

**Yakima River Basin Joint Board
Testimony for the Record before the Subcommittee on Water and Power
Committee on Natural Resources
United States House of Representatives**

**Legislative Hearing
Discussion Draft New Surface
Storage Funding Bill**

February 5, 2014

Chairman McClintock, Ranking Member Napolitano and Members of the Subcommittee:

Thank you for the opportunity to offer comments on the importance of improving, expanding and building new water storage projects and the related discussion draft legislation intended to provide new opportunities to develop and build these projects. The Yakima Basin Joint Board (“Joint Board”) is a coalition of irrigation districts, private water companies and municipalities including the City of Yakima Washington, that have created a partnership for the purpose of promoting multiple uses of the Yakima River Basin Water Supply. The Yakima Basin Joint Board members currently deliver irrigation, industrial and municipal water supplies to farmers and residents in the Yakima River Basin in Washington State.

The Yakima River Basin is one of the most diversified and productive agricultural areas of the world. It is known worldwide for production of apples and hops and is also a major producer of cherries, soft fruits, pears and its high quality Timothy Hay is also exported throughout the world. Its wine grapes support over 700 local wineries, and it also supports a huge dairy industry that boasts some of the highest milk producing dairies in the world. Agricultural exports from the Yakima River Basin are a major aspect of the Washington State economy. The Bureau of Reclamation’s (Reclamation’s) Yakima Project irrigates 464,000 acres, and is one of the top Reclamation Projects for high-value crop and dairy production.

The Yakima River Basin is also home to significant fish and wildlife resources, including an anadromous fish population of steelhead, currently protected under the Endangered Species Act (ESA), and salmon runs. These fish runs are part of the important recreational and tribal resources in our basin. The Yakama Nation is also located in the basin, and has historically relied on these fish and wildlife resources for generations. These ancient fish runs declined precipitously during the mid-Twentieth Century, and were a source of contention over water supplies and water management in the basin for many years. Recent efforts to improve these fish runs through increased water conservation and improved water management have seen some marked success. But additional investments in improved water management and conservation in the basin are still needed.

Adding to these pressures on our water supplies, the Yakima River Basin has in the past experienced water-short years on an average of once every four years over the last 40 years, causing significant economic losses to our farms and communities. With the lower elevation snowpack in the Yakima Basin, this problem is expected to get worse, especially given this year’s drought-like weather patterns. Currently, the upper watershed only has received 54% of average precipitation to date, and if conditions do not improve, we may again be curtailing junior water users throughout our valley. In the seniority system of water rights, many municipal systems and other ground water users are junior to irrigation users that have earlier priority dates for their water supply. In addition, junior irrigation users can receive pro-rated reductions to their water supplies. This means the pro-ratable irrigation users, municipal systems and rural homes could be forced to cease using water in water-short years.

The Yakima Basin does not have enough water storage facilities, it is trying to meet over 2.4 million acre feet of water needs annually with only 1 million acre feet of storage capacity. The Yakima Basin is experiencing increased pressures and demands on our 1 million acre-feet of reservoir storage capacity, while we are now at about average carryover water storage, current water storage capacity cannot make up for these shortages – we need more water storage carrying capacity to meet our dry-year demands.

To help plan for expanding our access to more irrigation and M&I water storage capacity and to help relieve tensions in the basin over water supply management, the Joint Board has worked with other water stakeholder interests and the Yakama Nation in developing the Yakima Basin Integrated Plan, a well thought out, long term comprehensive set of solutions to restore ecosystem functions and fish habitat and improve long-term reliability of water supplies for stream flows, agricultural irrigation and municipal supply. The Integrated Plan was developed in a public, collaborative process involving local, state, federal and tribal governments plus stakeholders representing environmental, irrigation and business interests. The consensus achieved by this diverse group represents a major and unprecedented accomplishment for the Yakima Basin and for water management in the western United States. The Integrated Plan offers a means to avoid a tangle of litigation and hardship for these users in future years. The Yakima Basin Integrated Plan is believed to be the first basin wide integrated plan in the United States to reach the level of success that it has achieved.

Prior efforts to increase water storage in the Yakima Basin have failed, in part due to a lack of consensus among the key stakeholders. The Integrated Plan offers the best opportunity in decades to resolve long-standing problems afflicting the Basin's ecosystem and economy. In addition, making available increased water storage for farms, fish and our communities is a key component of the Plan. When implemented, the Plan will greatly improve operational flexibility to support stream flows while meeting the basin's basic water supply needs under a wide range of seasonal and yearly snowpack and runoff conditions, both now and under possible future hydrologic conditions.

That is why we support the discussion draft bill under consideration today that would amend the Secure Water Act of 2009 to authorize the Secretary of the Interior to implement a surface water storage enhancement program.

This bill would provide a critically important and creative financing mechanism for much needed water storage facilities, such as those contemplated by the Integrated Plan. It would amend the Secure Water Act of 2009 to authorize the Secretary of the Interior to implement a surface water storage enhancement program. The bill would authorize the Secretary to construct surface water storage and to enter into cooperative agreements with water users associations for the construction of surface water storage that would benefit agriculture and other water-dependent sectors of the economy in the West. This draft bill would establish in the Treasury of the United States an Account to be known as the 'Reclamation Surface Water Storage Account' which would be used to pay for surface water storage projects over a four-year period using a total of \$400,000,000 of revenues that would otherwise be deposited in the Reclamation fund. By making these funds available for investment in new surface water storage projects, to be repaid

over time, the growing needs for new water supplies in the Yakima River Basin, and the West, could be met while protecting the jobs and communities so dependent on reliable water supplies for their very existence.

While we support the discussion draft bill, we want to make the point that eligible new surface water storage projects should also include major infrastructure improvements to existing water storage facilities. These projects would include constructing new water management infrastructure on existing dams and reservoirs, such as pipelines to conserve and better manage water storage between reservoirs and to access currently unusable carryover stored water. These are attributes of the projects we are planning to construct as we implement the Integrated Plan in the Yakima Basin, and we want to have access to the funding and financing benefits that are provided in the discussion draft bill.

In closing, we are currently benefiting from our forefathers' vision and accomplishments in building our highly productive and valuable agricultural economy through water storage and delivery projects in the Yakima River Basin. Our communities, schools, and businesses have all been built around these investments and depend on our water supplies more today than ever before. And, we have come to recognize that, in order to protect and enhance our ability to farm and to raise families in our communities, we must work with our neighbors, the Yakama Nation, as well as the other important stakeholders in the basin, to successfully plan for our collective future. That is what we have accomplished in creating, and now implementing, the Yakima Basin Integrated Plan.

The State of Washington recently provided over \$130 million to assist in implementing the Integrated Plan, and we look forward to utilizing new federal funding and financing tools, such as those that could be provided by the discussion draft bill, to assist in implementing the Plan and create new storage water supplies for the future of the Yakima River Basin, the State of Washington, and the arid West. Thank you for the opportunity to provide this testimony and we would be happy to make ourselves available to answer any questions Members of the Subcommittee may have for us.