

Testimony of
Tom Blickensderfer, Endangered Species Program Director,
Colorado Department of Natural Resources,
regarding
S. 1578, a bill to reauthorize the Upper Colorado and San Juan River Basin
Endangered Fish Recovery Implementation Programs

Committee on Energy and Natural Resources
Subcommittee on Water & Power
Witness Statement
October 6, 2004

Thank you, Madam Chair and Committee members, for this opportunity to appear before you today and to speak about two Programs which have become known as national models for endangered species recovery efforts. I'd like to thank Senator Wayne Allard for his introduction of S.1578, and his ongoing support for the Upper Colorado and San Juan Programs. Senator Allard introduced the legislation which enacted Public Law 106-392, which authorized the capital construction projects for these Programs. Thank you, also, to Senator Ken Salazar for his co-sponsorship and for his support of these Programs, which dates back to his service as Executive Director of the Colorado Department of Natural Resources in the 1990's when he had a seat on the Implementation Committee for the Upper Colorado Program. We appreciate also the co-sponsorship of Senators Bennett and Hatch.

The State of Colorado joins with the States of Wyoming and Utah as partners in the Upper Colorado River Fish Endangered Fish Recovery Program and with the State of New Mexico as partner in the San Juan River Basin Recovery Implementation Program in requesting passage of S. 1578. We are deliberate and comprehensive in our commitment as states to recovering these four endangered fish -- the humpback chub, the Colorado pikeminnow, the bonytail and the razorback sucker. These Programs combine the unique expertise of water engineers, biologists, and policy administrators to accomplish our dual objectives of recovery of the fish while we accommodate additional water storage and development. Actions towards recovery are driven by the recovery goals developed and approved by U.S. Fish and Wildlife Service in 2002, which provide the biological mileposts and timeframes against which we measure our success. The work done to proceed towards recovery of these species to date has been extensive. It includes restoring floodplain and wetland habitat, providing flows in accordance with the state water law in cooperation with water users, constructing fish passageways to greatly expand access to the rivers for the fish, installing fish screens to prevent endangered fish from being trapped in diversion canals, managing detrimental non-native species, propagation and stocking of the endangered fish and conducting the necessary research, monitoring and data management to provide critically important information about what the endangered fish need to survive, grow and reproduce in the wild and to monitor progress towards reestablishment of self-sustaining populations needed to delist these species from the ESA endangered species list.

From Colorado's perspective, both the Upper Colorado River and the San Juan River Recovery Programs provide the means for our citizens to carry on with necessary water use and development activities while at the same time accomplishing species conservation and ultimately recovery of the four endangered fishes. This ability of these two Programs to accomplish these simultaneous goals is nothing short of extraordinary. The Programs serve as the means for Endangered Species Act compliance for 800 water projects diverting over 2.5 million acre-feet per year of water, serving millions of citizens in all four states. The programs provide ESA compliance for large and small tribal water projects in the two basins, and allow the United States to fulfill its trust responsibilities in compliance with the Endangered Species Act. In all of this, not one lawsuit under the ESA has occurred on any one of these 800 projects during the entire existence of both Programs. Since their inception, the Programs have annually achieved sufficient progress toward the recovery of the four fish necessary to ensure ESA compliance for water depletions, as independently determined by the United States Fish and Wildlife Service.

All four states have undertaken their cost-share obligations seriously, and have received strong support from their various Legislatures to fund their respective portions of this enormous undertaking in species recovery. The Colorado General Assembly passed legislation in 1998 and in 2000 to establish and fund the Native Species Conservation Trust Fund, from which Colorado will draw its full cost-share for both programs of \$9.146 million. The Utah Legislature created a restricted Species Protection Account in 1997, and the Wyoming Legislature appropriated its funding share during their 1998 and 1999 legislative sessions. The New Mexico Legislature has chosen to appropriate funds into the State's "operating reserve," thus making them available at any time and not tied to a specific calendar year.

Colorado has chosen to fulfill the bulk of its cost-share obligation for the Upper Colorado River Program by committing funding to the enlargement of Elkhead Reservoir in Northwest Colorado, which will ultimately provide 5000 acre-feet per year of

additional water in Colorado's Yampa River to enhance habitat for the fish in months when water flows are the lowest, and allow the Program to lease an additional 2000 acre-feet per year..

While Program partners have been judicious and careful in the expenditure of dollars in these Programs, we face circumstances beyond our control which bring us before you today to advocate for S.1578. Construction costs are on the rise in a dramatic fashion, driven much by the increase in energy costs and the worldwide increase in the demand and resulting cost of steel. Our construction schedules on different projects have been delayed due to access and property acquisition issues. Finally, we have had to redesign fish screens to accommodate site-specific conditions in the Colorado River, including changing design criteria to accomplish debris removal from these fish screens. The estimated additional costs above the present authorization to complete the Programs' construction projects total \$12.5 million; we are requesting an additional \$2.5 million for contingencies to be appropriated only if needed, resulting in our request for a \$15 million increase in our appropriation authorization. In addition, we are asking this Subcommittee to acknowledge \$11 million in additional non-federal cost share. This additional cost share is attributed to loss of Colorado River Storage Project power revenues from project reoperation to benefit endangered fish (\$7.1 million) and also attributed to capital costs for water users who provide water for the endangered fish from Elkhead Reservoir (\$3.9 million) in Colorado. (A detailed explanation of the additional cost share is attached to my testimony.) Congress recognized these types of cost sharing in Public Law 106-392. The bill would increase the total authorization for the Programs to \$126 million; with \$65 million attributed to the non-federal cost-share and \$61 million to the federal share.

The Programs also seek a time extension for capital project completion from 2008 to September 30, 2010, which will allow for full implementation of all construction projects while avoiding any real increase in Reclamation's annual appropriations requests for the Programs.

This increase in authorized expenditures is needed this year so Reclamation can factor it into its three year advanced budget planning, thus ensuring that the capital construction program can be completed by 2010.

Colorado joins with its sister states in requesting your passage of S.1578. This will allow the Programs to fully implement the recovery goals so as to accomplish delisting and hence recovery of these endangered fish species.

Again, we offer our thanks to Senators Allard, Salazar, Bennett and Hatch for sponsoring this legislation.

I would be happy to answer any questions of the Subcommittee.

ATTACHMENT TO TOM BLICKENSDECKER'S TESTIMONY: ADDITIONAL \$11.0 MILLION NON-FEDERAL COST SHARE

POWER REVENUE NON-FEDERAL COST SHARE: During the development and passage of PL 106-392, it was anticipated that the value of "lost" CRSP power revenues due to changed operations at Flaming Gorge Dam to meet endangered fish needs was approximately \$15 million. Congress recognized this as a non-federal cost share in P.L.106-392. However, this expectation has been far exceeded. The estimated cost of this lost revenue to the Western Area Power Administration is \$22.1 million, \$7.1 million more than was originally estimated. Congress is asked to recognize the additional \$7.1 million in lost power revenues as non-federal cost share, as in the original authorizing legislation (P.L.106-392).

WATER USERS NON-FEDERAL COST SHARE: The enlargement of the Elkhead Project will provide an additional 5,000 acre-feet of water for use on a permanent basis by the Recovery Program to provide flows for endangered species. In addition, the Program will lease up to 2,000 acre-feet/year from the Colorado River Water Conservation District at a rate of \$50/acre-foot, paying only for the water actually leased in a given year. On average, the lease is expected to be 500 acre-feet/year at a cost of \$25,000. The amortized cost of providing 2,000 acre-feet of storage in Elkhead Reservoir is \$110/acre-foot/year, or \$220,000/year, resulting in a non-federal cost share to the Program of \$195,000/year for 20 years, for a total of \$3.9 million. This is in addition to the \$5.0 million that was recognized in P.L. 106-392 as a water user cost share as a result of releases from Woford Mountain Reservoir.