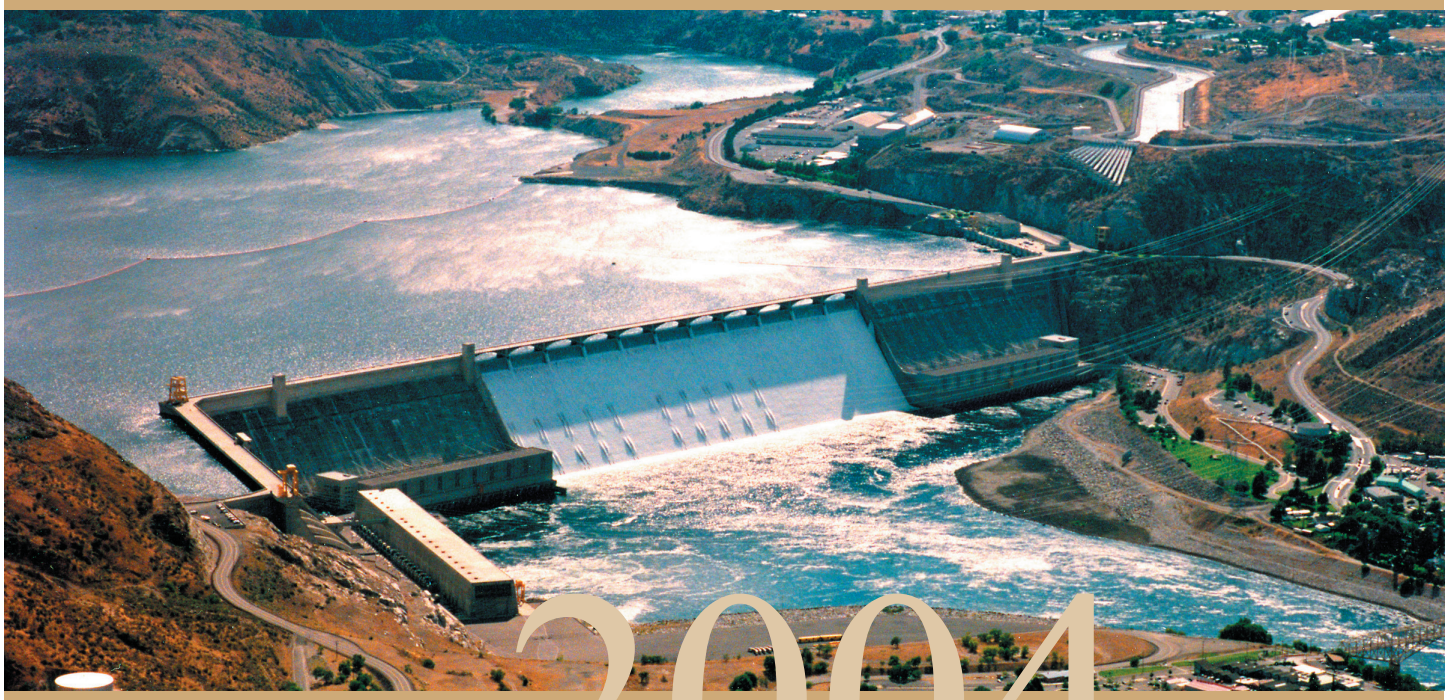
RECLAMATION

Managing Water in the West



2004

Annual Report

U.S. Department of the Interior
Bureau of Reclamation

On the Cover: Grand Coulee Dam, located on the Columbia River in central Washington, Pacific Northwest Region.

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One of Reclamation's over-arching priorities is to ensure the reliable delivery of water under Reclamation's contracts.

LETTER FROM THE COMMISSIONER

John Keys, Commissioner, Bureau of Reclamation.

It is my pleasure to present the Bureau of Reclamation's 2004 Annual Report to the Congress and the public.

For more than 100 years, Reclamation has been dedicated to the safe and effective delivery of water and power throughout the West. We continue to carry out this core mission and help provide comprehensive solutions to water management challenges.

Reclamation is the Nation's largest wholesale water supplier. We administer 348 reservoirs with a total storage capacity of 245 million acre-feet of water. We bring water to more than 31 million people and provide one out of five farmers in the West (140,000) with water to irrigate 10 million acres of farmland that produces 60 percent of the Nation's vegetables, and one quarter of its fresh fruit and nut crops.

Reclamation is also the Nation's seventh largest power utility and second largest producer of hydroelectric power. Our 58 hydroelectric powerplants serve 9 million people, providing more than 42 billion kilowatthours of energy each year—equivalent to the energy provided by 80 million barrels of crude oil—and generating nearly $1 billion in power revenues for the U.S. Treasury.

In addition to delivering water and power, our facilities provide other benefits such as flood control, wildlife habitat, and recreation. We continue to emphasize safety at all of our facilities, and we work to satisfy the Secretary's Native American trust responsibilities.

We are looking ahead to ensure our continued success in meeting the water needs of the West. We are developing new water technologies such as desalination. We are carrying out the Secretarial initiative Water 2025 to identify and prevent future crises and conflict in key areas of the West. This year, we launched the Water 2025 Challenge Grant program, a program that facilitates our work with local partners to implement innovative, on-the-ground solutions that help to stretch water supplies.

We also depend enormously on our State and local partners as we carry out our day-to-day operations; we look forward to continued work with them. Following Interior Secretary Gale A. Norton's principle of the 4Cs—cooperation, consultation, and communication, all in the service of conservation—we will continue to protect the high quality of life expected by the people of the West by supplying the water and power that ensure a vibrant economy and healthy environment.

Mission and History

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American Public.

Our Past. . .

Inadequate precipitation in the American West required settlers to use irrigation for agriculture. At first, they simply diverted water from streams; but in many areas, demand outstripped supply. As demand for water increased, settlers wanted to store "wasted" rain and snow runoff for later use in drier seasons. Private and State-sponsored storage and irrigation ventures were pursued but often failed because of lack of money and/or lack of engineering skill.

Pressure mounted for the Federal Government to undertake storage and irrigation projects. The Congress had already invested in America's infrastructure through subsidies to roads, river navigation, harbors, canals, and railroads. Eventually, the Congress passed the Reclamation Act of June 17, 1902, which required water users to repay construction costs of projects from which they received benefits.

In the jargon of that day, irrigation projects were known as "reclamation" projects because irrigation would "reclaim" arid lands for human use. In addition, irrigation supporters believed reclamation programs would encourage family farms and, by extension, Western settlement.

Between 1902 and 1907, we began about 30 water projects in the Western States. In 1928, the Congress authorized the Boulder Canyon (Hoover Dam) Project, and large appropriations began, for the first time, to flow to Reclamation from the general funds of the United States. The heyday of Reclamation construction occurred during the Great Depression and the 35 years following World War II. The last major authorization for construction projects occurred in the late 1960s, while a parallel evolution and development of the American environmental movement began to result in strong opposition to water development projects.

Farmers (above and next page) have been irrigating land with water supplied by Reclamation for over a century.

Between 1988 and 1994, we underwent major reorganization as construction of authorized projects neared completion. Program emphasis shifted from construction to operation and maintenance of existing facilities. In redirecting our programs and responsibilities, we substantially reduced staff levels and budgets, but we remained a significant Federal bureau in the West.

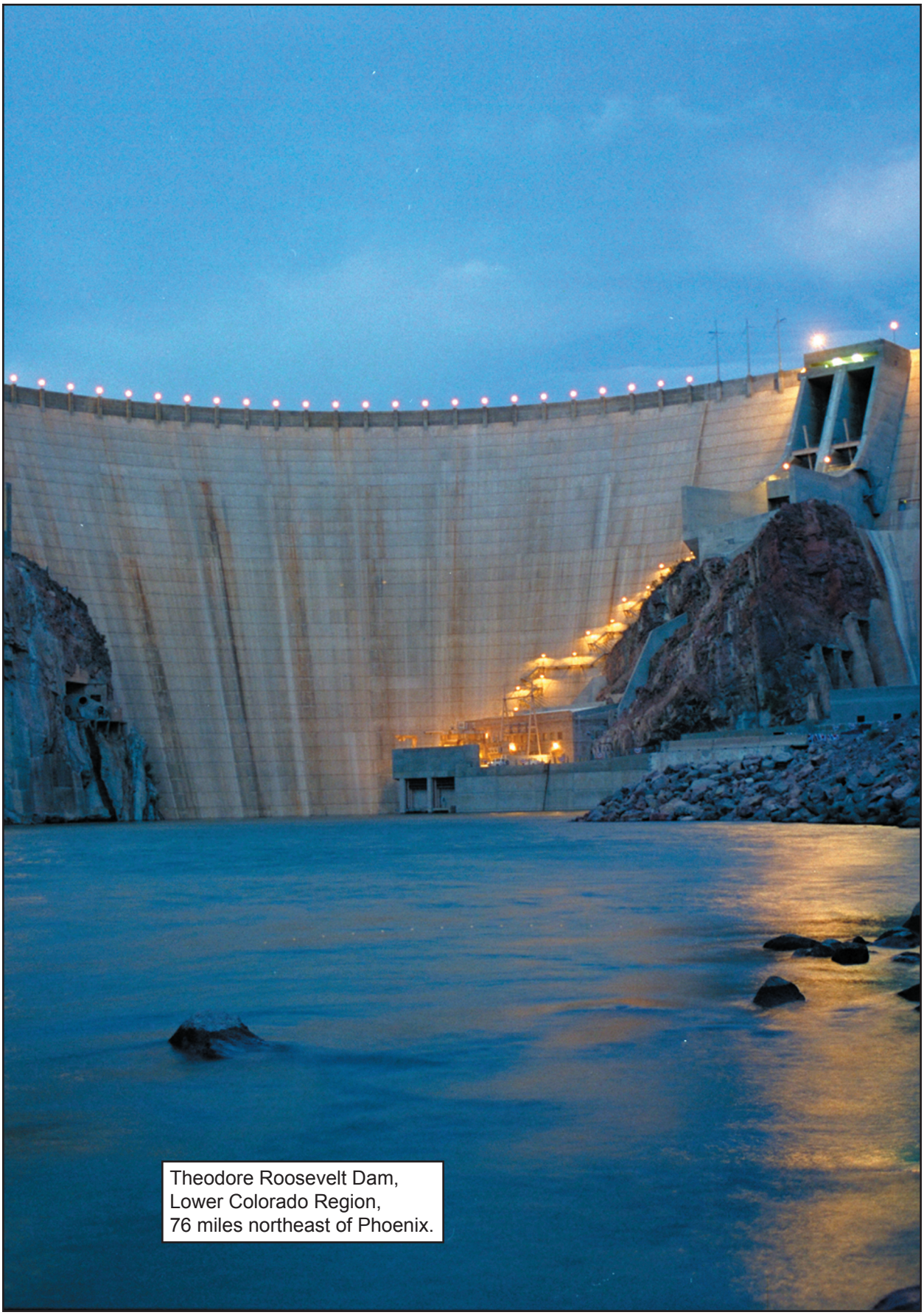
Today. . .

Reclamation is the largest supplier of water in the 17 Western States, operating about 180 projects. Our facilities include 348 reservoirs and 476 dams with the capacity to store 245 million acre-feet of water. We bring water to more than 31 million people and provide one out of five Western farmers (140,000) with irrigation water for 10 million acres of farmland that produce 60 percent of the Nation's vegetables and 25 percent of its fruits and nuts.

Reclamation is a major American generator of electricity. We are the Nation's second largest producer of hydroelectric power, generating 42 billion kilowatthours of energy each year from 58 powerplants. Our facilities provide substantial flood control, recreation, and fish and wildlife benefits.

The Future. . .

Since our establishment in 1902, we have developed water supply facilities that have contributed to sustained economic growth and an enhanced quality of life in the Western States. Lands and communities served by Reclamation projects have been developed to meet agricultural, tribal, urban, and industrial needs. In more recent years, the public has demanded better environmental protection and more recreational opportunities, while municipal and industrial development has required more high-quality water. The primary predictor for conflict and crises over water in the West is the combination of explosive population growth and demands for water for species listed under the Federal Endangered Species Act. Under current rates of economic growth, cities such as Phoenix, Los Angeles, Denver, Salt Lake City, and Boise, if relying on existing infrastructure and supplies, could impact significant portions of their regional agricultural base as increasing urban demands for water look to other water uses for future supplies. Albuquerque and Santa Fe have a severe water supply crisis now even under normal water supply conditions, and Las Vegas faces a water supply crisis within 10 years under normal conditions. At the present time, the seven Colorado River basin states of Arizona, Nevada, California, New Mexico, Utah, Colorado, and Wyoming are experiencing the worst drought in 500 years. Other Western areas, including portions of California, Oregon, and Montana are also experiencing significant drought conditions. A continuation of drought conditions in these areas could result in crises that are earlier and more intense than they would be under normal conditions.



Theodore Roosevelt Dam,
Lower Colorado Region,
76 miles northeast of Phoenix.