



HOUSE COMMITTEE ON
NATURAL RESOURCES
CHAIRMAN BRUCE WESTERMAN

To: Subcommittee on Water, Wildlife and Fisheries Republican Members
From: Subcommittee on Water, Wildlife and Fisheries staff,
Annick Miller (annick.miller@mail.house.gov) and Doug Levine
(doug.levine@mail.house.gov); x58331
Date: Wednesday, June 14, 2023
Subject: Legislative Hearing on: **H.R. 1607 (Rep. Schweikert)**, To clarify jurisdiction with respect to certain Bureau of Reclamation pumped storage development, and for other purposes; **H.R. 3027 (Rep. Porter)**, “*Reclamation Climate Change and Water Program Reauthorization Act of 2023*”; and **H.R. 3675 (Rep. Boebert)**, To amend the Water Infrastructure Improvements for the Nation Act to extend certain contract prepayment authority.

The Subcommittee on Water, Wildlife and Fisheries will hold a legislative hearing on: H.R. 1607 (Rep. Schweikert), To clarify jurisdiction with respect to certain Bureau of Reclamation pumped storage development, and for other purposes; H.R. 3027 (Rep. Porter), “*Reclamation Climate Change and Water Program Reauthorization Act of 2023*”; and H.R. 3675 (Rep. Boebert), To amend the Water Infrastructure Improvements for the Nation Act to extend certain contract prepayment authority, **on Wednesday, June 14, 2023, at 2:00 p.m. EDT in 1324 Longworth House Office Building.**

Member offices are requested to notify Thomas Shipman (Thomas.Shipman@mail.house.gov) by 4:30 p.m. on Tuesday, June 13, 2023, if their Member intends to participate in the hearing.

I. KEY MESSAGES

- H.R. 1607 would enable the exploration of additional pumped-storage hydropower facilities to the Salt River reservoir system.
- H.R. 3027 would reauthorize the Bureau of Reclamation’s WaterSMART Basin Studies program until 2033.
- H.R. 3675 would permanently extend authorities that allow Bureau of Reclamation project water users to prepay what they owe to the federal government.

II. WITNESSES

Panel I:

- **The Honorable David Schweikert**, Arizona’s 1st Congressional District
- **The Honorable Katie Porter**, California’s 47th Congressional District

- **The Honorable Lauren Boebert**, Colorado's 3rd Congressional District

Panel II:

- **The Honorable Camille Touton**, Commissioner, Bureau of Reclamation, Washington, D.C.
- **Ms. Leslie Meyers**, Associate General Manager and Chief Water Resources Executive, Salt River Project, Phoenix, AZ
- **Mr. Cannon Michael**, Chairman, San Luis & Delta-Mendota Water Authority, Los Baños, CA
- TBA [*minority witness*]

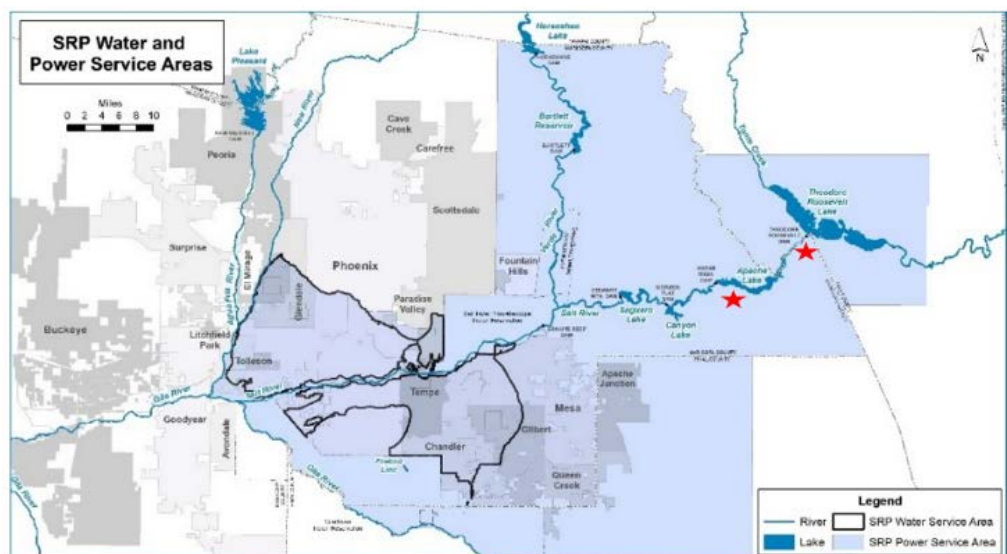
III. BACKGROUND

H.R. 1607 (Rep. David Schweikert, R-AZ), To clarify jurisdiction with respect to certain Bureau of Reclamation pumped storage development, and for other purposes.

The Salt River Project (SRP) was authorized in 1903 as one of the first reclamation projects under the Reclamation Act of 1902.¹ The SRP service area is located near Phoenix, Arizona and includes about 240,000 acres spanning portions of Maricopa, Gila, and Pinal Counties in central Arizona.² The project receives water from the Salt and Verde Rivers and today SRP provides water and power to more than 2 million people.³

Currently, SRP is exploring a pumped storage hydropower project. Pumped storage hydropower acts like a battery, it can store power and release it when needed. Typically, it is a configuration of two water reservoirs at different elevations that can generate power as water moves down from one reservoir to the other.⁴

The stars on Map 1 show the approximate location of the two pumped storage sites



Map 1: SRP potential project locations
Source: SRP

¹ Ch. 1093, 32 Stat. 388. <https://www.usbr.gov/lc/region/programs/contracts/Legislation.pdf>

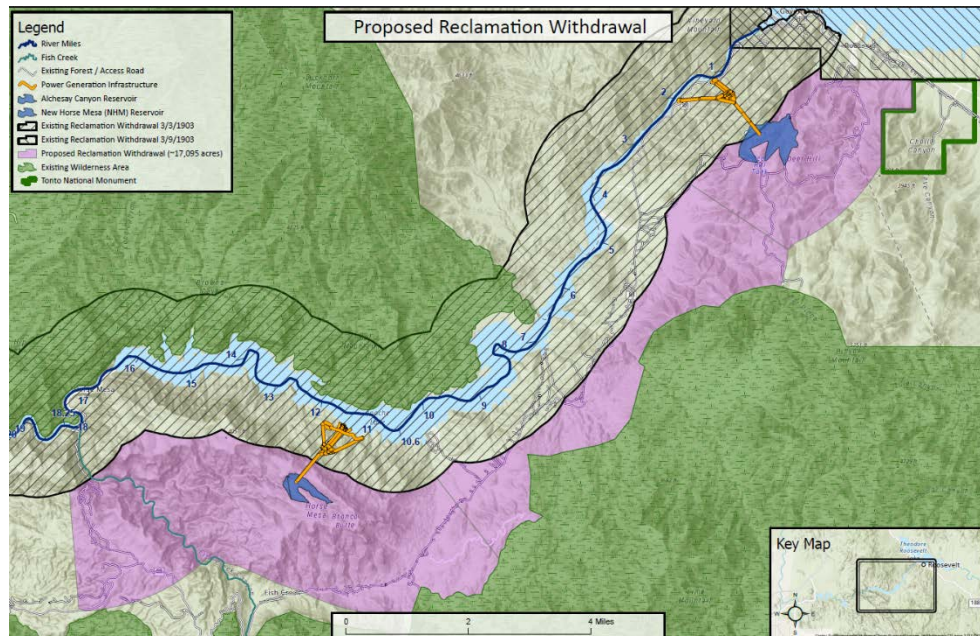
² USBR, Salt River Project. <https://www.usbr.gov/projects/index.php?id=395>

³ Salt River Project, Our History. <https://www.srpnet.com/about/about-srp>

⁴ Department of Energy, Pumped Storage Hydropower. <https://www.energy.gov/eere/water/pumped-storage-hydropower>

being considered by SRP. Each site has the potential for approximately 2,000 megawatts (MW) of energy storage capacity for a duration of 10 hours.

H.R. 1607 would withdraw approximately 17,095 acres of federal lands from the National Forest System for the development of pumped storage hydropower and the development, generation, and transmission of electrical power and energy. The area in pink on Map 2 shows the land that would be withdrawn by the bill. Since 1903, there have been over 50 federal land withdrawals made by Congress and the Department of the Interior on the Salt and Verde River and East Clear Creek watersheds to develop the SRP.⁵



Map 2: Lands H.R. 1607 would withdraw from the National Forest System for the SRP project are highlighted.

Source: SRP

H.R. 1607 has three cosponsors, Reps. Greg Stanton (D-AZ-04), Debbie Lesko (R-AZ-08), and Ruben Gallego (D-AZ-03).

H.R. 3027 (Rep. Katie Porter, D-CA) Reclamation Climate Change and Water Program Reauthorization Act of 2023.

H.R. 3027 would extend the authorization of the Bureau of Reclamation's (Reclamation) Climate Change and Water Program (referred to as the Basin Studies Program) for another ten fiscal years (FY), through 2033. The original program authorization was part of the "Secure Water Act", which was included in the *Omnibus Public Land Management Act of 2009* (Pub. L. 111-11).

⁵ Most of the withdrawals were accomplished administratively by the Secretary of the Interior under Section 3 of the Reclamation Act of 1902. Congress authorized the Secretary to withdraw land from public entry that were required for irrigation works. More recently, under Public Laws 108-445 and 112-445, Congress withdrew National Forest System land where the C.C. Cragin Dam and storage reservoir were located for Reclamation purposes to clarify that the Secretary retained jurisdiction over that facility as part of the Project.

Under Section 9503(f) of Public Law 111-11, Congress directed Reclamation to establish a “climate change adaptation program” that would assess the effects of global climate change on the quantity of water resources in the western United States and to develop strategies aimed at addressing potential water shortages and conflicts. The law further directed Reclamation to analyze each of its eight river basins in which water supply changes could impact water deliveries to the agency’s water customers, hydroelectric power generation, recreation, fish and wildlife habitat, endangered species, and other issues and to mitigate each of the above impacts.⁶

The law additionally required Reclamation to submit reports to Congress within two years and every five years thereafter on the effect of global climate change on water supplies and operations in Reclamation’s eight river basins and identify mitigation and adaptation strategies to address these effects, among other things.⁷ To date, three reports have been sent to Congress, with the most recent Report (Report) being sent in January 2021, which was largely drafted by the last administration.⁸ This 2021 Report found that “average temperatures are projected to increase in the Northwest, particularly in the Columbia and Missouri River Basins, and decline in the Southwest. In most river basins, snowpack is projected to decline as more winter precipitation falls as rain and warmer temperatures melt snow sooner.”⁹ In terms of mitigation and adaptation strategies, Reclamation focused on “maintaining reliability through construction,” “water management improvements,” “maintaining hydropower system infrastructure,” “protecting fish through infrastructure improvements,” and listed a number of risk management strategies such as “incorporating climate change into dam safety assessments” and managing risks from wildfire.¹⁰

The next report is due in 2026. Since Reclamation’s Climate Change and Water Program expires at the end of FY 2023, H.R. 3027 would extend it for another ten fiscal years.

The Program received \$15.017 million in FY 2023,¹¹ and \$13.5 million in FY 2022.¹² In its FY 2024 budget justification, Reclamation recommended \$15.017 million in funding for the Program.¹³ We expect the Biden administration testimony to support the reauthorization of this program.

H.R. 3027 has eight Democrat cosponsors.

⁶ 42 U.S.C. 10363, Reclamation Climate Change and Water Program.

⁷ *Id.*

⁸ Bureau of Reclamation, *SECURE Water Act Section 9503(c)* (June 28, 2021) <https://www.usbr.gov/climate/secure/>.

⁹ Bureau of Reclamation, *2021 SECURE Water Act Report to Congress*, <https://www.usbr.gov/climate/secure/docs/2021secure/2021SECUREREport.pdf>, at 15.

¹⁰ *Id.*, at 38, 39, 43, 45, 49, and 50.

¹¹ Bureau of Reclamation, Budget Justifications (2024) <https://www.usbr.gov/budget/2024/FY-2024-Bureau-of-Reclamation-Budget-Justifications.pdf>, at 23.

¹² Division D – Energy and Water Development and Related Agencies Appropriations Act (2022) <https://docs.house.gov/billssthisweek/20220307/BILLS-117RCP35-JES-DIVISION-D.pdf>.

¹³ Bureau of Reclamation, Budget Justifications (2023) <https://www.usbr.gov/budget/2023/FY-2023-Bureau-of-Reclamation-Budget-Justifications.pdf>, at 505.

H.R. 3675 (Rep. Lauren Boebert, R-CO), To amend the Water Infrastructure Improvements for the Nation Act to extend certain contract prepayment authority.

H.R. 3675 permanently authorizes Section 4011 of the Water Infrastructure Improvements for the Nation (WIIN) Act, a provision that allows agriculture and municipal water users to prepay what they owe to the federal government.¹⁴

Congress created what is now Reclamation in 1902 to help settle the western United States through water and power infrastructure development. In its effort “to make the desert bloom,” and to capture the energy of moving water while controlling very damaging flood cycles, the agency’s projects literally led to the creation of western urban areas and internationally renowned farm economies. Its traditional dams, reservoirs, canals, and other features were built under the “beneficiaries pay” principle, in which the water and power beneficiaries paid for the commensurate benefits that these projects provided to them. These water and power users typically entered into long-term contracts (20 to 50 years) with Reclamation to reimburse the federal government for these capital investments.¹⁵ This concept continues to this day on many of Reclamation’s projects.

As it relates to water contracts, water users enter into water service or capital repayment contracts with Reclamation. A water user pays for only the water allocated and delivered under water service contracts, whereas a capital repayment contract is for the cost of the water and the appropriate facility (capital) being used to store and convey the water. Municipal and industrial water users (cities) pay these costs with interest and irrigation districts do not under longstanding Reclamation law. However, irrigation districts are subject to federal land-use restrictions and paperwork regulations under the Reclamation Reform Act of 1982 (P.L. 97-293), as long as they owe a capital debt to Reclamation.¹⁶ For example, under the Reclamation Reform Act an irrigation district must ensure that each of its farmers cannot irrigate more than 960 acres if Reclamation projects provide the water.¹⁷ The cost of Reclamation project water is increased substantially if a landowner irrigates more than 960 acres. In addition, complex reporting forms subject to change by administrative fiat, must be submitted each year to the federal government to certify that irrigation districts and their farmers are complying with the Reclamation Reform Act’s requirements. Many irrigation districts find these policies restrictive and time consuming.

Many of the repayments described above must be paid through annual installments and cannot be pre-paid, as opposed to how a homeowner can pay off a mortgage early.¹⁸ Only Congress can authorize pre-payment in these circumstances. To address the issue, Section 4011 of the Water Infrastructure Improvements for the Nation (WIIN) Act (P.L. 114-322) authorized these agricultural and municipal water users to prepay outstanding construction costs through a single lump sum payment or over a period of three years.

¹⁴ 130 STAT. 1878

¹⁵ The Reclamation Act of 1902 (Ch. 1093, 32 Stat. 388)

¹⁶ P. L. 97-293.

¹⁷ Id.

¹⁸ Id.

While this program was successful, with more than 80 entities deciding to prepay what they owed the federal government, the authorities expired in 2021. H.R. 3675 permanently reauthorizes these authorities.

H.R. 3675 has seven Republican cosponsors.

IV. MAJOR PROVISIONS & ANALYSIS

H.R. 1607 (Rep. David Schweikert, R-AZ), To clarify jurisdiction with respect to certain Bureau of Reclamation pumped storage development, and for other purposes.

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H.R. 3027 (Rep. Katie Porter, D-CA) Reclamation Climate Change and Water Program Reauthorization Act of 2023.

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V. CBO COST ESTIMATE

Unknown.

VI. EFFECT ON CURRENT LAW (RAMSEYER)

[H.R. 3027](#)

[H.R. 3675](#)