Statement of Camille Calimlim Touton, Commissioner, U.S. Bureau of Reclamation Before the U.S. Senate Committee on Energy and Natural Resources, Subcommittee on Water and Power

On

S. 461, to make certain irrigation districts eligible for Pick-Sloan Missouri Basin Program pumping power, and for other purposes; S. 482, Klamath Power and Facilities Agreement Support Act; S. 739, to clarify jurisdiction with respect to certain Bureau of Reclamation pumped storage development, and for other purposes; S. 1215, Protect Our Waters and Expand Renewables on Our Reservoirs Act or the "POWER Our Reservoirs Act"; S. 1662, Pilot Butte Power Plant Conveyance Act; S. 2102, Water for Conservation and Farming Act; S. 2160, Urban Canal Modernization Act; S. 2161, Canal Conveyance Capacity Restoration Act; S. 2162, Support To Rehydrate the Environment, Agriculture, and Municipalities Act, or the "STREAM Act"; S. 2166, Voluntary Agricultural Land Repurposing Act of 2023; S. 2169, Watershed Results Act; S. 2202, Restore Aging Infrastructure Now Act or the "RAIN Act"; and S. 2247, Upper Colorado and San Juan River Basins Endangered Fish Recovery Programs Reauthorization Act of 2023. July 19, 2023

Chair Wyden, Ranking Member Risch, and members of the Subcommittee, I am Camille Calimlim Touton, Commissioner for the Bureau of Reclamation (Reclamation) within the Department of the Interior (Interior). Thank you for the opportunity to provide the Subcommittee an update on Reclamation's activities and provide Interior's views on these bills.

The American West faces severe water reliability challenges due to climate change, persistent drought, and the aging of critical infrastructure. As you are aware, over the last decade the West has experienced successive and compounding years of dry hydrology, interspersed by short periods of high precipitation and extreme weather events. The changing climate in the West highlights the need for immediate actions as well as for thoughtful planning and on-the-ground work to make both our infrastructure, and our operations, more resilient.

Reclamation advances its mission by addressing drought resilience, water security, climate change adaptation, and ecosystem health. The Bipartisan Infrastructure Law (P.L. 117-58) (BIL) and Inflation Reduction Act (P.L. 117-169) (IRA) provided substantial funding to help Reclamation meet that mission. Combined, these laws represent the largest investments in climate resilience in the nation's history and provide unprecedented resources to support the Administration's comprehensive, government-wide approach to make western communities more resilient to drought and climate change. For Reclamation, this includes a \$13 billion investment in western water infrastructure as well as a share in executing the \$2.5 billion for authorized water rights settlement projects.

These additional resources made available by Congress have significantly increased Reclamation's efforts to support our partners, stakeholders, Tribal Nations, and communities in

the 17 western states. Reclamation's priority is to ensure that we implement these laws in an open and transparent manner while delivering meaningful results to the American public. We are grateful for the support and the once-in-a-generation opportunity from the BIL and IRA to improve our nation's water infrastructure and benefit the American public for the next generation.

Reclamation and the Bipartisan Infrastructure Law

In the year and a half since Reclamation has been charged with implementation of the BIL, our focus has been on using the historic investments in water infrastructure in an effective and efficient way while ensuring it has tangible impacts in the communities we serve. Due to the strength of our partnerships and the hard work of Reclamation's dedicated staff, we have allocated \$2.6 billion of BIL funding to 369 projects across 12 program areas, and in all 17 western states as well as Alaska, Hawaii, and Puerto Rico. Reclamation has issued nineteen Bipartisan Infrastructure Law-related funding opportunities to date, with many more still to come this year.

Reclamation's implementation has been guided by a project management plan and governance team who oversee the implementation and broad application of the BIL, including our engagement with Tribes, stakeholders, and the public. Through this structure, our implementation has been informed by frequent external communication, with execution following a collaborative approach that emphasizes outcomes for the environment, for Tribes, for water users and the west as a whole.

Expanding our Existing Programs and Projects

The BIL has allowed significant progress for Reclamation's existing programs, ensuring earlier completion of work that has been under construction for decades, and re-investment in some facilities constructed more than 100 years ago. Wherever possible, Reclamation takes advantage of existing programs and processes to ensure that BIL resources can be applied quickly, through proven and successful systems with measurable results.

For example, within our rural water program, Reclamation has to date announced approximately \$700 million to accelerate construction of water treatment plants and intakes, supporting work related to pipeline connections, pump systems, and reservoir construction, and advancing other efforts to provide potable water to rural and Tribal communities. This includes more than \$77 million for projects across North Dakota, including Tribal construction programs and projects like the Northwest Area Water Supply Project which—after decades of planning and analysis—will be able to make significant progress to address long-standing water supply and quality programs for 81,000 residents in North Dakota.

Through substantial funding that Congress provided for Aging Infrastructure projects, Reclamation has begun work on numerous major rehabilitation activities on facilities maintained by our partners that would otherwise have been difficult to realize. This includes \$824 million for more than 129 projects across 15 states, including major canal lining projects on the New York Canal (Boise Project) in Idaho and Truckee Canal (Newlands Project) in Nevada that will improve safety, reduce long-term maintenance needs, and conserve precious water supplies. Reclamation has used BIL funding to build on and leverage proven and successful tools like the WaterSMART Program to support infrastructure improvements, water recycling and reuse, storage opportunities and drought resiliency and research. Through BIL funding, Reclamation has selected 208 WaterSMART projects with \$554 million in federal funding and leveraging an additional \$1.4 billion in non-federal funding. Through just the Water and Energy Efficiency Grants program, Reclamation has provided \$125 million in BIL funding for 44 projects that, once complete, are expected to result in annual water savings of over 300,000 acre-feet. This includes \$2.7 million to the Deschutes River Conservancy in Oregon, to improve water conservation through piping six miles of canal and improved monitoring.

Investing in the Future

Reclamation is also using BIL to make significant progress in the future of water infrastructure in the West. This includes significant investments to increase water storage capacity and conveyance pipeline to deliver reliable and safe drinking water to build resiliency for communities most impacted by drought. To date, Reclamation has announced more than \$210 million for construction of water storage or conveyance infrastructure. This includes \$60 million for the Arkansas Valley Conduit to facilitate the supply of a safe, long-term water supply to an estimated 50,000 people in 40 rural communities along the Arkansas River.

BIL funding is also advancing critical dam safety projects that assure facilities' ability to operate and reduce risk to the public. To date, this includes \$100 million in BIL funding for B.F. Sisk Dam in California, allowing for initiation of Reclamation's largest-ever project under the 1978 Safety of Dams Act.

Through the BIL, Reclamation is also applying its engineering expertise to new fields and programs including large-scale recycling projects, small scale storage projects, and new opportunities in ecosystem restoration. For the first year and a half, Reclamation has focused on implementation and development of the program policies and criteria. This includes our recent announcement of \$20 million for small surface and groundwater storage projects, including the Ash Creek Project in Utah that will help create a more reliable water supply for future generations, by increasing resiliency and providing more flexibility for water managers.

Summary

The Bipartisan Infrastructure Law (BIL) and the Inflation Reduction Act (IRA) are historic and transformative investments in western water and climate. Reclamation is making use of this once-in-a-generation opportunity to make significant progress to invest in and protect our water resources for the millions that rely on it.

The Department appreciates the opportunity that Congress has entrusted to enact the IRA and BIL and we look forward to continuing our work with Tribes, States, irrigation districts, and the Subcommittee to ensure these investments are provided in an effective, efficient way while also taking care to be responsible stewards of taxpayer funds.

<u>S. 461, to make certain irrigation districts eligible for Pick-Sloan Missouri Basin Program</u> <u>pumping power, and for other purposes</u>

The Pick-Sloan Missouri Basin Program (P-SMBP) was initially authorized by the Flood Control Act of December 22, 1944 (Public Law (P.L.) 78–534). Since 1944, the P-SMBP has been amended by several bills including the Dakota Water Resources Act (DWRA) of 2000, which authorized the Secretary to develop up to 28,000 acres of irrigation in areas of North Dakota not located within the Hudson Bay and James River drainage basins and to provide project use power to districts federally developed under DWRA.

The power systems of the Colorado-Big Thompson, Kendrick, Shoshone, and North Platte Projects have been integrated within the P-SMBP for the purpose of marketing the power produced from these projects through the Western Area Power Administration and the Rural Electric Cooperatives. From the power generated that is surplus to project needs, power revenues cover the annual operating expenses for each project, a reserve for replacement of facilities, and funds to help repay the power and irrigation construction costs based on local irrigation districts' ability to pay.

Project use power is the electrical capacity, energy, and associated ancillary service components required to provide the minimum electrical service needed to operate and maintain Reclamation Project facilities in conformance with project authorization. Various Congressional authorizations give Reclamation the ability to develop, generate, and use electrical power for the benefit of Reclamation project lands and other purposes. The power can be used for various functions, such as pumping water associated with irrigating Reclamation project lands.

Congressional authorizations for project use power vary across Reclamation projects. Within the P-SMBP, Reclamation does not have authority to provide project use power to non-Reclamation Project districts or to acreage that was developed with non-federal funds without specific authorization.

S. 461 would make certain privately developed, non-Reclamation Project districts in North Dakota eligible to receive project use power from the P-SMBP, subject to the terms and rates established by Reclamation and as documented in a contract that an irrigation district must enter with Reclamation. The legislation does not provide these districts any additional benefits, such as an ability-to-pay relief, and therefore the eligible districts would pay the prevailing project use rate, which is currently 13.70 mills per kilowatt hour.

Under S. 461, power generated within the P-SMBP would be allocated to new non-Reclamation Project uses at a project use power rate. This additional requirement will limit the amount of power surplus available to existing power customers who are responsible for covering a share of the operating expenses and, in some cases, construction expenses for the P-SMBP. This could result in a rate increase to power customers to sufficiently meet statutory requirements for cost-recovery. Should Congress determine to extend the benefit of project-use power to the North Dakota districts by enacting S. 461, Reclamation will implement its provisions and seek to integrate with existing P-SMBP power demands.

S. 482, Klamath Power and Facilities Agreement Support Act

For over a decade, the Department of the Interior has worked closely with our federal and state partners, Klamath Basin Indian tribes, farmers and ranchers, and other Basin stakeholders on several Klamath agreements that were envisioned and agreed to in an effort to provide a more comprehensive solution for water, fisheries, and power issues in the Basin. This includes the 2010 Klamath Hydroelectric Settlement (KHSA) and the Klamath Basin Restoration Agreement (KBRA).

When the KBRA expired in 2015 due to lack of federal legislation, the KHSA was amended and the Klamath Power and Facilities Agreement (KPFA) was executed with an intent to address, in part, the issues that remained unresolved after expiration of the KBRA.

S. 482, as written, addresses certain commitments made within the KPFA. If enacted, the legislation would amend Section 4 of the Klamath Basin Water Supply Enhancement Act (P.L. 106–498) to authorize the Secretary to plan, design, construct, operate, and maintain certain restoration projects in the Klamath Basin watershed, including: a) facilities to reduce fish entrainment, b) projects that reduce or avoid impacts on aquatic resources of facilities involved in the storage or diversion of water for irrigation, and c) projects that restore habitats in the Klamath Basin watershed.

The language would also authorize the Secretary to undertake certain studies (including feasibility studies) and improvements, and to enter into contracts, memoranda of understanding, cost-sharing agreements, and other appropriate agreements with State, Tribal, and local government agencies and private parties, all toward the goals of reducing or resolving the shortand long-term conflicts relating to Basin water and protecting the natural resources in the Basin watershed. The bill encourages collaboratively developed agreements to meet these goals.

Additionally, S. 482 would direct the Secretary to implement the findings and recommendations to reduce power costs within the Basin and to regularly report to Congress on progress and changes; it would also address replacement of the C Canal Flume and reimbursement of certain costs incurred for the operation and maintenance of Pumping Plant D by increasing the federal share of costs and reducing the amounts that would be reimbursable by the project beneficiaries.

Importantly, S. 482 would direct the Secretary to comply with the terms of the KPFA, including Attachment A. This would confirm that Link River Dam and Keno Dam would be operated consistent with existing contracts and historic practice and subject to applicable law, and direct that any construction, operation, maintenance, rehabilitation, betterment, or other costs associated with Link River Dam and the Keno facility be non-reimbursable by Klamath Project users.

Reclamation supports the intent of S. 482, which would authorize the Department to undertake restoration activities and partner with States, Tribes, and local governments in efforts to address the Basin's water challenges in a collaborative manner. The bill would provide additional certainty to water users and stakeholders throughout the Basin. However, challenges remain as funding for implementation has not separately been appropriated by Congress. Reclamation

remains committed to the intent of the Klamath settlement agreements and is seeking pathways to fund its commitments with other appropriated dollars.

<u>S. 739, to clarify jurisdiction with respect to certain Bureau of Reclamation pumped</u> storage development, and for other purposes

The Bureau of Reclamation is the largest water supplier in the United States, owning and operating 188 projects across the western states with dams, reservoirs, canals, and other distribution infrastructure. Reclamation is interested in and supports the potential to develop pumped storage projects at existing facilities. Pumped storage is an efficient means to store energy when supply exceeds demand and has been shown to be one of the most useful methods for regulating intermittent renewable generation resources, such as wind and solar. Increased energy storage provided by a pumped storage project improves grid reliability, avoids transmission congestion periods, and avoids potential interruptions in energy supply.

Reclamation's Salt River Federal Reclamation Project, located near Phoenix, Arizona is one of Reclamation's first projects, authorized in 1903, and includes facilities located across portions of Maricopa, Gila, and Pinal Counties. The Salt River Federal Reclamation Project is operated by the Salt River Project. The Salt River Project or "SRP" is comprised of two entities, the Salt River Valley Water Users' Association, which operates the Reclamation Project, and the Salt River Project Agricultural Improvement and Power District, a political Subdivision of the State of Arizona, which operates the non-hydrogeneration resources and provides power to central Arizona. Seven storage reservoirs furnish water supply from the Salt and Verde Rivers to the Phoenix metropolitan area. The power system includes hydroelectric, natural gas, oil, coal, wind, and solar generation resources. SRP is reducing its carbon dioxide emissions through the retirement of older generation resources and development of renewable generation and storage projects.

In 2014, Reclamation prepared a Reclamation-wide Pumped Storage Screening Study that identified a location for pumped storage along the Salt River. Based on that initial work, SRP developed two possible locations for the construction of a pumped storage project. The results of that work indicated the potential for a project with a generating capacity between 1,000 and 1,150 megawatts (MW) utilizing pump-turbines housed alongside a water conveyance tunnel for generation and pumping water from Apache Lake to an upper reservoir.

Using the data acquired from the previous studies, S. 739 would allow for the withdrawal of Federal Land from National Forest System land to the Bureau of Reclamation for the development, generation, and transmission of electrical power and energy for the use of and benefit of the Salt River Federal Reclamation Project.

Through the transfer of this land, S. 739 would allow the proposed pumped storage project to be developed entirely within the authorities and footprint of the Federal Reclamation Project – streamlining development and maximizing Federal Reclamation Project benefits.

S. 739 would not grant Reclamation new authorities to fund the construction of the project, but instead would allow the Salt River Valley Water Users' Association to continue to evaluate, and construct the project at their cost, a portion of which is proposed on existing Forest Service land.

Title to the facilities developed on such land would be held by the United States as a part of the Project, with operation and maintenance remaining a responsibility of the Salt River Valley Water Users' Association as an authorized feature of the Project. S. 739 further would direct the Secretary of Agriculture to prepare a map, as soon as practicable, depicting the boundaries of the covered land, and make it available at the appropriate offices of the Forest Service and the Bureau of Reclamation.

The Department supports the development of pumped storage projects, where feasible, as an efficient means to store energy and improve grid reliability. The Department supports S. 739 and looks forward to working with the bill sponsor and the Subcommittee to address a few technical edits as the bill moves forward.

S. 1215, Protect Our Waters and Expand Renewables on Our Reservoirs Act or the "POWER Our Reservoirs Act"

Non-Federal renewable energy development on Reclamation projects, whether from hydropower or other sources, allows Reclamation and our stakeholders to derive additional value from existing Federal water resource projects. Reclamation supports such activity, provided it is compatible with underlying, authorized Reclamation project purposes, is in the best interests of the public, and is consistent with appropriate resource management and environmental considerations for the area.

Under Section 50232 of the Inflation Reduction Act (P.L. 117-169), Reclamation was provided the authority for the design, study, and implementation of projects (including pilot and demonstration projects) to cover water conveyance facilities with solar panels to generate renewable energy. If S. 1215 is enacted, Reclamation would prioritize the additional authority for storage reservoirs, rather than canals and conveyance facilities.

Over the last decade, interest among non-Federal developers to deploy solar panels or "floating photovoltaic" (FPV) systems on reservoirs has increased to potentially address concerns with drought and climate change. Due to the structural differences necessary to install FPV systems over water bodies, system costs remain higher than their land-based counterparts; however, the cost gap is decreasing at different rates around the world as the concept matures. As FPV is an emerging technology with limited deployments in the United States, few references exist to help inform review and consideration of FPV proposals.

In 2021, Reclamation, with support from the National Renewable Energy Laboratory (NREL), developed a report to help inform Reclamation decision-making and evaluation of non-Federal FPV development proposed on Reclamation project reservoirs. The report summarized the state of FPV technology and explored considerations to be made by Reclamation when evaluating FPV proposals. The report did not take a position on the efficacy of the FPV technology or feasibility of FPV systems on Reclamation project reservoirs, noting the need for further evaluation.

The language of S.1215 calls on Reclamation to coordinate with the Secretary of the Energy to further the analysis from the 2021 report and carry out an assessment of potential opportunities to install and maintain FPV systems across our projects. The language directs Reclamation to

identify a list of projects with a high-potential for the installation and maintenance of FPV systems, with consideration of the effects and benefits to the authorized purposes of such projects, including: evaporation suppression, energy yield, dam safety, recreation, water quality, and fish and wildlife. The bill authorizes appropriations of \$12 million to Reclamation to carry out these directives.

Under Section 2(b), no later than 18 months after enactment, Reclamation would submit a report to Congress, and make publicly available, a report describing the results of this assessment.

Finally, if supported by the analysis and assessment and within two years of enactment, S. 1215 Section 2(c) would provide Reclamation with authority to establish a pilot program to carry out projects to deploy FPV systems at high potential Reclamation projects. Section 2(c) would allow Reclamation to develop pilot projects, up to 100% federal cost, or in partnership with an applicable non-Federal entity, up to 50% federal cost. It is important to note that while S. 1215 would grant authority for FPV pilot programs, it does not grant Reclamation any new authorities allowing for more permanent, federal development of FPV systems on Reclamation projects. These authorities, if any, will be evaluated under Sec. 2(b) if enacted.

S. 1215 Section 3 authorizes appropriations and provides authority for an analogous pilot program to the Secretary of the Army for U.S. Army Corps of Engineering Projects. Reclamation defers comment on these aspects of the legislation to the U.S. Army Corps of Engineers.

If S. 1215 is enacted and funded, Reclamation would work closely with our partners and operators at Reclamation projects to assess and further analyze the challenges and opportunities from the installation of FPV systems at Reclamation projects.

S. 1662, Pilot Butte Power Plant Conveyance Act

The Bureau of Reclamation has constructed numerous dams, canals, and hydropower plants that provide water and power across the 17 western states. For most of these project facilities, Reclamation has transferred all or part of the responsibility for operation, maintenance, and replacement to a project beneficiary. Title, or ownership, to Reclamation facilities, however, remains with the United States Government unless Congress passes legislation directing otherwise.

The transfer of title divests Reclamation of responsibility for the operation, maintenance, replacement, management, regulation of, and most of the liability for Federal interests in lands and project facilities, while providing non-Federal entities with greater autonomy and flexibility to manage the facilities.

From 1995 through 2019, Reclamation conveyed title of thirty projects or parts of projects across the West pursuant to various acts of Congress. These title transfers generally have provided mutual benefits to both Reclamation and the non-federal entities involved. The title transfer process followed a framework that Reclamation and its partners collaboratively developed, but which required the passage of individual acts of Congress.

In 2019 the John D. Dingell, Jr. Conservation, Management and Recreation Act (P.L. 116-9) was signed into law. Title VIII of this Act provides Reclamation with new authority to transfer title to certain eligible facilities to qualifying entities without separate and individual acts of Congress. Section 8001(3)(B) of P.L. 116-9 included provisions that excluded title transfer authority for certain facilities, including for any reserved works as of the date of enactment. The term "reserved works" means any building, structure, facility, or equipment that is owned, operated, and maintained by Reclamation.

The Pilot Butte Power Plant is a reserved work and is part of Reclamation's Riverton Unit, as incorporated into the Riverton Unit of the Pick-Sloan Missouri Basin Program by the Act of September 25, 1970 (Public Law 91-409). The Powerplant receives water through the Wyoming Canal and discharges water directly to the Pilot Butte Reservoir. The Wyoming Canal and Pilot Butte Reservoir are Reclamation facilities for which the operation and maintenance has been transferred to the Midvale Irrigation District (District) via contract with Reclamation.

The Powerplant started generating power in 1925. The Powerplant was taken out of service in 1973 due to high operation and maintenance (O&M) costs as well as a deteriorating penstock. The penstock was replaced and the Powerplant was put back into service in 1990. From 1990 through 2008, the Powerplant operated seasonally from mid-April through late September. In 2007, Reclamation estimated the cost of needed repairs to continue to operate the Powerplant to be approximately \$3.2 Million. In 2008, the Powerplant was placed in a mothballed status (removed from service) because it was no longer economically viable to operate it. In 2016, the Wyoming Water Development Office estimated these repairs to cost between \$4.4 and \$8.3 Million.

As a reserved works, the transfer to the Pilot Butte Power Plant and related facilities is not eligible under the authority granted to Reclamation and requires an act of Congress. S. 1662 would provide Reclamation with the authority to convey title of the Power Plant to the district, subject to the necessary leases, permits, rights-of-way, easements, and terms necessary to ensure: the title transfer would not result in an adverse impact on existing water or power delivery obligations, that it complies with all applicable federal and state laws, and that conveyance of these facilities is in the financial interest of the United States. As the facilities have been removed from service, transfer of the facilities would minimally reduce costs associated with ongoing operation and maintenance and would potentially eliminate costs associated with removal and demolition, as necessary.

Section 3 further directs Reclamation to enter into good faith negotiations to enter into an agreement within two years with the District to determine and outline a framework for the terms of conveyance of the Power Plant. It requires a report to Congress, if conveyance is not completed within a year of enactment, outlining the status of the conveyance, any obstacles to completion, and the anticipated date of completion.

Section 6 directs Reclamation to provide an equal share with the District for the administrative costs for the conveyance of the Power Plant to the District. It should be noted, under P.L. 116-9, administrative costs for conveyance are fully the requester's expense.

The Department supports the conveyance of the Power Plant to the District, as outlined in S. 1662, and if enacted and subject to appropriations, Reclamation would work to negotiate an agreement that ensures the transfer is mutually beneficial to the United States and the District. The Department supports S. 1662 and looks forward to working with the bill sponsor to address any necessary technical edits.

S. 2102, Water for Conservation and Farming Act

The Water for Conservation and Farming Act, S. 2102, seeks to address drought in the west by improving water access and efficiencies for agriculture and conservation. Title I would amend existing authorities and establish a new "Bureau of Reclamation Infrastructure Fund" from funds that would otherwise be provided to the Reclamation Fund to provide a new source of funds for certain water infrastructure investment programs, including water reclamation and reuse, water and energy efficiency financial assistance, and dam safety projects. Title II includes several provisions for ecosystem protections and restoration, including reauthorization of and increased funding for the Cooperative Watershed Management Program as well as the Fisheries Restoration and Irrigation Mitigation Act of 2000, reauthorization of the Climate Change and Water Program, as well as the Deschutes River Conservancy Working Group.

Reclamation is concerned by Title I, Section 102, which could have potentially significant and unintended consequences for Reclamation's WaterSMART programs if enacted. Section 9504 of the SECURE Water Act is Reclamation's primary authority to fund water management improvements through financial assistance. Projects are carried out by not only irrigation and water districts but also by Tribes, municipalities, municipal water agencies, and States. Reclamation is concerned that S. 2102 would unnecessarily restrict use of this authority, and is particularly concerned by Section 102 of S. 2102, which would amend the SECURE Water Act with new language to prohibit any grant that would "increase the consumptive use of water for agricultural operations above the pre-project levels," even for downstream users who are not the recipient of the grant. WaterSMART grant recipients are already prohibited from increasing their own consumptive use with water conserved through the program, and the negative impacts the bill would ostensibly prevent have not materialized in practice. Nevertheless, the proposed language would likely have the effect of forcing recipients to agree that downstream users will commit all saved water solely for instream flows, even though recipients have no control of what happens to water once it goes back into the stream. The Department believes this language in the bill, if enacted as drafted, aims to solve a problem that has not manifested, could be subject to contradictory interpretations, would suppress participation in already successful WaterSMART Programs, and inadvertently prevent Reclamation from assisting water managers with some water management improvements or discourage potential applicants from even participating in existing programs.

Section 206 would extend the authorization of appropriations for Reclamation's Climate Change and Water Program, as authorized by the SECURE Water Act, section 9503 of Omnibus Public Land Management Act of 2009 (42 U.S.C. 10363), through fiscal year 2033. The Climate Change and Water Program is significant and beneficial to Reclamation and our stakeholders. Since authorization in 2009, Reclamation has funded 32 Basin Studies in 15 western states. These studies have strengthened relationships with non-federal entities and have created a technical foundation contributing to inform and allow for additional follow-on efforts. Basin Studies have brought together partners with competing demands for water and have paved the way for a common understanding of hydrology and built a collaborative approach to identifying solutions, avoiding conflict, and providing an alternative to litigation. Given the historic drought conditions experienced over the past decade, the authorities provided by the Section 9503 of the SECURE Water Act remain an important tool for Reclamation's mission.

Section 207 would extend the authorization of appropriations for the Deschutes River Conservations Working Group through fiscal year 2032, and allow Reclamation to use available appropriations to cover up to 50 percent of the cost performing any project proposed by the Working Group, and approved by the Secretary, up to \$1,000,000 per year. The Deschutes River Conservancy is dedicated to restoring streamflow and improving water quality in the Deschutes River Basin. Founded in 1996 as a collaborative, multi-stakeholder organization, the DRC's Board of Directors makes decisions by consensus and is comprised of key public and private interests including farming, ranching, timber, development, hydropower, recreation, Tribes, and environment. Reclamation is an ad hoc member of the board and fully supports the ongoing work of the Deschutes River Conservancy.

The American West faces serious water challenges. Increasing populations, competition for finite water supplies, along with drought and floods, all strain existing water and hydropower resources. At the same time, extended droughts are impacting water availability and climate change is likely to compound the impacts. These impacts include reductions to the water resources needed by agriculture, cities and the environment. Existing Reclamation programs, including those funded by the IIJA and the SECURE Water Act (Public Law 111-11), help communities throughout the West by increasing water supply sustainability and drought resiliency. Reclamation supports the intent of the bill to provide significant new and expanded authorities to address drought and climate change, but we would like to work with the bill sponsor and the Subcommittee to address the concerns above and propose technical corrections.

S. 2160, Urban Canal Modernization Act

Reclamation's canals were originally constructed through relatively unpopulated areas in the Western United States. Today, some of Reclamation's canals are subject to the spread of urban development and could pose a potential risk to populated areas in the event of a failure. Reclamation currently classifies and monitors approximately 880 miles of canals in its Urban Canal Hazard Program.

If enacted, S. 2160 would recategorize any extraordinary maintenance work on an urban canal of concern as emergency extraordinary maintenance work, thereby allowing the Secretary to provide non-reimbursable funds to cover 35% of project costs. This would reduce operating partners' maintenance costs for these urban canals, passing on costs to Reclamation for extraordinary maintenance work that would have otherwise been funded by Reclamation project beneficiaries.

Additionally, Section 2(f) would allow any reimbursable funds provided under S. 2160 to serve as a non-federal source of funds for the purposes of any cost-sharing requirement for a federal grant. Reclamation believes that this language may lead to some confusion with water managers as funding made available under Section 9603 of the SECURE Water Act is intended to carry out

extraordinary operations and maintenance work to ensure the structural safety of facilities. In contrast, Reclamation's grant programs have their own specific statutory requirements that may not be consistent with the requirements and goals of funding made available under Section 9603. In order to make use of the funding under this section as a non-federal match, the submitted project would need to be consistent with the requirements and goals of each program (e.g., repair of aging infrastructure as compared to new investments in water conservation). For example, Reclamation has provided funding for canal lining projects that were both deemed extraordinary maintenance, and eligible in part under the WaterSMART program. However, in most cases, canal lining projects funded under the WaterSMART project would include costs beyond the maintenance needs fundable under Section 9603. As such, if enacted as proposed, the amount of funding under the SECURE Water Act that could be applied as a non-federal match may be limited.

As an agency, Reclamation works collaboratively with our partners to ensure the safe and exceptional stewardship of our aging and urban infrastructure. Reclamation recognizes the additional risk that canals can pose to populated areas and supports the intent of the bill.

S. 2161, Canal Conveyance Capacity Restoration Act

Extending 400 miles through central California, the Central Valley Project (CVP) is a complex, multi-purpose network of dams, reservoirs, canals, hydroelectric powerplants and other facilities. However, decades of subsidence since the initial construction due to over-pumping of groundwater have caused the ground to sink in some parts of the Central Valley, reducing the CVP's carrying capacity of these facilities.

The Friant-Kern Canal (FKC) is an important feature of the CVP, delivering water to more than one million acres of highly productive farmland and 250,000 residents in San Joaquin Valley. Over the last decade, Reclamation and its contractors on the Friant Division of the CVP have been aware that subsidence impacts were such that the Friant-Kern Canal (FKC) was only able to convey approximately half of its designed and constructed capacity. Reclamation and the Friant Water Authority have worked to identify and resolve the capacity constraints, with a feasibility report transmitted to Congress on July 3, 2020, and a Record of Decision signed on November 4, 2020. The Department allocated \$206 million in Water Infrastructure Improvements for the Nation (WIIN) Act funding in FY 2021 for construction, and the contract was awarded in October 2021 for 10 miles of new canal in the worst impacted subsidence area, and construction is now underway. Additionally, Reclamation has allocated \$25 million in FY 2023 IIJA funds from the Aging Infrastructure Account to complete a feasibility study initially funded under the WIIN Act for subsidence correction activities on the Delta-Mendota Canal.

Reclamation is currently working with California Department of Water Resources to develop planning documents and various engineering studies for determination of the work required to correct the subsidence related to the San Luis Joint Use facility, across the San Joaquin Valley from the Friant-Kern Canal, and south of the Sacramento-San Joaquin Bay Delta. This facility carries the water pumped from the Bay Delta for delivery into the Central Valley and points as far south as urban Southern California. The Canal Conveyance Capacity Restoration Act, S. 2161, contains four distinct dollar-value authorizations for projects that would fund restoration of conveyance capacity of the Delta-Mendota Canal and other San Joaquin Valley canals to original capacity. The Act would further make up to one third of the cost of the subsidence mitigation activities non-reimbursable financial assistance. This is a departure from and in contrast to Reclamation's usual cost principles, which assign 100% of the costs for transferred works to the operating entity. If enacted, S. 2161 would make funding for similar work awarded from the Aging Infrastructure Account available to these canal conveyance projects on much more favorable terms than similarly situated Reclamation contractors.

The Canal Conveyance Capacity Restoration Act authorizes \$833.4 million for four major projects in California, including more than \$653 million to restore the capacity of three San Joaquin Valley canals that have been damaged by subsidence caused by groundwater overdraft. This includes \$289.5 million for California Aqueduct repairs, \$180 million for the Friant-Kern Canal, and \$183.9 million for the Delta-Mendota Canal. S. 2161 also provides \$180 million for the San Joaquin River Restoration Settlement to help restore salmon populations in the river, as required by San Joaquin River Restoration Settlement Act. If the legislation is enacted, the program would be able to continue funding restoration goal actions at current funding levels through approximately FY 2029. The authorization would require additional increases to fully implement the Restoration Goal of the San Joaquin Settlement Act.

Section 6 of S. 2161 proposes to further amend the WIIN Act of 2016. Section 4011 of the WIIN Act directed Reclamation to convert water service contracts to repayment contracts under Section 9(d) of the Reclamation Project Act of 1939, 53 Stat. 1195, allowing for full and accelerated repayment of capital obligations owed to Reclamation for facilities repayment upon a contractor's request, allowing for repayment, either in lump sum or by accelerated prepayment, of the remaining construction costs. Under Section 4011 of the WIIN Act, upon a contractor's compliance with and discharge of the obligation of repayment of the construction costs, certain provisions of the Reclamation Reform Act of 1982 (96 Stat. 1269), including certain limitations on farm acreage and federal reporting requirements, no longer apply. If enacted, S. 2161 would extend the authority provided under Section 4011 to be extended through 2033. Reclamation would like to work with the bill sponsor to address technical edits for this proposed extension.

The Department supports the intent of S. 2161 to help restore salmon populations and repair storage and conveyance capacity. The Department has been working to address reductions in conveyance capacity due to subsidence and other factors which have impacted facilities of the CVP in California. We look forward to continuing to work to restore salmon populations and to address subsidence in the San Joaquin Valley.

<u>S. 2162, Support To Rehydrate the Environment, Agriculture, and Municipalities Act, or the "STREAM Act"</u>

The Support to Rehydrate the Environment, Agriculture, and Municipalities (STREAM) Act is an ambitious bill that would establish new and expanded Reclamation authorities that range from water storage to aging infrastructure investment, to ecosystem health to address drought in the West. It touches on many of the authorities in recently enacted laws such as the IIJA (P.L. 117-58, enacted in 2021), Inflation Reduction Act (P.L. 117–169, enacted in 2022), the 2021 Consolidated Appropriations Act (P.L. 116-260, enacted in 2020), the Dingell Act (P.L. 116-9, enacted in 2019), and the WIIN Act (P.L. 114-322, enacted in 2016).

If enacted, Title I of the STREAM Act would amend and provide additional authorization for appropriations for the water recycling grant program, it would establish a revised water storage grant program within the WIIN Act, it would expand and authorize funds for new desalination projects, it would increase funding for drinking water projects, it would expand the applicability of the extraordinary maintenance extended repayment program, and it would create a new authority to use revenues from water transfers and payments to address drought and dam safety activities. Title II of the bill would reauthorize and expand eligibility under the Transboundary Aquifer Assessment Program. Title III is dedicated to ecosystem restoration and introduces a new performance-based funding program for ecosystem restoration, mitigation, or enhancement activities. Title IV has various additional authorities, including alterations to Reclamation's Emergency Drought Relief program and reauthorization of Section 4011 of the WIIN Act (P.L. 114-322) through 2028. As indicated under our testimony for similar language under S. 2161, if enacted, S. 2162 would extend the authority provided under Section 4011, allowing for the full and accelerated repayment of capital obligations of remaining capital costs to be extended through 2028. Reclamation would like to work with the bill sponsor to address technical edits for this proposed extension.

The STREAM Act seeks to accelerate the approval process for water recycling and desalination projects, and smaller non-federal storage projects with less than \$250 million in federal funding, by allowing the Department to approve the projects. Currently, Reclamation is required to seek congressional approval to authorize all water recycling, desalination, and storage projects, except for projects that receive construction funding under the IIJA.

Reclamation appreciates the work of the sponsor to address the worsening drought in the West. Western water issues are complex and multifaceted, and a diversity of creative programs will be necessary to meet current water needs within a changing climate.

The STREAM Act creates some new implementation obligations, since several of the authorities it amends are for programs recently stood up and now being implemented for the first time. Examples include the storage program and the extraordinary maintenance programs funded in BIL. Section 105 authorizes additional funding and guidance to Section 50231 of the Inflation Reduction Act for Domestic Water Supply Projects. Reclamation is currently developing this program and can ensure consistency with the recommendation to incorporate into multiple benefit projects features or facilities.

For these and other reasons, the Department would like to continue working with the sponsor and the Subcommittee to ensure that authorities within this bill are implementable, effective, can be integrated with existing laws recently passed, and would achieve intended goals.

S. 2166, Voluntary Agricultural Land Repurposing Act of 2023

The Reclamation Drought Response Program's authority is derived primarily through the Reclamation States Emergency Drought Relief Act of 1991 (43 U.S.C. 2211) as well as Subtitle

F of the Omnibus Public Land Management Act of 2009 (42 U.S.C. 10364(a), SECURE Water Act).

Through these authorities, Reclamation's Drought Response Program supports a proactive approach to drought. It provides assistance for drought contingency planning, as well as for construction activities for drought mitigation actions that build long-term resiliency to drought, and emergency response actions. The West faces severe water reliability challenges due to climate change, persistent drought, and increasing water scarcity. The changing climate in the West highlights the need for thoughtful planning and work to ensure our infrastructure is more resilient and that planning for changes in land use are considered over the long-term. S. 2166 would expand Reclamation's authorities to respond to drought and changing climate conditions by allowing project funding for voluntary agricultural land repurposing for longer periods of time.

If enacted, Section 2 of S. 2166 would expand Reclamation's authorities under the Emergency Drought Relief Act by allowing Reclamation to establish a competitive program to enter into financial assistance agreements with a State, Stage Agency, or Indian Tribe to voluntarily repurpose or provide for the transition of, over a period of years, irrigated agricultural land to reduce consumptive water use, while providing community health, economic wellbeing, water supply, habitat, and climate benefits.

Land repurposing projects funded under Section 2 would be required to be in alignment with a basin-scale program to ensure that projects are undertaken in cooperation with and alignment with existing regional and local water management plans. Projects submitted under a basin-scale program would need to (1) reduce consumptive water use; (2) repurpose or transition irrigated agricultural land for not less than 10 years; and (3) provide for one or more other measurable benefits to the environment or community in which the program is being carried out.

S. 2166 would direct the Secretary (acting through the Director of the United States Fish and Wildlife Service) or the Secretary of Commerce (acting through the Director of the National Marine Fisheries Service), as applicable, to seek to enter into voluntary conservation agreements, with individuals and entities that receive financial assistance through the Reclamation program established by S. 2166.

Section 2(a)(1)(B) would require the Secretary to provide an annual report to Congress that describes the status of the programs that have been provided financial assistance by Reclamation during that year and provide details to measure success within each program.

Section 3 would further and similarly amend Section 9504(a) of the SECURE Water Act to allow land repurposing as an approved activity under the financial assistance agreements provided under WaterSMART. Reclamation is concerned with providing funding for voluntary reductions in diversion of water or consumptive use through the SECURE Water Act and would like to work with the bill sponsor and Subcommittee to address implementation concerns. Ideally, funding for reductions in diversion or consumptive use would only occur with the proposed revisions to the Drought Relief Act. However, Reclamation is supportive of the proposal to fund land restoration activities under the SECURE Water Act, e.g., for restoring upland or riparian habitat after entities have received funding for voluntary reductions in diversions or consumptive use through the Drought Relief Act. Investment in the restoration of river and stream habitats, watershed health and the surrounding environment are an important tool that can lead to increased water availability for families, farmers and Tribes.

If enacted, the Emergency Drought Relief Act as well as the SECURE Water Act will be expanded to allow for additional projects activities to be funded, including:

- restoring upland habitat;
- restoring riparian habitat;
- creating pollinator habitat;
- restoring flood plains connection to stream or river channels;
- creating dedicated multibenefit recharge areas;
- dry-land farming or planting non-irrigated or water-saving cover crops;
- switching from irrigated agriculture to non-irrigated rangeland;
- creating park or community recreation areas;
- acquiring a conservation easement on land taken out of irrigated agricultural production to permanently protect a new use of the land;
- facilitation of renewable energy projects that have an overall greenhouse gas reduction; and
- reestablishment of Tribal land uses.

Similar to Reclamation's prioritization under a number of existing programs, S. 2166 would direct the Secretary to give priority to projects that provide direct benefits to disadvantaged communities, and which were developed through a multi-stakeholder planning process. S. 2166 would require that projects funded through this program provide measurable benefits to the environment or community for a 10-year period. If enacted, Reclamation would find it challenging to oversee monitoring requirements as it is incongruent with Reclamation's traditional financial assistance process.

Finally, S. 2166 would authorize additional appropriations to carry out the additional activities, limiting the use of those funds to 50 percent in any single year for pilot programs, if applicable, or to existing programs.

Reclamation supports the intent of the bill and efforts to provide water users with additional tools to temporarily and voluntarily repurpose land in response to drought and climate change, and would like to work with the bill sponsor and Subcommittee to address implementation concerns. Reclamation acknowledges and agrees with the need to revise and expand on the tools provided under the Emergency Drought Relief Act to better meet Congress's original intent for the program. Reclamation is concerned with providing funding for voluntary reductions in diversions or consumptive use through the SECURE Water Act but is supportive of revisions to allow for restoration activities to repurpose land following such voluntary reductions. Reclamation believes the policy implications of this bill would be of interest to Reclamation's stakeholder community, and we would work proactively to engage with them on program implementation if S. 2166 is enacted.

S. 2169, Watershed Results Act

If enacted, S. 2169 would create a new Reclamation program to establish and provide funding for watershed pilots, and to identify at least two such pilots within 180 days of enactment. These Watershed Pilots would be led by Reclamation and a management team designated by Reclamation. Within 1 year of the establishment of a watershed pilot, the management team would be required to develop and implement a 5-year plan using advanced watershed analytics, which will include milestones, outcome targets, an implementation plan and timeline. Once outcome targets are established, the watershed pilots would then be able to receive funding to implement qualifying projects.

If passed, implementation of S. 2169 would be complicated considering the existing statutory authorities already being implemented by Reclamation in this area, including some recently passed authorities. For example:

- Through the Cooperative Watershed Management Act (CWMP Act) (Sec. 6002 of P.L. 111-11), Reclamation has authority to provide funding to locally driven watershed groups for watershed restoration planning and watershed management project design and implementation. Although the types of activities funded using the Watershed Results Act would be similar to those funded using the CWMP Act, the CWMP Act specifically defines a watershed group as grassroots and non-regulatory, which contrasts the Federally led watershed pilots that would be authorized under the Watershed Results Act.
- The SECURE Water Act (Sec. 9504 of P.L. 111-11) provides authority for Reclamation's participation in various water management improvements. In 2020, the Act was amended to emphasize and prioritize projects planned and implemented collaboratively, including by watershed groups as defined under the CWMP Act, to accomplish ecological benefits.
- The 2020 Aquatic Ecosystem Restoration Act (Sec. 1109 of P.L. 116-260) authorized Reclamation to establish a new program focused on large aquatic ecosystem restoration projects.
- Sec. 40907 of the Bipartisan Infrastructure Law (P.L. 117-58) authorized Reclamation to fund multi-benefit projects for watershed health.

It is unclear what steps would be necessary for Reclamation to implement S. 2169 without significantly impacting those existing and recently implemented programs. Each of those programs uses competitive selection processes and, consistent with statute, focus on stakeholder-driven efforts to develop watershed-based stakeholder groups and to carry out projects that meet identified goals. The Watershed Results Act would direct Reclamation to establish a series of Federally-led pilots and to retain management responsibility for each effort, which would be a departure from the current Federal role in water management in most western river basins.

In addition, S. 2169 identifies that the Secretary shall modify, expand, or streamline eligibility and verification criteria for existing Federal financial sources to maximize flexibility, speed, and use of Federal funds in the most effective manner to achieve outcomes under the watershed pilot. This requirement would be challenging to implement without amendments to existing statutory authorities.

Reclamation supports the intent of the S. 2169 and we would like to work with the bill sponsor and the Subcommittee on technical assistance to identify opportunities to support collaborative

and science-based efforts and to otherwise meet the goals of the bill through revisions to existing authorities and programs.

S. 2202, Restore Aging Infrastructure Now Act or the "RAIN Act"

Section 9601 of the Omnibus Public Land Management Act of 2009 (P.L. 111-11) authorized Reclamation to offer extended repayment of extraordinary maintenance (XM) costs on Reclamation-owned facilities that would otherwise be required to be funded in advance. In 2020, P.L. 116-260 amended Reclamation's XM authority by creating a new account called the "Aging Infrastructure Account" and directing Reclamation to establish an annual application period for eligible applicants to apply for funds and request extended repayment.

Currently, to be eligible for Federal funding under this authority, the work must be major, non-recurring maintenance that is intended to continue the delivery of project benefits, and it must meet a cost threshold that is greater than either \$100,000 or 10% of the operating budget for that facility.

If enacted, S. 2202 would modify Reclamation's authority under P.L. 111-11, if requested by a transferred works operating entity, to fund modifications (including any necessary feasibility and environmental studies) to XM projects that result in an increase in public benefits and other project benefits, and which do not have an adverse impact on the original XM project. This amendment would not apply to reserved works facilities that Reclamation both owns and operates.

S. 2202 would add several key terms and definitions to Reclamation's current XM review and approval process for transferred works, including definitions to determine public benefits, adverse impacts, as well as disadvantaged communities.

S. 2202 would establish a process by which Reclamation would review, process, and receive consent from project beneficiaries, in order to determine any adverse impacts as a result of the project modification. S. 2202 further provides for a one-year timeline for this process to incur, potentially delaying XM projects while modifications are reviewed, and a determination of impacts are made.

Under S.2202, the modifications would be limited in cost to the higher of \$25,000,000 or 25% of the original XM project. The additional costs of the modified project, including associated annual operation and maintenance costs, that are related to a public benefit would be non-reimbursable, while any additional non-public benefits would be allocated and reimbursable in accordance with Reclamation's existing policies.

In order to incentivize participation and alleviate negative impacts to existing project beneficiaries S. 2202 would provide an incentive for operating entities to enter into modifications that would provide public benefits, by reducing repayment of capital costs by 15 percent and reallocating the remaining 85% of these costs to the new project beneficiaries. Given the complexity of how the bill would adjust project reimbursement and the uncertainty in operating entity participation, it is difficult to estimate the potential impacts and costs.

Over the more than 120 years of its existence, Reclamation has constructed facilities across the 17 western states in order to provide water supplies for agricultural, municipal, and industrial purposes. Many of these facilities are now exceeding an average age of over 50 years and are in need of improvements and modernization. The funding provided in the IIJA dramatically expanded Reclamation's ability to fund XM projects and address the challenge of aging infrastructure. Reclamation supports the intent of S. 2202 to support the expansion of XM projects to allow for existing projects to provide additional benefits to the public. However, Reclamation believes it could be productive to have a discussion about the goals of S. 2202 and how best to accomplish them.

<u>S. 2247, Upper Colorado and San Juan River Basins Endangered Fish Recovery Programs</u> <u>Reauthorization Act of 2023</u>

This bill would extend authority for the Upper Colorado River and San Juan River Basin endangered fish recovery implementation programs (recovery programs). Reclamation supports and urges reauthorization of these important and successful recovery programs. Reauthorization of the recovery programs provides certainty for the programs and ensures current and future water development in the Upper Colorado River Basin.

For more than 30 years, the recovery programs have been a model of Endangered Species Act (ESA) implementation. The recovery programs' goals are to protect and recover federally listed fishes (Colorado pikeminnow, razorback sucker, humpback chub, and bonytail) found only in the Colorado River basin while water development proceeds according to federal and state laws, interstate compacts, Supreme Court decrees, and federal trust responsibility to Tribes. The recovery programs' actions provide ESA compliance for more than 2,500 federal, Tribal, and non-federal water projects which deliver more than 3.69 million acre-feet of water for agricultural, industrial, Tribal, and municipal uses. The recovery programs facilitate delivery from Flaming Gorge, Navajo, and Aspinall Unit reservoirs of the Colorado River Storage Project (CRSP) which collectively have more than 6.6 million acre-feet of storage capacity, as well as depletions of a few acre-feet or less by small, individual, projects in the four Upper Basin states of Colorado, New Mexico, Utah, and Wyoming.

When the recovery programs were initiated in 1988 and 1992, the U.S. Fish and Wildlife Service indicated that the trajectory of all four listed species was toward extinction. The implementation of these recovery programs has not only prevented extinctions, but substantially improved the prospect for recovering the listed fish while simultaneously providing timely implementation of water delivery and hydropower projects. The recovery programs have contributed to the downlisting of the humpback chub from endangered to threatened in 2021. The razorback sucker is being recommended for downlisting based on reestablishment of adult populations across the Colorado River basin and increasing signs of natural recruitment.

Participants in the recovery programs include the Upper Basin states; federal agencies, including the Bureau of Reclamation, Fish and Wildlife Service, Western Area Power Administration, National Park Service, Bureau of Land Management, and Bureau of Indian Affairs; American Indian Tribes including the Navajo Nation, Jicarilla Apache Nation, Southern Ute Tribe, and Ute Mountain Ute Tribe; water users; power users; and environmental organizations.

Similar to other recovery and conservation programs outside of the Upper Colorado River Basin which have cost-share between Federal and non-Federal sources, these two recovery programs have historically been supported from a variety of funding sources, including cash and in-kind contributions by states, water users, and power customers, as well as hydropower revenues and federal appropriations. Shared contributions from program participants are essential for the continued success of the recovery programs.

Recovery program activities are implemented through a combination of annual base funding and capital project expenditures. Annual base funding supports recurring expenses for staff time, facility operations and maintenance, field activities, monitoring and data collection, data analysis and management, public outreach, committee meetings, and general administrative support. Capital funding supports major infrastructure improvements implemented at reservoirs, canals, diversion dams, and floodplains across the basin.

Reclamation supports this bill and urges extended re-authorization of P.L. 106-392 as the continued recovery of endangered and threatened species is essential to Reclamation's mission. The continued success of the recovery programs to ensure the recovery of threatened and endangered fish will provide certainty and allow for continued operation and future water development in the Upper Colorado River Basin.

Thank you for the opportunity to provide the views of the Department on the legislation before the Subcommittee today. The Administration continues to review the bills, including budgetary scoring implications, and may have additional comments. This concludes my written statement.