

Permanent Appropriations

LOCATION: The 17 Western States in Reclamation's Service Area.

DESCRIPTION: The Permanent Appropriations include the following: Colorado River Dam Fund, Boulder Canyon Project; and four Miscellaneous Permanent Appropriations (two within the North Platte Project, Klamath Reclamation Area, and Fort Simcoe Job Corps Center).

PURPOSE: Permanent Appropriations provide for the transfer of revenues from various funds toward the construction, operation, maintenance, replacement, environmental studies, and other associated activities at various projects. The Permanent Appropriations also provide for the payment of interest to the Treasury and transfers of monies to other funds and governmental entities.

AUTHORIZATIONS: See the individual fund summaries for authorizations.

WORK PROPOSED FOR FY 2008: See the following individual writeups for details.

**Colorado River Dam Fund
Boulder Canyon Project**

LOCATION: Southern Nevada and western Arizona.

DESCRIPTION/JUSTIFICATION: The Boulder Canyon Project Act of 1928 established the Colorado River Dam Fund and defined its uses. Revenues are derived mainly from the sale of electrical energy generated at Hoover Dam. The Hoover Dam Power Plant Act of 1984 established that all receipts would be deposited into the Fund to be available without further appropriation for payment of operations, maintenance, replacement, interest, and repayment associated with the project. The Hoover Power Plant Act of 1984 also provided for the transfer of power revenues to the Lower Colorado River Basin Development Fund.

Hoover Dam forms Lake Mead, providing flood control, river regulation, fish and wildlife benefits, irrigation, municipal and industrial water supplies for local and downstream purposes, generation of electrical energy, and major recreational activities for the southwestern United States. The powerplant provides an annual power generation of approximately 4.3 billion kilowatt hours of low cost, renewable hydropower which serves various sections of the southwest and the Nation as a whole. Maximum powerplant capacity totals 2,078 megawatts.

AUTHORIZATION: P.L. 642, Boulder Canyon Project Act, December 21, 1928; P.L. 756, The Boulder Canyon Project Adjustment Act, July 19, 1940; P.L. 98-381, The Hoover Power Plant Act of 1984, July 1984.

BUDGET AND PERFORMANCE INTEGRATION: This project is aligned with the following *Department of the Interior's Strategic Plan* end outcome goals: Deliver Water and Generate Power.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2007	FY 2008
Water and Energy Management and Development	\$24,339,000	\$24,452,000
Facility Operation	52,009,636	58,307,000
Facility Maintenance and Rehabilitation	6,961,000	12,910,000
Total Obligations	\$83,309,636	\$95,669,000
Unobligated Balance Available, Start of Year 1/	(19,119,636)	(19,119,000)
Unobligated Balance Available, End of Year	19,119,000	19,119,000
Budget Authority	\$83,309,000	\$95,669,000
Total BOR Appropriation-Permanent Indefinite Balance, end of year	\$83,309,000	\$95,669,000
Total Revenues 2/	\$83,309,000	\$95,669,000

1/ Includes Post-retirement Benefits; Working Capital Fund; and Unapplied Upgrading Credits.

2/ Includes principal repayment (\$1,636,000 in FY 2007 and \$1,712,000 in FY 2008).

WORK PROPOSED FOR FY 2008

Water and Energy Management and Development - Provides for payment of interest to the Treasury on funds advanced for construction of Hoover Dam and appurtenant project works (\$11,010,000); principal payment to the Treasury (\$1,712,000); for payments to the States of Arizona and Nevada in lieu of taxes (\$600,000); and funds transferred to the Lower Colorado River Basin Development Fund (\$11,130,000).

\$24,452,000

Facility Operations - Continues operation, preventive maintenance, and administrative support functions of the project to facilitate water and power deliveries. Includes Reclamation and Western Area Power Administration water and power operations, uprating credits, forecasting, water scheduling, hazardous materials management, river telemetry, policy/regulation, and communications. Provides guides, security, and support for visitor services. The increase is due to higher estimates for materials and services, credits returned to the power customers for upfront funding used to uprate generating equipment at Hoover Dam, and indexing.

58,307,000

Facilities Maintenance and Rehabilitation - Continues non-routine maintenance activities and replacements to infrastructure and structural facilities. Begins and completes work on resurfacing all roads, lower portal tunnel refurbishment, air compressors overhaul, replacing CO2 squibs and station service failure study.

Continues pressure relief valves overhauls to maintain the components of the pressure relief valves to insure reliable operation; coating of interior penstocks to assure that the steel (including joints and pins) does not deteriorate from corrosion; replacing cast steel wicket gates with stainless steel wicket gates which will result in a thinning of the wicket gate cross section and increase the servomotor stroke (this will increase the total gate opening (increasing capacity) and reduce friction to flow (increasing efficiency); replacement of worn crown plates and wicket gate bushings to reduce leakage through the units while motoring or shut down, reduce or eliminate wear plate cavitation, and reduce outage time due to shear pin breakage; procurement of spare seal rings to reduce downtime and contribute to turbine efficiency; renovation of the powerhouse roof; procurement of transportation equipment; rebuilding and replacing generator coolers which have exceeded their service life and are experiencing failures; replace/upgrade microwave telemetry system; Unit Control Modernization to modernize and integrate systems and achieve economic benefits from optimizing the value of capacity, regulation and energy from Hoover Dam; and miscellaneous minor equipment replacement

The increase is due to several new Replacement line items and increased work on several continuing items.

12,910,000

Total Obligations **\$95,669,000**

Total Appropriations, Permanent Indefinite **\$95,669,000**

SEE APPENDIX FOR: Obligations by Function for Operating Project

Miscellaneous Permanent Appropriations

DESCRIPTION

Miscellaneous Permanent Appropriations consist of four separate appropriations: Operation, Maintenance, and Replacement of Project Works, North Platte Project; Payments to Farmers' Irrigation District; Payments to Local Units, Klamath Reclamation Area; and Operation and Maintenance of Quarters, Fort Simcoe Job Corps Center.

FY 2008 PROGRAM

Operation, Maintenance, and Replacement of Project Works, North Platte Project (Gering and Fort Laramie, Goshen and Pathfinder Irrigation Districts), \$7,000 (P.L. 578 (66 Stat 755), July 17, 1952)

Revenues are derived from the operation of project powerplants, leasing of project grazing and farm lands, and the sale or use of town sites. These revenues are deposited in a special receipt account which is maintained exclusively for that purpose. The monies are collected in one year and disbursed in the next.

Payment to Farmers' Irrigation District (North Platte Project, Nebraska-Wyoming), \$8,000 (P.L. 85-123 (73 Stat 342), August 13, 1957)

The source is power revenues from the North Platte project. Payments are made annually to the Farmers' Irrigation District toward payment of the annual cost of carrying the Northport Irrigation District's water through the Farmers' Irrigation District canal. The monies are deposited in the Reclamation Fund and disbursed from an expenditure account.

Payments to Local Units, Klamath Reclamation Area, \$250,000

Twenty-five percent of net revenues collected during each fiscal year from the leasing of Klamath project reserved Federal lands, within the boundaries of the Lower Klamath National Wildlife Refuge and the Tule Lake National Wildlife Refuge, are to be paid annually by the Secretary to the counties in which such refuges are located. Such payments are made on a pro rata basis based upon the refuge acreage in each county. The monies are deposited in the Reclamation Fund and disbursed from an expenditure account. Payments are made each year to Klamath, Modoc, and Siskiyou Counties.

Operation and Maintenance of Quarters, Fort Simcoe, Job Corps Center, \$15,000

The source of revenue is from the use of quarters from the operation of Fort Simcoe Job Corps Center. The amount of revenue varies from year to year. The monies are deposited in a special receipt account. Funds are used for maintenance of the Job Corps Center quarters.

APPROPRIATION:

FY 2008	\$280,000
FY 2007	\$280,000