

**“Examining the President’s Fiscal Year 2020 Budget Proposal for the U.S.
Bureau of Reclamation and U.S. Geological Survey”
Opening Statement of Republican Ranking Member Tom McClintock
House Committee on Natural Resources
Sub-Committee on Water, Oceans and Wildlife Oversight Hearing
March 16, 2019**

Mr. Chairman:

The sub-committee meets today to hear testimony from the Bureau of Reclamation and the U.S. Geological Survey regarding their fiscal year 2020 budget requests of \$1.1 billion and \$983 million, respectively.

Not included in the President’s budget request, but critically important, is the implementation of the WIIN Act section 4007 storage authority.

The necessity for major expansion of our water storage capacity should now be obvious to all. For five years, California experienced its worst drought in centuries, draining our reservoirs to near empty and doing enormous economic damage. Over the last several years, we have seen record rainfall well above historic norms. Indeed, in my district in the Sierra, we are expecting both heavy rains and snow today.

The same reservoirs that reached near dead pool levels just a few years ago during the drought now have their floodgates wide open because we have no place to store this surplus water for the next drought. For example, Shasta Reservoir is at 94 percent of storage capacity and is releasing 8,000 cubic feet per second simply because we have nowhere to store the water. That water will be desperately missed in the next drought.

When Congress passed the WIIN Act, it asked Reclamation to recommend projects that expand or build new water storage. Reclamation has slowly provided Congress with recommendations on how best to spend the \$335 million Congress appropriated.

In January 2018, Reclamation proposed seven projects to be listed by Congress for funding. All seven projects were approved by Congress in the enacted FY2018 Energy and Water appropriations bill. Included in that list was the Shasta

Dam and Reservoir Enlargement Project.

By itself, Shasta would create an additional 630,000 acre-feet of stored water. Enlarging the reservoir would improve water supply reliability, reduce flood damages, and improve water temperatures in the Sacramento River below the dam for anadromous fish.

And lest we forget, Shasta was built to a height of 600 feet, but it was designed to a height of 800 feet. The difference is 9 million acre-feet of water storage. At issue now is less than 20 feet of additional height – 630,000 acre feet of additional storage -- just seven percent of its additional storage potential.

Recently, Reclamation completed a second competitive selection process. Reclamation proposed seven projects, most of which were previously approved for funding by Congress in 2018. The Shasta Dam and Reservoir Enlargement Project were once again recommended by Reclamation.

California is blessed to be one of the most water-rich regions of the country, and we have only ourselves to blame for water shortages. It is a sad commentary on state water policy that amidst this abundance of water resources, Californians are facing permanent restrictions on residential water use. Meanwhile, California officials busy themselves diverting federal Central Valley Water to the Pacific Ocean, then squandering enormous amounts of money to reclaim that water once it has been lost to the ocean, all while they sue to stop any expansion of the federal dam at Shasta.

I am most interested in the plans of Reclamation to combat these foolish policies by state officials as they affect federal water projects in the state.

I would like to raise one other point concerning the financing of these water projects. Water and power should be priced to reflect its actual cost, so that every consumer has accurate price signals to use in assessing their own needs and making their own decisions. That principle should extend to the water projects themselves. They should be entirely financed by the consumers of the water and power they generate in proportion to their use. We should be looking at the cheapest and most efficient possible ways to store water and generate hydro-electricity and then let prices guide us in the selection and financing of those

projects. By this means, consumers can be assured of the lowest prices and therefore greatest abundance that we can produce, while leaving general taxpayers unharmed.

It should be self-evident that more water is better than less water; more electricity is better than less electricity. Water and power abundance depends on obtaining both at the cheapest prices available and we need to return to those policies.