

LESLIE JAMES
EXECUTIVE DIRECTOR
COLORADO RIVER ENERGY DISTRIBUTORS ASSOCIATION (CREDA)

TESTIMONY
BEFORE THE WATER AND POWER SUBCOMMITTEE
OF THE COMMITTEE ON NATURAL RESOURCES
UNITED STATES HOUSE OF REPRESENTATIVES

HEARING ON H.R. 2288
ENDANGERED FISH RECOVERY PROGRAMS IMPROVEMENT ACT OF 2009

SEPTEMBER 22, 2009

Madam Chairwoman, members of the Subcommittee, I am Leslie James, Executive Director of the Colorado River Energy Distributors Association (CREDA). I am pleased to have been asked to talk with you today regarding H.R. 2288, the Endangered Fish Recovery Programs Improvement Act of 2009.

CREDA is a non-profit organization representing consumer-owned electric systems that contract for the delivery of federal hydropower from the Colorado River Storage Project (CRSP), transmitted over the federal transmission system of the Western Area Power Administration (WAPA). The CRSP includes several dams and reservoirs that provide municipal and industrial (M&I) and irrigation water supplies and generate clean, renewable hydropower for over 5 million consumers in six western states.

CREDA members are all non-profit organizations, serving over four million electric consumers in Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming. CREDA members include political subdivisions, electric cooperatives, state agencies, municipalities and tribal utilities. CREDA members (listing attached) purchase over 85 percent of the CRSP hydropower generation, the revenues from which are a primary funding source of the Upper Colorado River and San Juan River Endangered Fish Recovery Implementation Programs (Recovery Programs). CREDA has been an active participant in these Recovery Programs since their authorization.

I. THE COLORADO RIVER STORAGE PROJECT (CRSP)

The CRSP was authorized in the Colorado River Storage Project Act of 1956 (P.L. 485, 84th Cong., 70 Stat. 50), as a multi-purpose federal project that provides flood control; water storage for irrigation, municipal and industrial purposes, in addition to the generation of hydropower. This testimony will focus on the generation features of the CRSP that are impacted by the Recovery Programs.

FLAMING GORGE DAM

Flaming Gorge Dam is on the Green River, a major tributary of the Colorado River, and is located near Vernal, Utah. Flaming Gorge has three units producing about 152 MW of generation. In 1992, the USFWS issued a Biological Opinion on the operation of Flaming Gorge Dam. In 2007, Reclamation finished an environmental impact statement and issued a record of decision on the operation of Flaming Gorge Dam, which is intended to assist in recovery of the endangered fish species. Semi-annual "work group" meetings are held, at which Reclamation considers operational requests and concerns of stakeholders and the general public, including the Recovery Program.

ASPINALL UNIT

The Aspinall Unit includes three dams and generating plants along the Gunnison River near Gunnison, Colorado. Blue Mesa is the first dam on the river and has two units producing about 97 MW. Morrow Point is the second dam in the series and consists of two generators producing a total of 146 MW. Crystal is the final dam and has one 32 MW generator. Morrow Point and Crystal Reservoirs allow some regulation of the river flow so that releases from Crystal can be used to regulate downstream flows as necessary. Since the early 1990's as part of the Recovery Program, studies have been undertaken to determine endangered fish needs in this region, and operations have been adjusted. Reclamation is currently in the midst of an environmental impact statement on the operation of the Aspinall Unit, which is intended to assist in the recovery of endangered fish species while maintaining the authorized purposes of the Unit. Flow recommendations developed by the Recovery Program are an integral part of this process.

II. THE RECOVERY PROGRAMS

The Recovery Programs were established through cooperative agreements among States and federal agencies in 1988 and 1992 for a initial 15-year period to help recover four species of endangered fish in the Upper Colorado and San Juan River Basins. In August 2009, the Cooperative Agreements were extended through 2023. CRSP power revenues currently fund about 60% of the base research / study program. Authorizing legislation was passed in October 2000, which authorized a \$100 million capital improvements program. CREDA testified in

support of this legislation in both the House and Senate hearings. The legislation required “matching funds” for the capital program so that, in the event State funding for the program ceased, so too would power revenue funding. The legislation also had the support of the Upper Basin States, federal agencies and some environmental groups, and subsequent amendments have also had the same support.

The legislation authorized CRSP power revenue funding for operation and maintenance of the capital features and monitoring, up to \$6 million per year (indexed). In addition, the Upper Basin States and CRSP power revenues each contributed \$17 million (in addition to federal funding) to construct capital features. To date, CRSP power revenues have provided over \$50 million of annual, or “base”, funding. The legislation, as amended, recognizes that changes in operation of Flaming Gorge and Aspinall generation as a result of Biological Opinions have impacted CRSP hydropower generation by approximately \$26 million.

Notwithstanding the passage of authorizing legislation for the Recovery Programs, CREDA still has concerns regarding ongoing impacts to hydropower generation through implementation of environmental impact statement processes at the Flaming Gorge and Aspinall Units. **CREDA believes that recovery should be achieved through the capital features of the Recovery Programs, not through reliance on reoperations that negatively impact the generation of clean, renewable hydropower.**

III. H.R. 2288

CREDA has been an active participant in the Recovery Programs since inception, and believes that the programs are an excellent model of federal/non-federal collaboration. Efforts towards endangered fish recovery continue, but science has indicated that recovery will not be achieved by 2011 (as envisioned in the original authorizing legislation). The most recent estimate for recovery planning purposes is 2023. In order for there to be a reliable, certain source of funding for the annual (or base) funding, the bill before the Subcommittee simply extends the authorization from 2011 to 2023. **CREDA continues to support the Recovery Programs and supports passage of H.R. 2288.**

COLORADO RIVER ENERGY DISTRIBUTORS ASSOCIATION (CREDA) MEMBERSHIP

ARIZONA

Arizona Municipal Power Users Association
Arizona Power Authority
Arizona Power Pooling Association
Irrigation and Electrical Districts Association of Arizona, Inc.
Navajo Tribal Utility Authority
(also New Mexico, Utah)
Salt River Project

COLORADO

Colorado Springs Utilities
Intermountain Rural Electric Association
Platte River Power Authority
Tri-State Generation & Transmission Cooperative
(also Nebraska, Wyoming and New Mexico)
Yampa Valley Electric Association, Inc.

NEVADA

Colorado River Commission of Nevada
Silver State Energy Association

NEW MEXICO

Farmington Electric Utility System
Los Alamos County
City of Truth or Consequences

UTAH

City of Provo
City of St. George
South Utah Valley Electric Service District
Utah Associated Municipal Power Systems
Utah Municipal Power Agency

WYOMING

Wyoming Municipal Power Agency
