

Statement of  
John W. Keys, III  
Commissioner, Bureau of Reclamation  
U.S. Department of the Interior  
on H.R. 3606, the Wallowa Lake Dam Rehabilitation and Water Management Act  
before the  
House Resources Subcommittee on Water and Power  
March 7, 2002

Mr. Chairman and Members of the Subcommittee: I am John Keys, Commissioner of the Bureau of Reclamation. I appreciate the opportunity to present the Department's views on H.R. 3606, a bill that would authorize Reclamation to participate in the Wallowa Lake Dam Rehabilitation and Water Management Program in Oregon. H.R. 3606 sets out an 80/20 cost share for this Program, under which the federal government would pay \$32 million funded through the Bureau of Reclamation.

While we believe there are merits to the proposed program, the Department does not support H.R. 3606.

Wallowa Lake Dam is a privately-owned dam constructed in 1918 and raised in 1929, and is owned and operated by the Associated Ditch Companies, Inc. (ADC). Dam safety deficiencies have been identified by the US Army Corps of Engineers and Oregon Water Resources Department. ADC, in conjunction with the Grande Ronde Model Watershed Council, Reclamation, and other local, state, and Federal agencies, developed the Wallowa Lake Dam Rehabilitation and Water Management Program to address dam safety deficiencies and to tie correction of those deficiencies to larger environmental issues in the Wallowa River Basin.

The Wallowa Lake Dam Rehabilitation and Water Management Program is proposed to begin in FY 2002 and continue through FY 2007, at an estimated total cost of \$38,800,000. Under H.R. 3606, the federal government would provide funding of \$32,000,000.

Reclamation itself has an inventory of aging dams - and the responsibility to ensure the safety and reliability of Reclamation dams to protect the downstream public. Dam safety is one of Reclamation's highest priorities. I would like to give you a sense of the scope of our dam safety responsibilities: the Bureau has reservoirs impounded by 457 dams and dikes. Of these structures, 362 dams and dikes, located at 252 different project facilities, would likely cause loss of life if they were to fail. Approximately 50 percent of Reclamation's dams were built between 1900 and 1950, and about 90 percent of the dams were built before currently-used state of the art design and construction practices. Aging Reclamation-owned dams, which lack state-of-the-art structural reliability features, require Reclamation to conduct extensive ongoing risk management activities to assure safe dam performance and protect the public from unreasonable risk.

While we fully understand the importance of ensuring the safety of Wallowa Lake Dam, this dam is not a federal project. It is privately owned and operated, and falls under a dam safety program of the Oregon

Department of Water Resources. Reclamation believes the Wallowa Lake Dam Rehabilitation and Water Management Program is worthwhile, with potentially numerous benefits; however we are concerned about the proposed federal role in this project. Despite the very high federal cost share for the project, under H.R. 3606 there is currently no federal interest in the dam, and none is provided by the bill; moreover, there is no provision for repayment by project beneficiaries in accordance with reclamation law, and, finally, Reclamation was not involved in the preparation of the "Phase I" engineering document defined in section 2(3) of the bill nor have we reviewed it.

We are also concerned that Reclamation's participation in this program would adversely impact ongoing projects and operations. H.R. 3606 would authorize the use of Reclamation funds for a non-Federal purpose. Reclamation funds must be targeted to perform essential functions at our federal projects, such as security at BOR dams and reservoirs, operations and maintenance (O&M), resource management, dam safety, or construction. The Department cannot, therefore, support H.R. 3606.

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