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U.S. House of Representatives
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Opening Statement of
Chairman Tom McClintock
Subcommittee on Water and Power
On Tuesday, March 25, 2014
1324 Longworth House Office Building
Oversight Hearing on “Examining the Proposed Fiscal Year 2015 Spending, Priorities and the Missions
of the Bureau of Reclamation, the Four Power Marketing Administrations and the U.S. Geological
Survey’s Water Program”

Today, the Water and Power Subcommittee will review the programs of the Bureau of Reclamation, the Power Marketing Administrations, and the water component of the U.S. Geological Survey, collectively tasked with producing, supplying and researching water and electric power supplies across the majority of the United States.

This Subcommittee has focused on charting a roadmap to abundance, to redirect our focus back to reliable water and power supplies through increased surface storage, reduced red tape, and sound resource management policies. This hearing is part of that mission.

Despite our continued efforts to bring Reclamation back to its core mission of supplying abundant and reliable water and power supplies, the 2015 budget request appears to be a wish list of programs designed to reduce human consumption, ration shrinking supplies, and resign ourselves to accepting frequent and catastrophic droughts. I doubt anyone here needs a reminder that this is an issue in California that we have dealt with exhaustively, but the reality is, long term solutions can only be found by expanding supply through multi-purpose facilities.

In addition to the desperate need for new reservoirs, the sub-committee has expressed growing concern over unnecessary releases of water from our existing facilities. This concern began with the excessive transfer of water from human needs to satisfy increasingly radical demands from environmental groups. Just last week, the Natural Resources Committee saw first hand the human misery these policies have caused in the Central Valley of California.

Last fall, 800,000 acre feet were drained from the Shasta, Oroville and Folsom reservoirs – nearly emptying Folsom lake completely – knowing full well that the region was in the middle of a potentially catastrophic drought. When asked to justify these releases at last week’s hearing, the representative of the California Resources Agency said, “We didn’t think the drought would be as severe as it is.” Since both Shasta and Folsom reservoirs are Bureau of Reclamation projects, this sub-committee would like to get the Bureau’s

explanation for these releases; who ordered them; where the water went and why it was released. To date, the Bureau has not responded to the sub-Committee's request.

While Reclamation focuses on taxpayer funded toilet upgrades and massive subsidies for outrageously expensive recycling and desalination programs, future plans for surface water storage are mired in bureaucratic paralysis. Reclamation has a stated goal of reducing human consumption by 840,000 acre feet of water by September of next year, but no similar projection for the expansion of water supplies in the near future. Not only does the Administration chart a course towards reducing, rather than expanding water supplies, it proposes to accelerate this end by removing existing dams, such as the four hydro-electric dams on the Klamath.

Recently, legislation has been introduced calling for for various new reservoirs and improvements to existing reservoirs, if deemed feasible by the Bureau. These feasibility studies have been going on for over a decade and there's a reason for that. One, Biological Opinions on Delta smelt and salmon have a negative and costly impact on the movement of water delivered from these storage projects. Two, , the endless studies and conditions imposed on these facilities automatically render the most of the existing projects infeasible, particularly the larger and more meaningful ones. Unless the underlying laws and regulatory actions imposing these conditions are dramatically reformed, these bills are merely empty promises that will not be fulfilled.

The Power Marketing Administrations are tasked with selling hydropower generated at federal dams. For many decades, this power resource has generally been the lowest cost resource in customer energy portfolios. This is changing.

For example, under this coming fiscal year, Central Valley Project ratepayers will now pay above-market-rates due to surcharges imposed by the Central Valley Project Improvement Act Restoration Fund. Meanwhile, the Western Area Power Administration has increased its staffing and travel costs, all of which will be absorbed by ratepayers.

In addition, a third of the hydropower rates in the Pacific Northwest are related to endangered fish costs.

If anything good can come of the drought in the west, it is that the public is slowly awakening to the damage done by these policies, and is beginning to understand the desperate need for new water storage and the reasons storage cannot proceed under current law.

It is the duty of Congress to change those laws and policies so that a new era of water storage and hydroelectricity can proceed.

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