govinfo.gov/content/pkg/FR-2022-12-02/pdf/2022-26019.pdf>.

⁵³ NOAA, NMFS, Office of Science and Technology, *Evaluating Measurement Error in the MRIP Fishing Effort Survey*, May 2023, https://apps-st.fisheries.noaa.gov/rpts/main/public_docs/Evaluating%20Measurement%20Error%20in%20the%20FES%20Consolidated%20Final%20w%20Review.pdf?method=PUB_MANUSCRIPT&id=32268. Hereinafter NOAA, NMFS, *Evaluating Measurement Error in the MRIP Fishing Effort Survey*, 2023.

⁵⁴ NOAA, NMFS, "Fishing Effort Survey At-a-Glance," at <https://www.fisheries.noaa.gov/recreational-fishing-data/fishing-effort-survey-glance>.

⁵⁵ *Ibid.*

⁵⁶ Letter to Assistant Administrator Coit. April 18, 2024.

https://garretgraves.house.gov/uploadedfiles/2024_04_18_bicameral_ltr_to_nmfs_re_fisheries_data.pdf

⁵⁷ NOAA, *NOAA Budget Summary, 2025*, Washington, DC, 2024, p. 10, https://www.noaa.gov/sites/default/files/2024-04/NOAA_Blue_Book_FY25_Budget_Summary.pdf. Hereinafter NOAA, *NOAA Budget Summary, 2025*, 2024.

⁵⁸ NOAA, NMFS, *NOAA Fisheries and BOEM Federal Survey Mitigation Strategy – Northeast U.S. Region*, NOAA Technical Memorandum NMFS-NE-292, Woods Hole, MA, December 2022, pp. 1-33, <https://repository.library.noaa.gov/view/noaa/47925>.

⁵⁹ NOAA Fisheries and BOEM Federal Survey Mitigation Implementation Strategy - Northeast U.S. Region <https://repository.library.noaa.gov/view/noaa/47925>

⁶⁰ *Ibid.*

“support the Administration’s goal to deploy 30 gigawatts of offshore energy by 2030 while protecting biodiversity and promoting sustainable ocean co-use.”⁶¹

Notably, the Biden administration’s efforts to deploy offshore wind energy have been met with skepticism and concern in the fishing sector. For example, in 2022, BOEM released a draft of voluntary *Guidelines for Mitigating Impacts to Commercial and Recreational Fisheries on the Outer Continental Shelf*.⁶² In response to these guidelines, the New England Fishery Management Council, the Mid-Atlantic Fishery Management Council, and the South Atlantic Fishery Management Council all expressed concerns about deploying offshore wind energy too quickly and the need to ensure certainty and clarity for all interested parties.⁶³ Notably, these guidelines have not been finalized.

North Atlantic Right Whales and Rice’s Whales: NOAA’s activities related to the North Atlantic right whale and Rice’s whale have the potential to heavily impact important sectors of the economy, such as fishing, shipping, maritime transportation, and offshore energy development. On August 1, 2022, NMFS published in the Federal Register a proposed rule that would amend current North Atlantic right whale vessel speed regulations.⁶⁴ The proposed rule is currently in the final stages of review at the Office of Information and Regulatory Affairs (OIRA). It would expand the geographic area covered by the rule to include the majority of the U.S. East Coast and expand the size of vessels that are subject to the rule to include vessels from 35 to 65 feet in length.⁶⁵ Many stakeholders from the recreational and boating communities have expressed their opposition to the proposed rule.⁶⁶ For example, in an April 22, 2024, letter to Office of Management and Budget (OMB) Director Shalanda Young and OIRA Administrator Richard Revesz, the Center for Sportfishing Policy and the Congressional Sportsmen’s Foundation noted that this rule would negatively impact boater safety and recreational fishing activity.⁶⁷ This is particularly troubling given that outdoor recreation contributed more than \$1 trillion to the economy in 2022.⁶⁸

⁶¹ National Oceanic and Atmospheric Administration. FY 2025 Congressional Justification. NOAA-18. https://www.noaa.gov/sites/default/files/2024-03/NOAA_FY25_Congressional_Justification.pdf.

⁶² U.S. Department of the Interior, Bureau of Ocean Energy Management. “Guidelines for Mitigating Impacts to Commercial and Recreational Fisheries on the Outer Continental Shelf Pursuant to 30 CFR Part 585.” June 23, 2022. https://www.boem.gov/sites/default/files/documents/renewable-energy/DRAFT%20Fisheries%20Mitigation%20Guidance%2006232022_0.pdf.

⁶³ New England Fishery Management Council, Mid-Atlantic Fishery Management Council, and South Atlantic Fishery Management Council. Comments submitted on BOEM’s draft guidance “Guidelines for Mitigating Impacts to Commercial and Recreational Fisheries on the Outer Continental Shelf Pursuant to 30 CFR Part 585.” https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/6304e16beb9bcf1d2a3ec01b/1661264292849/NEFMC-MAFMC-SAFMC_Letter-to-BOEM-Fisheries-Mitigation-Guidance_8.22.2022.pdf.

⁶⁴ 50 C.F.R. §224.105; National Oceanic and Atmospheric Administration (NOAA), National Marine Fisheries Service (NMFS), “Amendments to the North Atlantic Right Whale Vessel Strike Reduction Rule,” 87 *Federal Register* 46921-46936, August 1, 2022. Hereinafter NOAA, NMFS, “Amendments to the North Atlantic Right Whale Vessel Strike Reduction Rule.”

⁶⁵ NOAA, NMFS, “Amendments to the North Atlantic Right Whale Vessel Strike Reduction Rule.”

⁶⁶ As examples, National Marine Manufacturers Association (NMMA), “In the News: NOAA’s Proposed Speed Rule Poses Risks to Coastal Businesses and Boaters,” press release, May 26, 2023, <https://www.nmma.org/press/article/24336>; International Fund for Animal Welfare, “Slow down to save endangered North Atlantic right whales,” <https://www.ifaw.org/journal/slow-down-to-save-endangered-north-atlantic-right-whales>.

⁶⁷ Congressional Sportsmen’s Foundation and Center for Sportfishing Policy. Letter to OMB and OIRA. April 22, 2024. <https://s3.amazonaws.com/cdn.congressionalsportsmen.org/wp-content/uploads/2024/04/30160912/CSP-CSF-Letter-to-OIRA-EO-12866-4-22-24.pdf>.

⁶⁸ *Id.*

Under NMFS' authorities granted through the ESA, the agency issued a proposed rule on July 24, 2023, which would designate U.S. waters in the Gulf of Mexico from the 100 to 400-meter isobaths as critical habitat for the Rice's whale.⁶⁹ NMFS identified these waters within the Gulf of Mexico continental shelf and slope as essential to support individuals' growth, reproduction, development, social behavior, and overall population growth.⁷⁰ NMFS is reviewing public comments before issuing a final designation and is expected to issue a final rule designating Rice's whale critical habitat by June 15, 2024.⁷¹ Some have issued statements raising concerns about the proposed critical habitat area and its potential impacts on the Gulf of Mexico marine sectors and military activities. In contrast, others have expressed their support of the proposed designation.⁷² The proposed critical habitat designation could have devastating consequences for the Gulf of Mexico, which is an important resource for energy production, economic activity, and important recreational activities like fishing.

National Ocean Service (NOS): The NOS line office is responsible for assisting maritime commerce through navigation, shoreline mapping, and nautical charting, coastal science research, such as coral reef restoration work, and ocean and coastal management through the implementation of the Coastal Zone Management Act and the National Marine Sanctuaries Act.

NOAA requests \$590.7 million in direct discretionary obligations for NOS in FY 2025 (i.e., new discretionary appropriations, transfers, and recoveries from prior year obligations).⁷³ The FY 2025 NOS budget request is \$93.3 million less than the FY 2024 enacted amount.⁷⁴ In a troubling pattern, NOAA requested increased funding for some NOS activities while requesting less funding for other important programs. For example, for FY 2025, NOS seeks \$17.7 million for the National Marine Sanctuary System⁷⁵ and requests \$6.2 million to "develop the social and ecological science to plan and site offshore wind energy development in support of the Administration's goal to deploy 30 gigawatts of offshore wind energy by 2030."⁷⁶ However, NOAA also seeks less funding for the Integrated Ocean Observing System, the Coral Reef Conservation Program's grant program, and seeks to terminate the Center of Excellence for Operational Ocean and Great Lakes Mapping.⁷⁷

⁶⁹ NOAA, NMFS, "Endangered and Threatened Species; Designation of Critical Habitat for the Rice's Whale," 88 *Federal Register* 47453-47472, July 24, 2023.

⁷⁰ Ibid.

⁷¹ Ibid.

⁷² For example, Dino Grandoni and Timothy Puko, "Meet the whale that may upend the offshore oil industry," *Washington Post*, September 26, 2023, <https://www.washingtonpost.com/climate-environment/2023/09/26/whale-gulf-mexico-rices-oil/>.

⁷³ NOAA requested funding for the National Ocean Service (NOS) for FY2025 through ORF and PAC accounts. CRS combined the discretionary direct obligations for these accounts to determine the FY2025 NOS requested amount (NOAA, *Budget Estimates Fiscal Year 2025*, pp. Control Table-8 and Control Table-10).

⁷⁴ Congress provided funding to NOS in FY2024 through ORF and PAC accounts. CRS combined the discretionary direct obligations for these accounts to determine the FY2024 NOS enacted amount (Mrs. Murray, Unanimous Consent Agreement-H.R. 4366, *Congressional Record*, daily edition, vol. 170 (March 5, 2024), pp. S1401 and S1402).

⁷⁵ National Oceanic and Atmospheric Administration. FY 2025 Congressional Justification. NOS-96. https://www.noaa.gov/sites/default/files/2024-03/NOAA_FY25_Congressional_Justification.pdf.

⁷⁶ National Oceanic and Atmospheric Administration. FY 2025 Congressional Justification. NOS-48. https://www.noaa.gov/sites/default/files/2024-03/NOAA_FY25_Congressional_Justification.pdf.

⁷⁷ National Oceanic and Atmospheric Administration. FY 2025 Congressional Justification. NOS-19. https://www.noaa.gov/sites/default/files/2024-03/NOAA_FY25_Congressional_Justification.pdf.

30x30 Initiative: According to NOAA and the Department of the Interior, 26% of U.S. marine waters, from the U.S. shoreline to the seaward limit of the U.S. EEZ, coastal bays, estuaries, and the Great Lakes, are in some marine protected area (MPA).⁷⁸

In March 2023, President Biden directed the Secretary of Commerce to consider initiating the designation of a National Marine Sanctuary under the National Marine Sanctuaries Act to “provide the most comprehensive and lasting protections to the significant natural and cultural resources of the submerged lands and waters” around the Pacific Remote Islands Marine National Monument (PRI MNM).⁷⁹ The monument was to be within and outside the Monument boundary to the seaward limit of the U.S. EEZ.⁸⁰ The Pacific Remote Islands (PRI) Coalition submitted nomination documents in February 2023 to designate the areas within the existing PRI MNM to the seaward limit of the U.S. EEZ around Howland and Baker Islands, Kingman Reef, and Palmyra Atoll as national marine monuments.⁸¹ Notably, this action was done without engaging Congresswoman Amata Radewagen (R-AS)⁸² and is opposed by all three Pacific territories' Governors.⁸³ The Western Pacific Fishery Management Council has also voiced opposition to this effort.⁸⁴

Power Marketing Administrations (PMAs), Department of Energy

There are four PMAs (see figure 2 below): The Bonneville Power Administration, the Western Area Power Administration, the Southwestern Power Administration, and the Southeastern Power Administration. Each PMA markets and delivers (via transmission lines) electricity generated at federal dams and reservoirs operated by Reclamation and the U.S. Army Corps of Engineers

PMA Map



Figure 2: Power Marketing Administrations. Source: DOE

⁷⁸ NOAA and the Department of the Interior, “Understanding Area-based Management in U.S. Waters,”

<https://marineprotectedareas.noaa.gov/gallery/understanding-area-based-mgmt-in-us-waters.html>.

⁷⁹ President Biden, *Memorandum for the Secretary of the Interior and the Secretary of Commerce, Subject: Conserving the Natural and Cultural Heritage of the Pacific Remote Islands*, March 24, 2023.

⁸⁰ White House: Memorandum on Conserving the Natural and Cultural Heritage of the Pacific Remote Islands, March 24, 2023.

<https://www.whitehouse.gov/briefing-room/presidential-actions/2023/03/24/memorandum-on-conserving-the-natural-and-cultural-heritage-of-the-pacific-remote-islands/>.

⁸¹ Pacific Remote Islands Coalition, *Pacific Remote Islands National Marine Sanctuary Nomination*, February 2023, p. 2, at <https://nmsnominate.blob.core.windows.net/nominate-prod/media/documents/20230210-pri-nomination-coalition-with-appendices-and-note-to-reviewer.pdf> (hereinafter PRI Coalition, *PRI NMS Nomination*, 2023).

⁸² Press Release: Amata Raises Concerns About Massive New 777,000 Square Miles of NMS Around the Pacific Remote Islands March 23, 2023. <https://radewagen.house.gov/media-center/press-releases/amata-raises-concerns-about-massive-new-777000-square-miles-nms-around>.

⁸³ Letter from Governors of American Samoa, Guam, and Northern Marianas. March 27, 2023. [https://republicans-naturalresources.house.gov/UploadedFiles/Territorial Governors letter to POTUS re proposed National Marine Sanctuary in the PRIA 042823.pdf](https://republicans-naturalresources.house.gov/UploadedFiles/Territorial%20Governors%20letter%20to%20POTUS%20re%20proposed%20National%20Marine%20Sanctuary%20in%20the%20PRIA%20042823.pdf).

⁸⁴ Seafood Source. “Fisheries council opposes Biden administration’s plans for new marine monument.” September 20, 2023. <https://www.seafoodsource.com/news/environment-sustainability/fisheries-council-opposes-biden-administration-s-plans-for-new-marine-monument>.

(Corps).⁸⁵ Hydropower is produced when water is released through dams, spinning turbine blades that are connected to generators to produce energy. In specific regions, it constitutes a significant source of electricity. Hydropower currently accounts for more than 26% of total U.S. renewable electricity generation and nearly 6% of total U.S. electricity generation.⁸⁶

Hydropower is renewable, emissions-free, and can be adjusted quickly to match real-time changes in electricity demand. It provides power for baseload (full-time) needs and peak times and serves as a backup generation source to supplement intermittent wind and solar power.⁸⁷ It is generally low-cost compared to other generation sources.⁸⁸

Under numerous authorizing statutes, PMAs must give preference to not-for-profit public bodies and electric cooperatives (known as “preference customers”), selling them at cost-based rates set at the lowest possible rate “consistent with sound business principles.”⁸⁹ PMA customers are responsible for repaying all power program expenses plus the interest on capital projects.⁹⁰ The rate structures are followed pursuant to 20 to 50-year contracts the wholesale customers entered into with the federal government. Rates also include the costs of environmental mandates and replacement power services resulting from these mandates, drought, and other factors.

Western Area Power Administration (WAPA): Created in 1977, WAPA can market up to 10,500 megawatts of hydroelectricity produced at Reclamation and Corps dams and the State Department’s International Boundary and Water Commission.⁹¹ WAPA serves about 700 wholesale customers over 1.3 million square miles in Arizona, California, Colorado, Iowa, Kansas, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Texas, Utah, and Wyoming through a 17,000-mile federal transmission system.⁹² These wholesale customers, in turn, supply 50 million retail customers.⁹³ WAPA is financed by annual customer funding, advance payments, and appropriations, reimbursed with interest through customer contractual repayment obligations.

One of WAPA’s biggest challenges is water variability due to intermittent drought and flooding. Hydropower needs water to generate electricity. Without it, WAPA can buy power on the open market from other sources to meet contractual obligations to its customers.⁹⁴ Due to low water availability, WAPA may see higher expenses to cover increased power purchases. As drought lowers generation capacity, WAPA purchases power to meet its firm power commitments to

⁸⁵ Bracmort, Kelsi. “Hydropower: Federal and Nonfederal Investment.” July 07, 2015. R42579.

⁸⁶ Energy Information Administration. Frequently asked questions. What is U.S. electricity generation by energy source? <https://www.eia.gov/tools/faqs/faq.php?id=427&t=3>.

⁸⁷ Wilson, M. *Why solar ‘tripping’ is a grid threat for renewables*, E&E News. <https://www.eenews.net/articles/why-solar-tripping-is-a-grid-threat-for-renewables/>.

⁸⁸ National Hydropower Association, <http://www.hydro.org/why-hydro/affordable/>.

⁸⁹ “The Power Marketing Administrations: Background and Current Issues” Congressional Research Service. R45548.

⁹⁰ “Energy and Water Development: FY2024 Appropriations” Congressional Research Service. R47553.

⁹¹ Western Area Power Administration, About Us <https://www.wapa.gov/about/Pages/about.aspx>.

⁹² Western Area Power Administration, “How Western Does Business” <https://www.wapa.gov/newsroom/Publications/Documents/How-WAPA-Does-Business.pdf> at 1.

⁹³ *Id.*

⁹⁴ WAPA, Summarizing Water Year 2021 Hydrology Conditions, March 10, 2022, <https://www.wapa.gov/newsroom/NewsFeatures/2022/Pages/summarizing-2021-hydrology-conditions.aspx>.

customers.⁹⁵ Other factors, such as Reclamation's proposed actions to control smallmouth bass below Glen Canyon Dam, would negatively impact hydropower generation and power costs.

The FY 2025 budget request proposes \$1.77 billion in agency spending, however \$1.66 billion is offset through ratepayer receipts. The remaining amount, \$101 million, would be dedicated to construction, operation, and maintenance of power lines.⁹⁶ All of that amount would eventually be repaid by ratepayers.

Bonneville Power Administration (BPA): Created in 1937, BPA can market and deliver up to 30,000 megawatts of wholesale electrical hydropower generated at 31 Reclamation and Corps facilities (known as the Federal Columbia River Power System or FCRPS) to wholesale customers in Oregon, Washington and parts of Idaho, Montana, Wyoming, and Nevada.⁹⁷ BPA, which also receives and markets an average of 1,000 megawatts of nuclear energy, serves 142 municipal, rural electric, public utility districts, investor-owned utilities, and some energy-intensive industries through 15,000 miles of transmission lines. According to BPA, it “provides about 28% of the electric power generated in the Northwest, and its resources — primarily hydroelectric — make BPA power nearly carbon free.”⁹⁸ The agency also sells significant “surplus” energy to California utilities in some water years.

BPA is self-financed and receives no direct annual appropriations from Congress.⁹⁹ BPA’s annual revenues vary depending on hydrologic conditions, electricity prices, environmental regulations, and other factors. BPA estimates that its overall FY 2025 budget obligations will be \$4.2 billion, all of which will be repaid by ratepayers.¹⁰⁰ The agency’s expenses include operational and capital costs, including power purchases, staffing, infrastructure costs, and environmental expenditures (i.e., ESA compliance), among other things.

Many of BPA’s customers are concerned about the status of the Columbia River Treaty (CRT), which was signed by the U.S. and Canada in 1964. The CRT governs the development and operation of dams in the Upper Columbia Basin for power and flood control benefits in both countries. Beginning in 2014, each country can give the other a ten-year notice of termination.¹⁰¹ The U.S. Government reached a consensus on a high-level position for negotiating the CRT in June 2015 and received authorization to negotiate with Canada on the CRT in October 2016.¹⁰² Since then, negotiations have been ongoing. Flood control operations under the Treaty are scheduled to transition to “called-upon” operations in 2024; this would mean that the facilities would be required to store certain levels of water in their reservoirs to respond to flooding risks.

⁹⁵ *Id.*

⁹⁶ Department of Energy FY2025 Budget Appendix, p. 380, https://www.whitehouse.gov/wp-content/uploads/2024/03/doe_fy2025.pdf.

⁹⁷ Bonneville Power Administration, Annual Report 2023. <https://www.bpa.gov/-/media/Aep/finance/annual-reports/ar2023.pdf>.

⁹⁸ *Id.*

⁹⁹ Department of the Energy FY25 Congressional Budget Request. Page 350. <https://www.energy.gov/sites/default/files/2024-03/doe-fy-2025-budget-vol-3-v2.pdf>.

¹⁰⁰ *Id.*

¹⁰¹ FAQs. Columbia River Treaty.

<https://engage.gov.bc.ca/columbiarivertreaty/faqs/#:~:text=Either%20Canada%20or%20the%20United,could%20give%2010%20years'%20notice.>

¹⁰² Congressional Research Service. Columbia River Treaty Review. Updated February 15, 2023. <https://sgp.fas.org/crs/misc/R43287.pdf>.

This dynamic could potentially reduce overall hydropower production capacity across the FCRPS.

The FCRPS has been subject to longstanding litigation, creating significant uncertainty on hydropower generation and rates, farming, and navigation. The FCRPS' operations impact thirteen anadromous species of salmon and steelhead listed for protection under the ESA.¹⁰³ Additionally, there are two ESA-listed resident species: bull trout and sturgeon. In May 2016, a federal judge ordered the federal agencies that own and operate the dams—the Corps, Reclamation, and BPA—to undertake a new environmental analysis.¹⁰⁴ The order required the agencies to consider breaching four dams on the Lower Snake River in eastern Washington: Ice Harbor, Lower Monumental, Little Goose, and Lower Granite. The Lower Snake River Dams' importance was highlighted in a July 2020 Biological Opinion (BiOp) that supported their continued operation and concluded that they are “managed to benefit” fish populations in the Columbia River Basin.¹⁰⁵ In 2020, these agencies released a Record of Decision (ROD), as mandated by the court. The ROD did not endorse dam breaching, stating that while the alternative had the “greatest benefits for some species of ESA-listed fish, it would achieve those benefits at the expense of not meeting the other components of the agencies' Purpose and Need Statement for certain EIS objectives.”¹⁰⁶ In particular, these dams have salmon passage and survival rates of between 93 to 99 percent.¹⁰⁷ Notably, the 2020 ROD was a \$50 million endeavor that “involved technical experts, the input of thousands of individuals via public comment and meetings, scientific models, and detailed economic analyses.”¹⁰⁸

Despite these previous findings, in December 2020 several parties filed a lawsuit challenging this BiOp and ROD, and in 2021, entered into a settlement mediation with an agreement to operate the dams at a reduced capacity.¹⁰⁹ This resulted in a settlement agreement reached in December 2023, which included a \$300 million commitment from the Federal government to “restore native fish and their habitats” and deliver “healthy and abundant” levels of salmon, steelhead, and other native fish in the Columbia River Basin.”¹¹⁰ Committee Republicans—as well as several Members of Congress from the Pacific Northwest—have repeatedly expressed concerns that the Biden administration's actions collectively are designed to make the dams inoperable and ultimately laying the groundwork for their breach; however, as has been made clear in numerous venues, the decision to breach dams is a decision that can solely be made by Congress.

¹⁰³ Federal Columbia River Power System, Background <https://www.usbr.gov/pn/fcrps/index.html>.

¹⁰⁴ House, Kelly. *Judge rejects feds' Columbia River salmon plan, calls for a rewrite*. The Oregonian. May 4, 2016. https://www.oregonlive.com/environment/2016/05/judge_rejects_feds_columbia_river.html.

¹⁰⁵ Endangered Species Act Section 7(a)(2) Biological Opinion. National Oceanic and Atmospheric Administration, National Marine Fisheries Service. 51 (July 24, 2020), <https://repository.library.noaa.gov/view/noaa/26460>.

¹⁰⁶ Record of Decision; Columbia River System Operations Environmental Impact Statement. 85 Fed. Reg. 63834-63870

¹⁰⁷ Executive Summary CRSO EIS, page 24. <https://usace.contentdm.oclc.org/utills/getfile/collection/p16021coll7/id/14957>.

¹⁰⁸ Lower Snake River Dams: Benefit Replacement Final Report, GOVERNOR JAY INSLEE, SENATOR PATTY MURRAY (Aug. 2022), https://governor.wa.gov/sites/default/files/2022-11/LSRD%20Benefit%20Replacement%20Final%20Report_August%202022.pdf.

¹⁰⁹ Press Release, U.S. DEP'T OF THE INTERIOR, *Biden-Harris Administration Announces Steps to Improve Conditions for Salmon in the Columbia River Basin*, (Oct. 21, 2021), <https://www.doi.gov/pressreleases/biden-harris-administration-announces-steps-improve-conditions-salmon-columbia-river>.

¹¹⁰ *Biden-Harris Administration Announces Ten-Year Partnership with Tribes & States to Restore Wild Salmon, Expand Clean Energy Production, Increase Resilience, and Provide Energy Stability in the Columbia River Basin*. The White House. HOUSE (Dec. 14, 2023), <https://www.whitehouse.gov/ceq/news-updates/2023/12/14/biden-harris-administration-announces-ten-year-partnership-with-tribes-states-to-restore-wild-salmon-expand-clean-energy-production-increase-resilience-and-provide-energy-stability-in-the-col/>.

Southwestern Power Administration (SWPA): Created in 1943, SWPA markets a combined capacity of 2,194 megawatts of hydroelectric power from 24 multi-purpose dams owned by the Corps.¹¹¹ SWPA sells the power to over 100 customers in Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas through 1,380 miles of transmission lines.¹¹² SWPA's FY 2025 budget requests \$183 million in spending, offset by \$172 million in electricity customer receipts. Of the remaining amount, a little more than \$11 million in appropriations is requested to cover transmission maintenance and upgrades, cybersecurity, and other matters.¹¹³ Like all program costs, this appropriated amount would eventually be recovered by SWPA through power rates charged to customers.

Southeastern Power Administration (SEPA): Created in 1950, SEPA markets 3,400 megawatts of capacity produced at 22 the Corps hydroelectric projects.¹¹⁴ The agency sells wholesale peaking power to more than 472 preference customers in Florida, Georgia, South Carolina, North Carolina, Tennessee, Alabama, Mississippi, Virginia, West Virginia, Kentucky, and Illinois.¹¹⁵ These wholesale customers, in turn, supply 12 million retail customers.¹¹⁶ SEPA does not own transmission lines and depends on arrangements with third parties to deliver federal electricity.¹¹⁷ SEPA's FY 2025 budget request does not request any federal appropriations, primarily because the \$99 million operating budget request is entirely financed with offsetting collections and net billing. All program costs are paid for by SEPA customers through power rates.

¹¹¹ Department of Energy, Southwestern Power Administration, About. <https://www.energy.gov/swpa/southwestern-power-administration>.

¹¹² *Id.*

¹¹³ Department of the Energy FY25 Congressional Budget Request. <https://www.energy.gov/sites/default/files/2024-03/doe-fy-2025-budget-vol-3-v2.pdf>.

¹¹⁴ Department of Energy, Southeastern Power Administration, About. <https://www.energy.gov/sepa/about-us>.

¹¹⁵ *Id.*

¹¹⁶ *Id.*

¹¹⁷ *Id.*