

**Statement of Scott Cameron, representing the
Office of the Assistant Secretary for Water and Science
U.S. Department of the Interior
Before the
Subcommittee on Energy and Water Development, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
On The President's Fiscal Year 2018 Budget**

Wednesday, May 24, 2017

Thank you Chairman Simpson, Ranking Member Kaptur, and members of this Subcommittee for the opportunity to discuss with you the President's Fiscal Year 2018 Budget for the Department of the Interior's Bureau of Reclamation and Central Utah Project Completion Act. I am Scott Cameron, representing Interior's Office of the Assistant Secretary for Water and Science, and I appreciate your ongoing support of our programs.

The Department of the Interior's 2018 budget request is \$11.7 billion, which emphasizes Interior's crucial role in promoting economic growth across America while also protecting the Nation's natural resources and cultural heritage; furthering the America First national energy goals; providing vital scientific information to responsibly manage our resources and energy development; and honoring our Trust responsibilities to Native Americans. The Department's diverse mission affects the lives of all Americans; for example, in 2016 Interior's programs were associated with an estimated \$250 billion in economic output and supported 1.6 million jobs in activities that include outdoor recreation and tourism, energy development, grazing, and timber harvesting. The Bureau of Reclamation's activities, including recreation, contribute over \$48.1 billion in economic activity and support over 388,000 jobs each year.

The Department, primarily through the Bureau of Reclamation, works with States, Tribes, local governments, and non-governmental organizations to pursue a sustainable water supply for the West by providing federal leadership and assistance on the efficient use of water. The 2018 budget continues these efforts to address the challenges of water availability. Interior's \$1.1 billion budget request for Reclamation invests in our water and power infrastructure, facilitating the delivery of water to 31 million people in the West. In addition, our programs focus on the protection and restoration of aquatic and riparian environments influenced by our facilities and operations. It is critical that Reclamation continues to invest in ecosystem restoration if we are to continue to reliably supply water and power as we have historically.

This budget also continues to strengthen our Tribal Nations by implementing Indian water rights settlements. We are proposing that Reclamation invest \$151.3 million in FY18 towards fulfillment of this responsibility. These activities include projects and actions to implement

Indian water rights settlements, provide technical assistance to tribes, and for ecosystem restoration.

Interior's budget furthers our commitment to developing domestic energy resources in order to make America stronger and boost the Nation's economy. Hydropower is a renewable and reliable resource providing clean energy to the western United States. It is the nation's largest renewable energy resource and the Bureau of Reclamation is the second largest producer of hydropower in the United States.

Finally, Interior's budget request includes the Central Utah Project Completion Act Office, which falls under the jurisdiction of the Assistant Secretary for Water and Science. The Central Utah Project annually provides 62,000 acre-feet of water for irrigation of over 30,000 acres and over 100,000 acre-feet for municipal and industrial purposes, supplying water to nearly 400,000 people. This water will help address the water demands of the growing population in the Wasatch Front, one of the fastest growing areas in the Nation.

Let me address these items with a little more detail:

Energy

The Department has a significant role to play in securing an energy future for our Nation that puts America on track toward energy independence. Through increasing access to public lands and alleviating unnecessary regulatory burdens while balancing conservation objectives, the Department is working to ensure that the Nation's "all-of-the-above" energy development strategy includes not only conventional sources, but also hydropower.

Reclamation's 2018 request includes \$1.3 million to support sustainable hydropower initiatives which deliver value to Reclamation projects. These initiatives include activities designed to achieve operational efficiencies at Reclamation hydropower facilities and to promote the development of new, non-federal hydropower on existing, non-powered Reclamation infrastructure.

Funding will support ongoing work to create automated data collection and archive systems to aid in hydropower benchmarking, performance testing, regulatory compliance, and strategic decision making; and hydropower efficiency research to improve power facility operational efficiencies, electric output, and water conservation. Funding will also provide for the policy execution and oversight of non-federal hydropower development at existing Reclamation facilities through Lease of Power privilege or Federal Energy Regulatory Commission licensing and will allow Reclamation to work with Tribes to assist them in developing sustainable energy resources to better manage water resources.

Finally, funding will support the Memorandum of Understanding (MOU) for Hydropower, executed by the Department of the Interior, Department of the Army (through the U.S Army Corps of Engineers), and Department of Energy to advance reliable, affordable, and environmentally sustainable hydropower. Reclamation will use 2018 funding to support Reclamation's mission needs in the following areas: technology development; asset management; hydropower sustainability; quantifying hydropower capabilities and value in power systems; and information sharing, coordination, and strategic planning.

Stewardship of America's Lands and Waters

As the largest wholesaler of water in the country, Reclamation has a leading role – in coordination with other Federal agencies, State officials, local water users, and interested stakeholders – in developing strategies to help ensure water supplies for future generations. As managers of critical water resources, Reclamation ensures millions of customers receive the water and power supplies that support a healthy economy. To help address the many challenges faced by water managers, Reclamation continues the implementation of the WaterSMART Program. The funding proposed in Reclamation's 2018 WaterSMART budget supports collaboration with our non-Federal partners in efforts to address emerging water demands and water shortage issues in the West, to promote water conservation and improved water management, and to take actions to mitigate adverse environmental impacts of Reclamation projects.

Reclamation's WaterSMART Grants and Title XVI Water Reclamation and Reuse Program support water supply sustainability by leveraging Federal and non-Federal funding to conserve tens of thousands of acre-feet of water each year in urban and rural settings, and on both large and small scales. Through programs such as the Drought Response Program, initiated in 2015, Reclamation helps communities manage drought through on-the-ground projects that build resilience to drought in advance of a crisis, and the development of long-term, drought resilience strategies through drought contingency planning. Through the Basin Study Program, Reclamation collaborates with stakeholders to identify imbalances in water supply and demand, and to identify adaptation and mitigation strategies to address potential shortfalls. Through the Cooperative Watershed Management Program, Reclamation provides cost shared funding to watershed groups for projects to address water quality and quantity issues, and to improve ecological resiliency at the local level to help avoid conflicts over water.

The WaterSMART funding request in 2018 is \$59.1 million. However, this investment is highly leveraged through partner funding – for example, grants under the WaterSMART program require a 50:50 cost share.

Infrastructure and Safety

Reclamation's dams, water conveyances, and power generating facilities are integral components of our Nation's infrastructure that provide basic water and power services to millions of customers in hundreds of basins throughout the Western United States. Effectively managing the benefits that these structures provide is among the significant challenges facing Reclamation over the coming years. Reclamation manages 492 dams throughout the 17 Western States. Reclamation's budget request includes funding for specific Extraordinary Maintenance activities that are central to mission objectives of operating and maintaining projects to ensure delivery of water and power. Through constant monitoring and assessment, Reclamation strives to most effectively use its limited resources to ensure dam safety and to maintain the ability to store and divert water and to generate hydropower.

The Dam Safety Program continues to be one of Reclamation's highest priorities, utilizing the latest information and technology to evaluate and address the most pressing safety risks in order to ensure reliability and protect the downstream public. The Dam Safety Program has identified 363 high and significant hazard dams. Reclamation evaluates dams and monitors performance to ensure that risks do not exceed current Reclamation public protection guidelines. The 2018 budget request includes \$88.1 million for the Dam Safety Program.

Tribal Nations

The Department of the Interior upholds the Federal government's unique trust responsibilities to federally recognized Tribes, American Indians and Alaskan Natives. Interior's 2018 budget continues to meet Federal responsibilities outlined in enacted land and water rights claim settlements with Indian Tribes to ensure they have access to land and water to meet domestic, economic and cultural needs.

Reclamation's budget request supports a total of \$151.3 million in funding to support tribal nation efforts and initiatives. As part of this total, \$98.6 million is requested for the Indian water rights settlements authorized under several legislative statutes, including the Claims Resolution Act of 2010, the Omnibus Public Land Management Act of 2009, and the newly enacted Water Infrastructure Improvements for the Nation Act of 2016. Another \$10.4 million will support Reclamation's Native American Affairs program to improve capacity to work with and support Tribes in the resolution of their water rights claims and to develop sustainable water sharing agreements and management activities. The remaining \$42.3 million supports other tribal specific settlement projects.

Recreation and Sporting

Reclamation projects play a major role in meeting the increasing public demand for water-based outdoor recreation opportunities. Reclamation projects include approximately 6.5 million acres of land and water and over 200 recreation areas available to the public. This includes 12 designated National Recreation Areas that are managed by the National Park Service or United States Forest Service. Through non-federal partnerships, Reclamation assists local communities in attracting recreation-related investments and involves local citizens in the decision making process.

Reclamation directly manages over 35 recreation areas. Reclamation projects have created a variety of opportunities on the rivers downstream from the dams, including world class whitewater rafting and fishing opportunities. Reclamation projects also provide water to national wildlife refuges and state wildlife management areas that offer valuable fish and wildlife habitat along with hunting and fishing opportunities.

Invasive Mussels: With increased use of Reclamation reservoirs for recreation comes the increased need for monitoring and early detection of invasive quagga and zebra mussels, and for outreach and education to prevent infestation. The 2018 Reclamation budget includes \$7.7 million for prevention, early detection and monitoring, containment and control at existing facilities, outreach and education, and research focused on these issues. This funding will support Reclamation's mussels activities framework established in the Quagga-Zebra Mussels Action Plan for Western U.S. Waters.

Interior is working in close cooperation with the Western Governors Association, States, and Tribes to keep invasive mussels from infecting the Columbia River Basin, the last major uninfected watershed in the United States. Reclamation is developing a database of environmental conditions at its reservoirs that can support identification of areas susceptible to mussel infestation, as well as developing an infestation risk model to help identify where habitat conditions are most suitable for infestation in order to prioritize where resources should be deployed.

Management and Efficiencies

The Department supports the President's effort to create a leaner, more efficient government, one that delivers continually improving results for the American people and renews their faith in government. The Bureau of Reclamation is actively involved in bringing forward the most promising ideas to improve government effectiveness and efficiency, and to spur economic growth.

For example, Reclamation is developing a proposal to facilitate the transfer of title of certain Reclamation projects and facilities when such transfers are beneficial to all parties. While Reclamation has engaged in efforts related to title transfer in the past on a case by case basis, this broader initiative will go further to facilitate greater local control of water infrastructures to allow local water managers to make their own decisions to improve water management at the local level, while allowing Reclamation to focus management efforts on larger projects with a greater federal nexus. As part of this effort, Reclamation will engage with water users to identify projects and facilities that may be good candidates for such a transfer.

Central Utah Project

The Central Utah Project Completion Act (CUPCA), Titles II - VI of P.L. 102-575, provides for completion of the Central Utah Project (CUP) by the Central Utah Water Conservancy District (District). The Act also authorized funding for fish, wildlife, and recreation mitigation and conservation; established an account in the Treasury for deposit of these funds and other contributions; established the Utah Reclamation Mitigation and Conservation Commission to coordinate mitigation and conservation activities; and provided for the Ute Indian Rights Settlement.

The 2018 budget for the CUPCA program is \$9.0 million. Of this amount, \$4.8 million will be available for planning and construction activities administered by the Central Utah Water Conservancy District, continuing our partnership in the ongoing construction of the Utah Lake System facilities. In addition, \$898,000 will be transferred to the Utah Reclamation Mitigation and Conservation Account for use by the Utah Reclamation Mitigation and Conservation Commission. The 2018 budget also continues Interior's required program oversight activities and endangered species recovery program implementation through the Department's CUPCA Office.

Conclusion

Thank you for the opportunity to testify on behalf of the President's 2018 budget for the Department of the Interior's Bureau of Reclamation and Central Utah Project Completion Act. I look forward to working with the Committee to implement this budget. This concludes my testimony and I am happy to answer questions.