

**Oral Statement of Michael L. Connor
Commissioner
U.S. Bureau of Reclamation
Before the
House Committee on Natural Resources
Subcommittee on Water and Power**

March 20, 2012

Thank you Mr. Chairman, Ranking Member Napolitano, and members of the subcommittee for the opportunity to discuss Reclamation's Fiscal Year 2013 budget request.

The overall request for Reclamation is 1 billion dollars. I have submitted detailed written testimony for the record. The budget reflects a comprehensive set of actions and initiatives that support Reclamation's mission and hundreds of thousands of jobs in the western United States. Reclamation is employing an "all of the above" strategy in the area of water resources. Certainty and sustainability, our primary goals with respect to the use of water resources, requires Reclamation to take action on many fronts, and our budget proposal was developed with that reality in mind. In order to help meet the water and energy needs of the 21st Century, we must continue to (1) maintain and improve existing infrastructure; (2) develop new infrastructure; (3) conserve and make more efficient use of limited water resources; (4) protect the environment (5) better understand and plan for future challenges; and (6) help clarify the relative rights to use water.

I'll briefly summarize 6 areas of particular interest.

Infrastructure

Overall, the budget supports the need to maintain our infrastructure in safe operating condition. Approximately 52-percent of the Water & Related Resources account is dedicated to operation, maintenance, and rehabilitation activity, with 48-percent allocated for resource management and development. OM&R include the Dam Safety program (\$87.5 M); Site Security program (\$27 M); and RAX - shorthand for replacements, additions, and extraordinary maintenance (\$41 M). I will note that with respect to RAX, \$7.3 million is specifically included for Reclamation-wide Aging Infrastructure needs using recently enacted Reclamation authorities available for this purpose.

WaterSMART

A second priority area is WaterSMART. WaterSMART concentrates on expanding and stretching limited water supplies to reduce conflict, facilitate solutions to complex water issues, and meet the growing needs of municipalities, domestic energy development, the environment, and agriculture. We have established a priority goal to facilitate an increase in available water supply of 730,000 acre-feet cumulatively by the end of 2013 through WaterSMART and related programs. The priority goal was first established in 2010, and in its initial two years Reclamation has facilitated an additional 488,000 acre-feet of water supply in the West. In 2013, Reclamation proposes to fund the various

WaterSMART programs at \$54 million.

Ecosystem Restoration

Ecosystem Restoration is a 3rd priority area. In order to meet Reclamation's mission goals of producing power and delivering water in a sustainable manner, we must continue to focus on the protection and restoration of the aquatic and riparian environments affected by our projects. Specifically, the 2013 request provides substantial funding for a number of restoration programs in California, including the Central Valley Project Improvement Act, San Joaquin River restoration, Trinity River restoration, and Bay-Delta initiatives. A number of our ESA Recovery and compliance programs have received specific authorization from Congress and enjoy broad support from diverse interests. These include the Lower Colorado River Multi-Species Conservation (MSCP) program; the Platte River ESA program; the Upper Colorado and San Juan River Endangered Fish Recovery programs, and the Middle Rio Grande Collaborative Program. Funding is also being provided in the budget to support the Klamath Basin Restoration Agreement (KBRA) using existing authorities, and the Yakima River Water Enhancement Program.

Cooperative Landscape Conservation

Fourth, Cooperative Landscape Conservation is a Departmental initiative in which Reclamation is actively engaged. We are developing and implementing approaches to understand and effectively adapt to the array of challenges facing western water management. The Basin Studies Program in particular, is part of Interior's integrated strategy to respond to climate change impacts on resources managed by the Department. In 2013, the Basin Studies Program will continue West-wide risk assessments focusing on the threats to water supplies from climate change and other factors. Reclamation's Science & Technology Program is also devoting substantial resources to support Interior's Climate Science Centers and provide basic scientific information to support broad-scale conservation efforts.

Renewable Energy

Fifth, to support the Department's New Energy Frontier Initiative, the 2013 budget allocates 2.0 million dollars to specifically support Reclamation-wide renewable energy initiatives, and to collaborate with other entities on renewable energy integration. The funds will be used to continue our efforts in exploring how renewable energy technologies, both hydro and non-hydro, can be added to and integrated with Reclamation projects. A year ago Reclamation issued a report identifying 225 MW of potential hydropower capacity that could be developed at existing Reclamation facilities. Since the release of that Report in March 2011, there have been 10 projects initiated under our Lease of Power Privilege (LOPP) process and 18 FERC applications filed. We plan on releasing a 2nd report within the next couple of weeks assessing the low-head hydropower potential for Reclamation-owned canals. I should note that we are also revamping our LOPP process to provide clarity and efficiency to the evaluation of proposed new energy development on Reclamation facilities. Overall, the renewable energy program is very active and will support efforts to add capacity to meet the nation's electricity needs.

Supporting Tribal Nations - Indian Water Rights Settlements

Sixth and finally, Reclamation has a long-standing commitment to the Secretary's goal of strengthening tribal nations. The 2013 budget supports that goal through a number of activities

and projects, including fisheries restoration, rural water projects, and the implementation of water rights settlements. With respect to settlements, the Budget includes funding towards four settlements authorized by the Claims Resolution Act of 2010, as well as the Navajo-San Juan River settlement authorized in 2009, and other previously enacted settlements. Reclamation's goals in implementing settlements are to (1) help Tribes realize settlement benefits as quickly as possible; (2) ensure certainty in the use of water for Tribes and their non-Indian neighbors; and (3) promote economic prosperity in Indian country in both the short and long-term.

Conclusion

Mr. Chairman, we appreciate the continued support that this Subcommittee has provided Reclamation. This completes my statement. I'm happy to answer questions at the appropriate time.