

CHAIRMAN RON WYDEN

OPENING STATEMENT

JUNE 20, 2013

- First, I want to thank all of our guests for being here today. I know that many of you travelled a long distance to come and we very much appreciate everybody being here.
- The committee is holding this roundtable to discuss what is arguably the most challenging set of water resource issues in our country. Of course, those issues are what the Klamath Basin is all about and what the Basin has been wrestling with for some time.
- My own view is, the Klamath needs a long-term solution – one that addresses four key principles: **First** there needs to be long-term certainty that our irrigators are going to get the water they need. **Second**, the federal government has the right to approve or deny any dam removal, although PacifiCorp has the right to make a business decision. **Third**, it's quite clear the Klamath Tribes have to be a part of the solution. **Finally**, it has to ensure the recovery of fish runs.
- My own view is much progress has been made over the past ten years trying to find common ground on how to reconcile the many important and competing interests in the Basin. This work is making a big difference for the on-project irrigators. But the fact is hundreds of farm households and citizens have been left behind.
- Working for a permanent solution is especially important now because the Basin is being pounded by drought once more. As we speak, off-project irrigators are losing water supplies that they depend on. Everyone, and let me emphasize everyone, in the basin has a right to expect better.

- Last month, I was in Klamath Falls for a town hall meeting. And my sense from that gathering is that all sides now, recognizing how difficult this summer is, want a real solution. From that town hall meeting I got a sense that people in the Basin want to put disputes behind them and they want certainty for the future.
- When I chaired a hearing on drought earlier this spring, the Commissioner of Reclamation told this committee that it is his “high expectation” that water will not be shut off to the Klamath Project this summer.
- That’s because the on- project water users have negotiated with the Tribes and other interests in the Basin and have agreed with them on how to address water-short years. This important compromise – a compromise that hopefully will keep the on-project irrigators farming this year – is a step in the right direction.
- The reality is the drought and the exercise of water rights under state law has resulted in off-project irrigators not receiving the water that they are accustomed to taking. Without a fresh solution that addresses the needs of everyone in the basin, it’s clear that is only going to happen more often.
- To the parties that have not reached a compromise and are experiencing that water cut-off, I want them to know I am committed to sitting down with all of you and the other basin interests to find a long term solution that reflects both the anticipated water supply in the years to come and economic issues that those family farmers are facing.
- In the West we all understand that water is precious, and the determination of water rights is exclusively within the purview of the States. The prior appropriation doctrine – what is in effect, first in time and first in right -- sets the rules of the road.

- Our state, the State of Oregon has just completed a 38-year process to adjudicate water rights in the Basin. As a result, the Klamath Tribe has been recognized as having rights going back to “time immemorial.” These are in effect property rights under our state’s law.
- In 2001, when the Basin had another very horrendous drought, these water rights had not been adjudicated. Now the Basin is bound by the system under state law that directs how to deal with water shortage and who gets what water. Unless a court intervenes, these are the rights that will be enforced this year – and in the future. And I think it’s worth noting, the Klamath County Circuit Court already declined to intervene just in the last few days.
- Now the Klamath Basin presents other serious challenges as well: degraded fisheries; high electricity costs; poor water quality; and adversely impacted towns and communities.
- Farming is obviously an energy-intensive undertaking. Our family farmers need affordable power to stay afloat. I have been working over the last few weeks with PacifiCorp, the Bonneville Power Administration and the Interior Department to address this issue and can announce today that on-project users will soon see a real reduction in their power rates. Now I discussed this with Congressman Walden last night and both he and I, and I know certainly Senator Merkley, all of us agree that we need rate relief for all our farmers. My own sense is this will require legislation, but there may be other ways to provide power rate relief for off-project users. I also at this time want to publicly express appreciation to Bonneville, to PacifiCorp, the Department of the Interior for making what I have just stated possible.
- That in effect is why the committee is holding this hearing. We are looking today for constructive approaches and fresh ideas. To build on the good work that has been done in the past and to move ahead and to recognize the fiscal realities Congress and our nation are facing.

- After considerable thought, I have concluded that the KBRA and essentially what has been agreed to at this point is simply unaffordable in the current federal budget environment. My message on this point is working in good faith there's got to be a way to accomplish the agreement's objectives with a lower price tag.
- Finally, I want to pledge to Oregonians that California will pay its fair share of this program. Already ratepayers who Senator Merkley and I represent are paying for the Klamath solution. Oregonians are still waiting for California to pass its bond to pay its share of the costs.
- As Chair of this Committee, I believe all parties should have a chance to have input before the committee advances any legislation and I state that whether or not they have been for the previous agreements or have differing views.
- We've already received more than 4,000 comments through our website. We want to continue to hear from stakeholders and the public and work for that lasting solution.
- Let me close with one last point. We can figure this out. I am very much aware that there are people, and I was reading various news articles last night, there are people hanging crepe on all this, they are saying this can't be done, this is too contentious and it's just not doable.
- I want you to know that as we begin this discussion I've got a lot more faith in you and your goodwill. I think there are people around this table and throughout the Basin that understand that this has gone on long enough and people who understand how serious the situation is now and who want us to come together to find a solution.
- And my own take with respect to these intractable resource challenges-- and Senator Murkowski and I have been able to tackle a few of them with some measure of success here in the last couple months-- is that nobody in a challenging situation like this gets everything they want.

Nobody gets everything they believe they deserve, but working together we can find a way so that everybody gets what they need as part of a lasting solution. So that's what today is going to be all about. And I want everybody to understand that we are going to stay at this, we are going to stay at it until we find a solution this time.