

**Testimony by
Senator John Ensign
Before the Subcommittee on Water and Power
The Hoover Power Allocation Act of 2009 (S. 2891)
June 9, 2010**

Good afternoon, Madam Chairwoman, Ranking Member Brownback, and members of the Subcommittee. Thank you for holding this hearing today on a very important piece of legislation. I appreciate the opportunity to come before you today and testify in support of S. 2891, the Hoover Power Allocation Act of 2009. As you know, this is a multi-state, bipartisan effort that is essential to residents of Nevada, Arizona, and California who rely on electricity generated from the Hoover Dam located in Boulder City, Nevada.

As you are aware, Hoover power was first allocated in the Boulder Canyon Project Act of 1928. In 1984, Congress again allocated power through contracts with state, municipal, and utility contractors. Over 29 million people rely on this power, which is a clean, renewable, and reliable source of energy.

The legislation this committee is considering today, The Hoover Power Allocation Act, is the result of extensive negotiations with multiple partners all of whom have worked diligently to strike a delicate balance for the continued allocation of power. The contracts that currently allocate the power to Nevada, Arizona, and California will expire in 2017. This legislation would reauthorize the power allocations from 2017 to 2067 and would provide Hoover contractors the certainty they need to continue to commit hundreds of millions of dollars to construct, upgrade, operate, maintain, and replace equipment as needed to deliver the power. In fact, the contractors are set to invest an additional \$1.6 billion beginning in 2017 if this legislation is enacted.

As part of this agreement, the Hoover Dam contractors have also agreed to contribute five percent of their existing power allocation to a pool that could be distributed to eligible entities that do not currently purchase Hoover power, including federally recognized Indian Tribes. This allocation pool will help needed entities access power and encourage their future growth.

The power that is generated by the Hoover Dam is essential and critical to southern Nevada. We owe it to the contractors who have made, and will continue to make, enormous financial investments the certainty they need to continue. But most of all, we owe the 29 million people who are the beneficiaries of this power. I appreciate the efforts of the staff of the Colorado River Commission, this Committee, and stakeholders who so carefully negotiated this reallocation over the past two years. These groups, working together, have done a great job and should be commended for their hard work.

Again, thank you for holding this hearing and allowing me the opportunity to testify in support of the Hoover Power Allocation Act of 2009. I urge the Committee to act favorably on this legislation.