Statement of Don Glaser, Mid-Pacific Regional Director Bureau of Reclamation U.S. Department of the Interior Before the Committee on Natural Resources Subcommittee on Water and Power United States House of Representatives On Field Hearing on The Federal Response to the Drought in California July 21, 2008

Madam Chairwoman and members of the Subcommittee, I am Don Glaser, Mid-Pacific Regional Director at the Bureau of Reclamation (Reclamation) in Sacramento. I would like to thank you for this opportunity to discuss the federal response to California's current cycle of drought.

While periods of drought are inevitable and not uncommon in the west, the impacts can vary widely, and 2008 is showing just how difficult this current dry cycle can be. Two consecutive years of dry hydrology – with March through May having been the driest period on record for Northern California – along with very low snowmelt runoff, and a court-ordered restriction on the Sacramento-San Joaquin River Delta export pumping have complicated the water supply situation. The need to address a range of competing demands, including regulatory requirements concerning issues such as water quality and environmental flows, constrain Reclamation's flexibility to deliver water and power with reliability. Therefore, Reclamation has had to revise downward its water supply allocation to its Central Valley Project (CVP) agricultural contractors – reducing the allocation from 45% of contracted supplies down to 40% of contracted supplies. In an average water year, allocations are approximately 65% of contracted amounts for south or Delta agriculture, and 100% for north Delta agriculture and municipal water users north and south of the Delta.

This was not a decision we took lightly. Each February, Reclamation releases an initial estimated CVP water supply allocation to inform customers of the percentage of their contract they should receive Reclamation's CVP water supply allocation is based on the 90 percent runoff exceedence forecast based on historic data. That means that there is a 90 percent probability that more water will be available than is needed to fill the allocation. Unfortunately, in the critical March-May period, Northern Sierra precipitation was the lowest since record-keeping began in 1921. During those months, there were only 3.5 inches of precipitation whereas 17 inches is the norm.

Reclamation keenly appreciates the challenges facing water users in California. The CVP was designed to provide water supply reliability, but by law its operation must pursue and balance other demands as well, including water quality, water conservation, and protection of fish and wildlife and associated habitats. Meeting all the water users demands is increasingly challenging during dry periods while also providing more than 1.2 million acre-feet of water for fish and wildlife purposes, protecting threatened and endangered species, and supplying a rapidly

growing population. Amid all this, Reclamation has always been a forward looking agency, and I believe we have operated our integrated water delivery system to best meet the needs of our customers to the greatest degree possible.

For example, since 2000, Reclamation has been implementing CALFED Bay-Delta Program actions focused on water supply reliability, conveyance improvements, ecosystem restoration, water quality improvements, and levee system integrity. Under water supply reliability, studies of four potential storage projects are near completion. These projects and others being considered by state and local entities could provide greater water management flexibility in the region while supporting Delta ecosystem restoration and adjusting for variable western hydrology and climate conditions.

Further, Reclamation has been pouring effort and resources into various initiatives intended to avoid or soften serious impacts from dry cycles. Since 2004, Reclamation has awarded \$6.4 million in grants to 31 projects in California under the Water 2025 Program. The improvements resulting from these grants are projected to create or conserve 191,990 acre-feet of water annually for agricultural and urban uses.

Every year, operations in California consume fully one-third of Reclamation's entire budget. This entails maintenance of existing facilities, water conservation, and increasing efficiency from projects to meet demands. In operating our projects, we look at options to aid our customers during times of drought. For example, we are working closely with the State and other stakeholders on a variety of ways to improve system flexibility during the current drought. Thus, we are meeting with the State to evaluate the beneficial and detrimental effects of temporarily relaxing salinity standards in the Delta. Such a change could provide additional flexibility on meeting Delta outflow requirements.

We have also been working under the Accelerated Water Transfer Program (AWTP) to identify and expedite water transfers. In conjunction with the California Department of Water Resources, we are developing a Drought Relief Water Bank to prepare for the possibility of a continued drought in 2009.

One of the other tools available is the Reclamation States Emergency Drought Relief Act, which authorizes Reclamation to provide assistance to the State of California. Assistance is primarily in the form of planning before drought strikes, but can also include limited construction, activities to minimize losses resulting from drought. The La Jolla and Round Valley Tribes in California have recently received assistance under this program, including installing a temporary pipeline, relocating a portable water storage tank, and preparing a drought contingency plan. The program also provides non-financial assistance to willing buyers to purchase available water supplies from willing sellers; and participation in water banks established by the State.

In the long-term, however, water-related challenges likely will only grow more daunting in California and the West, and so we are also pursuing longer-term tools. The Administration continues to play a leading role in California to address these challenges. For example, the Bureau of Reclamation and the Fish and Wildlife Service are using funds from the Central Valley Project Restoration Fund to increase the anadromous fish population, develop instream flow studies for CVP controlled streams, dedicate and manage 800,000 acre-feet of CVP yield (for the primary purpose of anadromous fish restoration), upgrade infrastructure to improve the

delivery of water, and a number of other activities that are designed to help Western water users manage and protect their water resources in an economically sound manner while preserving species and the environment.

The Department is proactively working on ways to improve water reliability. The Department has proposed the Water for America Initiative, a collaborative effort between the Bureau of Reclamation and the U.S. Geological Survey, to help deal with water shortages. Several facets of this program are being implemented administratively right now. In Fiscal 2009 under Water for America, Reclamation has requested \$2.7 million for the CVP, Delta Division to conduct two additional studies aimed at understanding Delta smelt habitat and recovery needs. We intend to use this information in order to foster better regulatory actions at the state and federal export pumps in the Delta, with corresponding improvements in water reliability.

Our Water for America request also includes \$2 million for the Klamath Project in 2009 to accelerate the Klamath Watershed Restoration Program, a partnership with the FWS for water use efficiencies to increase stream flow, remove barriers to fish spawning grounds, research how to better manage water to control fish disease, screen certain diversions, and propagation improvements.

Water for America also incorporates the Water Conservation Field Services Program (WCFSP) to foster improved water management on a regional, statewide, and watershed basis. This year, \$1.1 million will be allocated under the WCFSP in California to assist water agencies in the development of quality water conservation plans. In many cases, this is technical assistance provided by Reclamation staff. In others, it may be financial assistance through cost-sharing to support a district in the development of its plan.

Conclusion

The Western United States is an arid place, and while droughts do occur, their impacts can vary widely. Given the vagaries of Mother Nature, neither we nor the State of California can meet all of our customers' contracted water needs 100 percent of the time. Having said that, we will continue efforts to improve the reliability of our systems in order to assist our customers with their water supply and farming and planting decisions, especially during dry conditions. To this end, as previously noted, we are studying whether significant changes in CVP facilities and their operations are warranted and how they compare to other options available to the Federal government, state, and local entities in California for improving water supply security and flexibility.

Although Reclamation's mission has evolved over the years, we remain focused on managing, developing, and protecting water and related resources in an environmentally and economically sound manner in the interest of the American public. I am committed to doing all I can to further this mission and, to the best extent possible, meet the needs of our customers.

Thank you again for this opportunity to testify on this important topic. I would be happy to answer any questions you might have.