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Before the
House Resources Committee
Subcommittee on Water and Power

On H.R. 4545, Los Angeles County Water Supply Augmentation Demonstration Project

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Mr. Chairman and Members of the Subcommittee, I am Larry Todd, Deputy Commissioner of the Bureau of Reclamation. I am pleased to be here today to give the Department's views on H.R. 4545, the Los Angeles County Water Supply Augmentation Demonstration Project.

Reclamation cannot support this legislation because there is no completed feasibility study to support construction and Reclamation is facing a backlog of authorized projects. Moreover, last week Commissioner Keyes testified at a productive hearing discussing the need for reforms to the Title XVI program, which I will discuss in my testimony. As the Commissioner stated, we want to work with this Committee to reform the Title XVI Program, and we believe reforms are needed before additional authorizations are enacted.

Title XVI of the Reclamation Projects Authorization and Adjustment Act (Public Law 102-575), authorized the Secretary to participate in the planning, design and construction of five water reclamation and reuse projects; to undertake a program to identify other water recycling opportunities throughout the 17 western States, and to conduct appraisal level and feasibility level studies to determine if those opportunities are worthy of implementation. Reclamation has been administering a grant program to fund these Title XVI projects since 1994.

The Project that HR 4545 would authorize would involve storm water runoff to recharge the groundwater basin in the Los Angeles and San Gabriel Watersheds. The project consists of three components: (1) a regional demonstration of the potential for infiltration of storm water runoff to recharge groundwater; (2) retrofitting one or more sites in the Los Angeles Area with state-of-the-art best management practices; and (3) pre-development and post-development monitoring and assessment. It was jointly developed by the Los Angeles and San Gabriel Rivers Watershed Council, City of Los Angeles Department of Water and Power, Los Angeles County Department of Public Works, Los Angeles Regional Water Quality Control Board, Metropolitan Water District of Southern California, Water Replenishment District of Southern California, City of Los Angeles Bureau of Sanitation, and the City of Santa Monica Environmental Programs Division. Project benefits include local drought protection, water quality improvements and reduced dependence on imported water.

HR 4545 authorizes Reclamation to participate in planning, design, construction and assessment of a regional water project. It is more appropriate for feasibility studies to be conducted prior to authorization for formal project construction in order to allow this project to be fairly weighed against other pending Title XVI authorizations.

Reclamation is currently drafting legislation to improve the effectiveness of the Title XVI Programs. Fundamental reform is needed to ensure that the program produces results for the current needs of the West. Toward this end, we have already started to develop a legislative proposal to submit to Congress.

The reforms to be addressed in the legislation are threefold. First, Reclamation believes that before projects are authorized for construction, their appraisal and feasibility studies should be completed, reviewed, approved by Reclamation and the Office of Management and Budget, and submitted to Congress. This is not current practice. As a result, Congress is asked to authorize projects without the benefit of adequate analysis that a feasibility study can and should provide at early stages of project screening, as is the case in HR 4545. This information is essential to making informed decisions and establishing funding priorities.

Second, we believe that project sponsors should be given the explicit criteria by which they, Reclamation, and Congress can measure the merit of their proposals. Some of these criteria could determine threshold eligibility in the earliest stages of project planning. For example, does the project qualify for funding under some other Federal program? Does the project sponsor have a comprehensive water conservation program? Is the project located where it could help Reclamation carry out its core mission of delivering water and generating power? Can the project proponent show that it can and will pay its share of study and, ultimately, construction and Operations and Maintenance costs?

Beyond threshold eligibility criteria, we think that as projects progress through appraisal and, if warranted, feasibility study phases, they should be rated against several ranking criteria that would help Congress and the Administration prioritize projects. For example, would the project actually alleviate water conflict? Would it add or diversify water supply in one of the "hot spot" areas that are also the focus of the Water 2025 program? Can it be brought on-line within a reasonable timeframe?

Reclamation's desire to make project funding more competitive is shared by both non-Federal entities and a growing number in Congress; introducing more competition to the process should ultimately result in more on-the-ground benefits where they are most needed, and in better use of taxpayer funds. To make this a reality, Reclamation is considering different models for a project evaluation process to form the heart of Title XVI reform; among the options we are considering is the process contained in S. 895, the Rural Water Supply Act approved by the U.S. Senate unanimously in 2005. We are committed to working with this Committee on this critical effort. If Title XVI is to progress into the future, it must be adapted so that Congress, the Administration, and the American people can screen and prioritize projects to ensure that they serve Reclamation's core mission, target resources where they can have the greatest impact, and meet the needs of all American taxpayers.

Mr. Chairman, this concludes my testimony. Thank you for the opportunity to comment on H.R. 4545. I would be happy to answer any questions at this time.