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Bureau of Reclamation Budget Loses Focus on Traditional Mission; Higher Food, Water and Electricity Prices will Result

WASHINGTON, D.C. – The Subcommittee on Water and Power held an oversight hearing today on the FY 2011 Administration Budget Request for the Bureau of Reclamation (Reclamation). Subcommittee Ranking Republican Tom McClintock (CA-04) highlighted concerns that the agency's chief mission has shifted away from its traditional mission of providing abundant water supplies for humans to one that embraces expensive river restoration and dam destruction policies that will raise consumer prices in tough economic times.

"In my home state of California we have watched as the San Joaquin Valley has been transformed back into desert by the diversion of over 200 billion gallons of water for the enjoyment of the delta smelt," **said Ranking Republican McClintock.** "I fear that this agency is becoming a pawn of the environmental Left and its crusade to crush the economy of rural America through the Endangered Species Act. To make matters worse, we are told that ESA reform is not on the table despite the economic devastation that it is producing throughout rural America."

Reclamation acknowledged during the hearing that its environmental policies have led to water cut-offs and hydropower generation losses. Curtailed water deliveries due to federal regulations and environmental litigation on delta smelt, salmon and killer whales have seriously harmed California's San Joaquin Valley to the point where some communities are experiencing 40% unemployment. These curtailments have decreased water availability this year for farmers by at least 20% despite a Sierra snowpack of 125%. Reclamation did not offer a concrete solution for the San Joaquin Valley despite the immediate need for farmers to make planting and banking decisions. The third year of government-imposed water rationing will continue to drive up water and food prices.

Reclamation's policies and new proposals will continue to drive electricity prices higher as well. Over the years, costs associated with Endangered Species Act and other environmental undertakings have decreased the agency's hydropower generation across the board. When generation is lost, more expensive replacement power must be purchased to make up for the shortfall. Reclamation's power customers must absorb these higher costs, which are ultimately passed on to electricity consumers. Losses of hydropower have occurred in at the Glen Canyon Dam in Utah, the Pacific Northwest, and the Central Valley Project in California. The Administration has also proposed funding to

begin the process to remove four private dams on the Klamath River. Removal of the dams will mean the loss of emissions-free hydropower for 150,000 homes and would lead to higher cost, fossil-based replacement power.

"The Bureau of Reclamation is quickly becoming the Bureau of Water Shortage and Dam Destruction. The agency's mission is being undermined by constant environmental litigation, a shift toward outrageously expensive urban water recycling programs and what can only be described as "analysis paralysis" when it comes to meeting the next generation's water needs through new dams, aqueducts and reservoirs," **said McClintock**. "These now chronic electricity and water shortages are not due to acts of God, but rather to acts of Government, and we have this consolation: that acts of government are always within our power to change."

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