

KLAMATH OFF-PROJECT WATERUSERS

US House of Representatives Committee on Natural Resources

Subcommittee on Water and Power

The Bureau of Reclamation and the American Recovery and Reinvestment Act:

A Progress Report and Planning for the Future

July 15, 2010

I, Thomas Mallams, am the President of the Klamath Off-Project Waterusers. The Klamath Off-Project Waterusers is a non-profit organization, which was organized through community grass-root efforts to address power issues in the Klamath Off-Project area of southern Oregon.

The Klamath Off-Project Waterusers are eager to find solutions to affordable agricultural power within the Upper Klamath Basin. Additionally, the organization is interested in resolving the water quality and quantity issues in the Upper Klamath Basin. To that end, over the past approximately five years, the Klamath Off-Project Waterusers have participated in the Klamath Basin Restoration Agreement negotiations and the FERC relicensing process.

The Upper Klamath Basin is a farming and ranching community, whose livelihoods depend on affordable power and irrigation water. The agricultural-based economy in the Klamath area is on rocky ground due to the overall economic downturn and environmental laws like the ESA.

The Klamath Off-Project Waterusers would like to see our local economy stabilize. To accomplish a stable economy in the Upper Klamath Basin, the area needs long-term jobs, low-cost energy, water and a certain future.

The \$11 million in the Bureau of Reclamation "stimulus" budget to begin the conclusion-driven process of removing four hydropower producing dams will not provide for these needs. In fact, it will have the opposite impact. The promise of low-cost renewable hydropower and the infrastructure that produces it are key components of a stable economy in the Upper Klamath Basin, and across the United States. Instead of removing this green source of energy the Nation should maintain it and upgrade it to current environmental standards.

The "stimulus" package dedicates over \$11 million of American taxpayer dollars to study the removal of the dams. This "study" is being outsourced to a North Carolina firm, which is again not financially supporting the local or regional economy. These funds will pay people to study the removal of something that has helped keep electricity reliable and rates down. These actions are the exact opposite of promoting jobs.

Unfortunately, this study is being conducted as a conclusion driven process. The purpose of this study is to remove the dams and implement the associated Klamath Basin Restoration Agreement and Klamath Hydroelectric Settlement Agreement. The purpose of the study should be to equally consider and

develop alternative ideas, which would allow for the maintenance of low cost renewable hydropower and the infrastructure that produces it, as a key component of providing a stable economy.

Instead of providing funding to eradicate long-term jobs, subsidizing the richest man in America (Warren Buffett) and promoting radical environmental agendas of removing dams and putting farmers and ranchers out of business, we should be protecting rural America by keeping what works.

Dam removal and the associated Klamath Basin Restoration Agreement will lead to the end of an American Way of Life of farming and ranching in the West and bring on a collapse of the Upper Klamath Basin economy.