

**EXAMINING THE PRESIDENT'S FY 2025  
BUDGET PROPOSAL FOR THE U.S.  
BUREAU OF RECLAMATION, U.S. FISH AND  
WILDLIFE SERVICE, NATIONAL OCEANIC  
AND ATMOSPHERIC ADMINISTRATION,  
AND THE POWER MARKETING  
ADMINISTRATIONS**

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**OVERSIGHT HEARING**

BEFORE THE  
SUBCOMMITTEE ON WATER, WILDLIFE AND  
FISHERIES  
OF THE  
COMMITTEE ON NATURAL RESOURCES  
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTEENTH CONGRESS

SECOND SESSION

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**OVERSIGHT HEARING ON EXAMINING THE  
PRESIDENT'S FY 2025 BUDGET PROPOSAL  
FOR THE U.S. BUREAU OF RECLAMATION,  
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ADMINISTRATIONS**

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**Thursday, May 16, 2024  
U.S. House of Representatives  
Subcommittee on Water, Wildlife and Fisheries  
Committee on Natural Resources  
Washington, DC**

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The Subcommittee met, pursuant to notice, at 2:35 p.m., in Room 1334, Longworth House Office Building, Hon. Cliff Bentz [Chairman of the Subcommittee] presiding.

Present: Representatives Bentz, Graves, LaMalfa, Webster, Carl, Hageman, Westerman; Huffman, Napolitano, Peltola, Mullin, Hoyle, and Dingell.

Also present: Representatives Stauber, Moylan, Newhouse, Carter, Murphy, D'Esposito; and Schrier.

Mr. GRAVES [presiding]. The Subcommittee on Water, Wildlife and Fisheries will come to order.

I am going to do something a little bit out of order, in that Chairman Bentz had to go over to a different Committee to go vote, so I am going to forego the opening statement. He will come back and deliver an opening statement whenever he is available to do so. So, we are going to go ahead and roll right in, provided that my friend from California is OK with that.

Mr. HUFFMAN. Yes.

Mr. GRAVES. All right, good deal. Good afternoon. I want to welcome our witnesses, Members, and our guests in the audience of today's hearing.

The Subcommittee is meeting today to hear testimony on a hearing entitled, "Examining the President's FY 2025 Budget Proposals for the U.S. Bureau of Reclamation, U.S. Fish and Wildlife Service, National Oceanographic and Atmospheric Administration, and the Power Marketing Administrations."

Without objection, the Chair is authorized to declare a recess of the Subcommittee at any time.

I also ask unanimous consent that the gentleman from Minnesota, Mr. Stauber; the gentleman from Guam, Mr. Moylan; the gentleman from Washington, Mr. Newhouse; the gentleman from Georgia, Mr. Carter; the gentleman from North Carolina, Dr. Murphy; and the gentleman from New York, Mr. D'Esposito be allowed to participate in today's hearing.

Without objection, so ordered.

And as I mentioned, I am going to defer Mr. Bentz's opening statement.

Do you want to give one now?

Mr. HUFFMAN. I would.

Mr. GRAVES. I would yield to the gentleman from California for his opening statement.

Mr. HUFFMAN. I thank the gentleman.

**STATEMENT OF THE HON. JARED HUFFMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA**

Mr. HUFFMAN. Good afternoon, everyone. It is good to see you all. It is an impressive lineup of agencies that does really important work. Certainly, managing our natural resources to protect wildlife and habitat, clean water, clean air, healthy environments, electricity, safeguarding our nation's resources against the impacts of climate change, all of that important work is complicated by the fact that just in the past year our nation has faced record droughts and heat waves, \$28 multi-billion disasters, to be exact.

And, of course, we also have declining biodiversity, fishery closures, and a lot more. And as you deal with all of that, you are also tasked with helping do something that could change this terrible fossil fuel paradigm that is driving the climate crisis, rolling out a transition in terms of managing and permitting authority of clean energy infrastructure in unprecedented amounts. And you are delivering on the America the Beautiful initiative at the same time. So, that is really a hugely important set of programs and policies.

And to be blunt, if a budget reflects one's priorities, this 2025 budget is a bit confusing in some respects. Some programs within this Committee's jurisdiction that provide for sustainable fisheries and essential coastal resilience face significant cuts, while others remain relatively whole. And I know that the budget constraints of the Fiscal Responsibility Act force you to make tough decisions. But in several cases, the cuts are actually below the FRA levels.

So, the rationale for some of these decisions is not always clear, and I think that clarity is important because my friends across the aisle who demand draconian cuts for fish and wildlife and coasts and Great Lakes and water programs have a pattern of turning around and then criticizing the same agencies that received those cuts when they are not permitting things fast enough, or when they are not doing enough to remove species from the endangered species list, and on and on.

And this MO of kneecapping Federal agencies and then turning around and arguing that government is ineffective really puts us on an unfortunate treadmill, and it is no way to make natural resource policy or to get things done. It also kind of hands policy over, if it works in the way it is intended, to polluting industries and their lawyers and lobbyists, and I think we are going to hear some talking points today that come straight from many of those special interests.

I hope some of us, as we wade through all of this, we will remember the bigger picture. The issues and the programs that we are talking about here today shouldn't be about Democrats or Republicans trying to score political points. It is really about the future

of our nation and our planet. And if history teaches anything, it is that this idea of strategically underfunding natural resource agencies will ultimately cost taxpayers more money in the long run.

And the flip side of that is, if we adequately fund environmental programs, we save money. Every dollar we invest now in coastal adaptation and resilience saves \$6 in future disaster costs. For every dollar we put into restoration programs, we see an average of \$10 in local benefits. Real, tangible economic benefit.

So, one of these days I hope that my colleagues across the aisle will accept that the science community is right, that these extreme weather events that we are all living through are not a hoax or a conspiracy or a biblical omen. They are just real. And ideology is a poor substitute for facing reality, especially with water: 2023 was the hottest year on record, and 2024 is on track to beat it.

The harsh reality will continue to adversely impact our water supply, so we should be looking to smart, cost-effective, resilient strategies instead of pointing to a single wet year and arguing for huge amounts of money going to new surface storage projects that won't deliver water when we need it most. We should prioritize Federal water investments that protect, preserve, and optimize our over-exploited water supplies instead of big, controversial projects that carry huge price tags, have major impacts, and don't yield nearly as much water as investing in conservation, recycling, and climate resilient strategies.

Reclamation's proposed budget advances much of this mission through the WaterSMART program, aging infrastructure, and rural water projects, and I support that.

I also support the proposed budget for mandatory funding of Indian water rights settlements. These are important strategies.

I look forward to discussing the rest of these budget questions as we go forward.

I yield back.

Mr. GRAVES. Thank you, sir. I want to thank the gentleman from California for reminding us that the lawyers and lobbyists from Big Oil endorse the Inflation Reduction Act that all the Members on this side of the aisle opposed.

And with that, I am going to defer to the Chairman.

Mr. BENTZ. Well, I want to thank the witnesses for being here today.

Thank you, Mr. Graves, for sitting in for me while I went to vote in Judiciary.

This is an unusual opportunity for me to rebut the Ranking Member.

[Laughter.]

Mr. HUFFMAN. That is true.

Mr. BENTZ. Yes, because usually it is the other way around.

**STATEMENT OF THE HON. CLIFF BENTZ, A REPRESENTATIVE  
IN CONGRESS FROM THE STATE OF OREGON**

Mr. BENTZ. I just want to say a couple of words about how important it is that we get back into our forests so that we could actually do something for the watersheds in California, for example. But we are being prevented from doing that by any

number of environmental organizations that, for some reason, would rather see those forests burn up than help store water for the folks in California.

And likewise, when it comes to budgets, and that is what we are here today to talk about, the billions and billions and billions of dollars that you folks here today are in charge of and, in many ways, we rely upon you to do the very best you can, and I am sure you are trying to do so, but that doesn't absolve us, we here in Congress, of our oversight responsibility to make sure that, indeed, those billions are being spent the way they should be, at least in our opinion.

The challenge, of course, much disagreement on how money gets spent. But on the other hand, there is little disagreement on the fact that you do have billions and billions and billions of dollars to spend, and much of that coming from budgets that were passed before we Republicans took over. So, we will be anxious to hear today how that money is being deployed, taxpayers' money. And I am looking forward to that.

Appearing before us today we have the Bureau of Reclamation, U.S. Fish and Wildlife, National Oceanic and Atmospheric Administration, and the four regional Federal Power Marketing Administrations.

Collectively, your agencies have requested in the billions. It said \$10 billion, it is more than that over the 2025 year. It is absolutely essential that we exercise this oversight authority, and it is our duty, overseeing what the executive branch is doing. One way to do this is to have the agencies come before Congress and explain, just as we are doing today in the limited time allowed, their budgets and their missions.

Each of these agencies has a huge impact on the daily lives of Americans. The Bureau of Reclamation manages multi-purpose storage reservoirs in the Western states, including the Deschutes and Klamath projects located in my district. Many of these projects generate hydropower, and, of course, the power marketing agencies that deliver that power to wholesale customers, such as the rural electric cooperatives, municipal utilities, and tribes. These projects are managed to comply with rules set by the U.S. Fish and Wildlife Service and NOAA, who oversee the implementation of the Endangered Species Act.

These agencies often don't mesh, their opinions don't mesh, resulting in severe damage to those who are dependent upon the water controlled by these groups, and I am sure there will be questions about that today.

The Fish and Wildlife Service manages the National Wildlife Refuge System. Most recently, they proposed a rule that would fundamentally change how our refuges are managed, and I don't think for the betterment of the system, but we will hear about that. Also concerning is this proposal to reduce funding for the North American Wetlands Conservation Act by a third. Questions may well be asked about the source of the rule previously referenced.

NOAA's National Marine Fisheries Service is tasked with implementing the Magnuson-Stevens Act, a primary law governing our fishery resources, yet the NMFS budget appears to prioritize offshore wind development over fisheries management and important

data collection. We do want to make sure that the focus is on our fishery resources, and also at the same time making sure that extreme rules that dramatically affect negatively use of our oceans are not overly restrictive in their approach, as compared to their effect.

There is a lot to cover today, and I am looking forward to hearing from our witnesses.

We have already recognized the Ranking Member, so we are going to move on.

Mr. HUFFMAN. You can give me another—

Mr. BENTZ. No, no, we are not going to do that.

[Laughter.]

Mr. BENTZ. I will now introduce our witnesses.

The Honorable Camille Touton, Commissioner of the Bureau of Reclamation in Washington, DC; the Honorable Martha Williams, Director of the U.S. Fish and Wildlife Service in Washington, DC; the Honorable Richard Spinrad, Under Secretary for Oceans and Atmosphere and NOAA Administrator with the Department of Commerce in Washington, DC; Administrator John Hairston, CEO of the Bonneville Power Administration in Portland, Oregon; Administrator Tracey LeBeau, Administrator and CEO of the Western Power Administration in Lakewood, Colorado; Administrator Michael Wech, Administrator of the Southwestern Power Administration in Tulsa, Oklahoma; and Administrator Virgil Hobbs, the CEO of Southeastern Power Administration in Elberton, Georgia.

Let me remind the witnesses that under Committee Rules, you must limit your oral statements to 5 minutes, but your entire statement will appear in the hearing record.

To begin your testimony, please press the “on” button on the microphone, and I will remind you the microphones in this room are sketchy.

[Laughter.]

Mr. BENTZ. They are worse than that, so you will need to speak directly into the microphone. And if you are not, I will remind you.

We use timing lights. When you begin, the light will turn green. When you have 1 minute left, the light will turn yellow. And at the end of 5 minutes, the light will turn red, and I will ask you to please stop.

I will also allow all witnesses to testify before Member questioning.

I now recognize Commissioner Touton for 5 minutes.

Commissioner.

**STATEMENT OF THE HON. CAMILLE TOUTON, COMMISSIONER,  
BUREAU OF RECLAMATION, DEPARTMENT OF THE  
INTERIOR, WASHINGTON, DC**

Ms. TOUTON. Good afternoon. My name is Camille Calimlim Touton, and I serve as the Commissioner of the Bureau of Reclamation. Thank you, Chairman Bentz, Ranking Member Huffman, and members of the Subcommittee for the opportunity to discuss the President’s budget for the Bureau of Reclamation. It is a privilege to be here with you today.

The Bureau of Reclamation is the largest deliverer and manager of water in the nation, and the second largest producer of hydropower. We have 189 projects across the American West, and help to feed the nation and the world with 10 million acres of irrigated agriculture, provide water to millions of Americans, and meet our trust responsibility to sovereign nations while sustaining ecosystems across the Western landscape.

The need to secure, maintain, and modernize our nation's water infrastructure is an Administration priority, and we have a once-in-a-generation opportunity to utilize our Fiscal Year 2025 budget request of \$1.6 billion with that of the Bipartisan Infrastructure Law and the Inflation Reduction Act.

The cyclical nature of Western hydrology, as we have seen over the last 3 years, highlights the need for immediate actions as well as thoughtful, on-the-ground work to make our infrastructure and operational decisions more resilient to withstand future water scarcity and variability.

Our 2025 budget priorities reflect a commitment to drought planning and response activities to promote water security in the short and long term. This approach is illustrated by our signing of a Record of Decision last week to protect the near-term stability of the Colorado River system. With historic conservation of 3 million acre-feet, in collaboration with our partners, made possible by President Biden's Investing in America agenda, we have staved off the immediate threat and stabilized the system to protect water deliveries, the ecosystem, and power production. Our focus is now on the future.

Across the West, we are guided by the best available science and engineering. The stability of our infrastructure and our commitment to transparency remains our highest priority. Reclamation's dams and reservoirs, water conveyance systems, and hydropower facilities serve as the water power infrastructure backbone of the American West.

However, as with all infrastructure, these features are aging, and in need of critical maintenance to prepare for the future. Our 2025 budget includes \$74.8 million for extraordinary maintenance, combined with our BIL investments just announced today, \$520.8 million in Fiscal Year 2024 funding for aging infrastructure. This includes over \$2 million for the installation of a surge tank at the Mill Creek plant that is part of the Dalles project in Oregon, and approximately \$30 million to modernize and repair the Livingstone National Fish Hatchery in Northern California.

Reclamation's WaterSMART Program also provided nearly \$10 million in BIL funding to the North Unit Irrigation District for fish screen replacement at the Bend Headworks in Oregon on the Deschutes River.

We are also continuing construction of our largest dam safety modification at B.F. Sisk in California, supported by our Fiscal Year 2025 Dam Safety Program request of \$211.2 million. At Sisk, we are also undertaking a dam raise that will provide increased water storage in California. Since 2021, Reclamation has invested \$695 million in water storage projects in California alone.

We must also address our infrastructure needs while considering our economic inequities and the needs of rural and underserved

communities. Reclamation is establishing and rebuilding water infrastructure for underserved populations by ensuring that clean drinking water is provided to communities. Our request includes \$58.5 million for Rural Water Program, and leverages the \$1 billion in BIL funding to accelerate the completion of these projects, of which we have already selected \$806 million.

The Department remains committed to upholding our trust responsibilities with Tribal Nations, and over the past 3 years, Interior has allocated \$2.43 billion available through BIL to address Indian water rights settlements. In addition to these investments, our request includes \$181 million in our Fiscal Year 2025 budget to support the White Mountain Apache Tribe's Water Settlement Agreement.

The Administration also proposes legislation to expand the Indian Water Rights Settlements Completion Fund, a proposal that will provide \$2.8 billion in mandatory funding over 10 years to ensure commitments are honored, as well as funding for operation and maintenance costs.

We are committed to working with you, and working with Congress and this Subcommittee, as well as our partners across the West in carrying out our mission, and our Fiscal Year 2025 budget supports these actions.

Again, I thank the Subcommittee. I am happy to answer any questions.

[The prepared statement of Ms. Touton follows:]

PREPARED STATEMENT OF CAMILLE CALIMLIM TOUTON, COMMISSIONER,  
U.S. BUREAU OF RECLAMATION

Thank you, Chair Bentz, Ranking Member Huffman and members of the Subcommittee for the opportunity to discuss with you the President's Fiscal Year (FY) 2025 Budget for the Bureau of Reclamation. I am Camille Calimlim Touton, Commissioner for the Bureau of Reclamation.

Reclamation manages water for agriculture, municipal and industrial use, the environment, power production, and provides flood control and recreation for millions of people. We are also the second largest producer of hydropower in the United States and operate 53 hydroelectric powerplants that annually produced, on average, 40 billion kilowatt-hours for the last 10 years. Reclamation's project and programs serve as the water and power infrastructure backbone of the American West, constituting an important driver of economic growth in hundreds of basins throughout the Western States. Reclamation's activities support economic activity valued at \$34.1 billion, and support approximately 450,700 jobs.<sup>1</sup> Reclamation delivers 10 trillion gallons of water to millions of people each year and provides water for irrigation of 10 million farmland acres, which yields approximately 25 percent of the Nation's fruit and nut crops, and 60 percent of the vegetable harvest.

Reclamation's fundamental work to modernize and maintain infrastructure, conserve natural resources, use science and research to inform decision-making, serve rural, Tribal, and underserved populations, and stay as nimble as possible in response to the requirements of drought and aridification—position us to meet the Biden-Harris Administration's core tenets. The Bureau of Reclamation's 2025 budget provides the foundation to meet our mission and remains committed to working with a wide range of partners, including water and power customers, Tribes, State and local officials, and non-governmental organizations.

Reclamation is requesting a net total of \$1,543,321,000 in Federal discretionary appropriations, which is anticipated to be augmented by almost \$2.5 billion in other Federal and non-Federal funds for FY 2025. Of the total, \$1,443,527,000 is for the Water and Related Resources account, which is Reclamation's largest account, \$66,794,000 is for the Policy and Administration account, and \$33,000,000 is for the

<sup>1</sup>U.S. Department of the Interior Economic Contributions Report—Fiscal Year 2021.

California Bay Delta account. A total of \$55,656,000 is budgeted for the Central Valley Project Restoration Fund.

Reclamation is committed to efficient and effective implementation of the Infrastructure Investments and Jobs Act, also known as the Bipartisan Infrastructure Law (BIL), which was enacted as Public Law 117-58 on November 15, 2021. Title IX of the BIL, Western Water Infrastructure, authorized \$8.3 billion to be appropriated to Water and Related Resources in \$1.66 billion annual installments from FY 2022–FY 2026, making a once-in-a-generation investment in the Nation’s infrastructure and economic competitiveness. This landmark investment will rebuild America’s critical infrastructure, tackle the climate crisis, advance environmental justice, and drive the creation of good-paying union jobs. By addressing long overdue improvements and strengthening our resilience to the changing climate, this investment in our communities across the country will grow the economy sustainably and equitably for decades to come.

Reclamation has been putting these resources to work in communities with focus on areas where the greatest impact can be realized. Since President Biden signed the BIL, Reclamation has selected 420 distinct projects for funding, totaling more than \$2.9 billion. The Spend Plan that sets out FY 2025 allocations of this funding was submitted to Congress at the same time as this FY 2025 request as required and is available at <https://www.usbr.gov/bil/2022-spendplan.html>. The Spend Plan allocates funding at the program level, and subsequent addenda to the Plan allocate programmatic funds to the project level for certain programs.

Reclamation is also committed to efficient and effective implementation of The Inflation Reduction Act (IRA), Public Law 117-169, which was enacted on Aug. 16, 2022. Title V, Subtitle B, Part 3 of the law, entitled “Drought Response and Preparedness,” makes available \$4.587 billion to mitigate drought in Reclamation States; to plan, design and construct domestic water supply projects for disadvantaged communities or households that do not have reliable access to domestic water supplies; to design and implement projects to cover water conveyance facilities with solar panels; and to provide emergency drought relief for Tribes. The programs and projects funded under the IRA will help increase water conservation, improve water efficiency across western basins experiencing long-term drought, and prevent the Colorado River System’s reservoirs from falling to critically low elevations. Reclamation is actively engaged implementing the law and has already directed funds to Colorado River water delivery contract or entitlement holders for activities that mitigate drought in the short term. A total of 23 Lower Basin agreements have been executed in Arizona and California, serving to conserve up to 1,567,668 acre-feet of water through 2026. An additional 104,427 acre-feet of system conservation in the Upper Basin have been executed using IRA funding. Information on plans, developments and funding will be available at <https://www.usbr.gov/inflation-reduction-act>.

*Modernizing and Maintaining Infrastructure:* Reclamation’s water and power projects throughout the western United States provide water supplies for agricultural, municipal, and industrial purposes. Reclamation’s projects also provide energy produced by hydropower facilities and maintain ecosystems that support fish and wildlife, hunting, fishing, and other recreation, as well as rural economies.

*Activities to Support Underserved Communities, Tribal Programs & Tribal Water Rights Settlements:* Reclamation tackles the challenges of underserved communities through investments in Tribal water rights settlements, continuation of the Native American Affairs technical assistance program, rural water projects, and investments in specific projects for underserved communities through programs such as WaterSMART. The BIL and IRA appropriations invest substantial portions of its funding to underserved populations, rural, and Tribal communities. Reclamation is committed to investing public dollars equitably, including through the Justice40 Initiative, a government-wide effort toward a goal that 40 percent of the overall benefits from Federal investments in climate and clean energy flow to disadvantaged communities.

Section 70101 of the BIL established the Indian Water Rights Settlement Completion Fund (Completion Fund), making \$2.5 billion available to the Secretary of the Interior to satisfy Tribal settlement obligations as authorized by Congress prior to enactment of the BIL. In FY 2022 through FY 2024, the Secretary of Interior allocated \$2.434 billion of those funds, \$815.4 million of which supported Reclamation’s Tribal settlement implementation actions. The Department expects to allocate the remaining \$65.9 million in funding from the Completion Fund in FY 2025; more detail can be found in the Permanents chapter of the FY 2025 Reclamation budget request. In addition to the Completion Fund, FY 2025 represents the sixth year of Reclamation Water Settlements Fund (RWSF) allocations,



which provides \$120 million in annual mandatory authority for Reclamation Indian water rights settlements. The RWSF is authorized as an interest-bearing account; and making use of the accrued interest, Reclamation anticipates \$142 million being available in FY 2025. Funding made available by previous mandatory authorities, such as that authorized in the Claims Resolution Act, remain available for settlement implementation, while the ongoing operations and maintenance requirements of the Arizona Water Settlement Act are expected to continue to be supported within the Lower Colorado River Basin Development Fund.

The 2025 President's Budget request continues previous proposals to provide mandatory funding for Indian Water Rights Settlements. The 2024 President's Budget proposed legislation to provide mandatory funding for Indian Water Rights Settlements to cover the costs of existing and future water rights settlements and to address the ongoing Operation, Maintenance, and Repair requirements associated with four enacted Indian Water Rights Settlements managed by Reclamation. The proposal would provide \$2.8 billion: \$250.0 million annually over 10 years for existing and future water rights settlements and \$34.0 million a year over 10 years for requirements associated with the Ak Chin Indian Water Rights Settlement Project, the Animas-La Plata Project (Colorado Ute Settlement), the Columbia and Snake River Salmon Recovery Project (Nez Perce Settlement), and the Navajo-Gallup Water Supply Project. Funds would be deposited into the Indian Water Rights Settlement Completion Fund established by the BIL and be available to Reclamation for implementation.

In addition to supporting the mandatory funding proposals, the FY 2025 discretionary request includes \$181 million for the White Mountain Apache Tribe (WMAT) Water Rights Quantification Act of 2010. P.L. 117-342, enacted January 5, 2023, which amended the White Mountain legislation, increasing the authorization of the WMAT Cost Overrun Subaccount from \$11 million to \$541 million and extending enforceability from April 2023 to December 2027. Funding will support the design, construction, and eventual operations and maintenance of a rural water system to provide clean, potable water.

The FY 2025 discretionary request also includes \$29.5 million for the 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; \$9 million of this amount will support Tribal drought assistance efforts in FY 2025, while \$500,000 will support Departmental and Reclamation efforts for Tribal Co-Stewardship activities. This funding will also strengthen Department-wide capabilities to achieve an integrated and systematic approach to Indian water rights negotiations to consider the full range of economic, legal, and technical attributes of proposed settlements. Reclamation is committed to increasing opportunities for Tribes to develop, manage, and protect their water and related resources. The Native American Affairs Program is a collaborative, coordinated, integrated function in Reclamation, which performs activities that support the opportunities.

Reclamation's Rural Water program, under which many activities support Tribal needs, addresses important needs in rural communities for clean, reliable, safe drinking water; the FY 2025 request includes \$58.5 million to support investments made through BIL to ensure construction, operations, and maintenance of the existing authorized projects can proceed as efficiently as possible. Funding also supports Reclamation efforts for Tribal Nations by supporting many activities across the Bureau, including the Yakima River Basin Water Enhancement Project, the Klamath Project, and the Lahontan Basin project, among others.

Finally, the WaterSMART Program prioritizes funding under its competitive grant programs for disadvantaged and underserved communities. The WaterSMART Program aims to address water supply issues and improve water management through partnerships with communities, States, Tribes, municipalities, and agricultural stakeholders.

*Conservation and Climate Resilience:* The climate crisis is challenging Reclamation's ability to both produce energy and sustain reliable water delivery. The Nation faces undeniable realities that water supplies for agriculture, fisheries, ecosystems, industry, cities, and energy are confronting stability challenges due to climate change. Reclamation's projects address the Administration's conservation and climate resilience priorities through funding requests for the WaterSMART program, funding to secure water supply to wildlife refuges, and proactive efforts through providing sound climate science, research and development, and clean energy. To address these challenges, Reclamation has implemented its Climate Change Adaptation Strategy, which affirms Reclamation will use leading science and engineering to adapt climate-based situations across the West.

The WaterSMART Program serves as a contributor to Reclamation's/Interior's Water Conservation Priority Goal. Since 2010, projects funded under contributing programs, including WaterSMART Grants, Title XVI (Water Recycling and Reuse Program), California Bay-Delta Program, Yakima River Basin Water Enhancement Project, and Desalination construction projects have achieved a total of 1,745,157 acre-feet water savings.

Through WaterSMART, Reclamation works cooperatively with States, Tribes, and local entities as they plan for and implement actions to address current and future water shortages due to a number of factors including drought, degraded water quality, increased demands for water and energy from growing populations, environmental water requirements, and the potential for decreased water supply availability due to climate change. This includes cost-shared grants for planning, design, and construction of water management improvement projects; water reclamation and reuse projects; watershed resilience projects; the Basin Study Program; and drought planning and implementation actions to proactively address water shortages.

Reclamation's FY 2025 budget for WaterSMART also includes \$500,000 for the Aquatic Ecosystem Restoration Program. Through this program, Reclamation provides funding for fish passage improvements and aquatic habitat enhancement, including removal of dams or other aging infrastructure if such projects are supported by a broad multi-stakeholder group, and if the project maintains water security for all involved. This program aligns with the Administration's priorities for climate change and climate resiliency. Reclamation was also appropriated \$250 million for aquatic ecosystem restoration and protection projects in the BILL. The FY 2025 request includes \$65.6 million for the WaterSMART Program.

*Climate Science:* Reclamation's FY 2025 budget for Research and Development (R&D) programs includes \$22.6 million for the Science and Technology Program, and \$7.0 million for Desalination and Water Purification Research—both of which focus on Reclamation's mission of water and power deliveries. Climate change adaptation is a focus of Reclamation's R&D programs, which invests in the production of climate change science, information and tools that benefit adaptation, and by yielding climate-resilient solutions to benefit management of water infrastructure, hydropower, environmental compliance, and water management.

The Desalination and Water Purification Research program addresses drought and water scarcity impacts caused by climate change by investing in desalination and water treatment technology development and demonstrations for the purpose of more effectively converting unusable waters to useable water supplies. The Science and Technology program invests in innovation to address the full range of technical issues confronting Reclamation water and hydropower managers and includes the Snow Water Supply Forecasting Program that aims to improve water supply forecasts through enhanced snow monitoring and water management to address the impacts of drought and a changing climate.

*Dam Safety:* At the time of publication, Reclamation manages 490 dams throughout the 17 Western States. Reclamation's Dam Safety Program has identified 364 high and significant hazard dams at 242 facilities, which form the core of the program. Through constant monitoring and assessment, Reclamation strives to achieve the best use of its limited resources to ensure dam safety and maintain our ability to store and divert water and to generate hydropower.

The Dam Safety Program helps ensure the safety and reliability of Reclamation dams to protect the downstream public. Approximately 50 percent of Reclamation's dams were built between 1900 and 1950, and the majority of the dams were built before adoption of currently used, state-of-the-art design and construction practices. Reclamation continuously evaluates dams and monitors performance to ensure that risks do not exceed the Federal Guidelines for Dam Safety Risk Management and the Public Protection Guidelines. The Dam Safety Program represents a major funding need over the next 10 years, driven largely by necessary repairs at B.F. Sisk Dam in California. The B.F. Sisk Dam is a key component of the Central Valley Project, providing 2 million acre-feet of water storage south of the California Sacramento-San Joaquin River Delta. Reclamation is modifying the dam to reduce the risk of potential failure resulting from potential overtopping in response to a seismic event, using the most current science and technology to develop an adaptive and resilient infrastructure. In addition to B.F. Sisk, Reclamation has identified 12 projects with anticipated modification needs through 2030, as well as 5 additional projects that will be assessed for potential risk reduction efforts starting in 2024. The FY 2025 request includes \$182.6 million to support corrective actions at dams, \$118 million of which is anticipated to support modifications at B.F. Sisk.

The proposed budget also requests \$74.8 million for specific Extraordinary Maintenance (XM) activities across Reclamation in FY 2025. This request is central to mission objectives of operating and maintaining projects to ensure delivery of water and power benefits.

Reclamation's XM request relies on condition assessments, condition/performance metrics, technological research and deployment, and strategic collaboration to better inform and improve the management of its assets and deal with its infrastructure maintenance challenges. Reclamation was also appropriated \$3.2 billion in the BIL to repair aging infrastructure.

*Renewable energy:* Reclamation owns 78 hydroelectric power plants. Reclamation operates 53 of those plants to generate approximately 14 percent of the hydroelectric power produced in the United States. Each year on average, Reclamation generates approximately 40 million megawatt hours of electricity and collects over \$1.0 billion in gross power revenues for the Federal Government.

Reclamation's FY 2025 budget request includes \$4.5 million to increase Reclamation hydropower capabilities and value, contributing to Administration clean energy and climate change initiatives and enhancing water conservation and climate resilience within the power program. Reclamation's Power Resources Office oversees power operations and maintenance, electric reliability compliance, and strategic energy initiatives.

*Environmental Responsibilities:* Reclamation remains committed to meeting our environmental responsibilities through a variety of project examples throughout the West, such as the Central Valley Project and the Middle Rio Grande Collaborative Program. The FY 2025 budget also funds Reclamation's Endangered Species Act recovery programs and other programs that contribute towards these efforts, such as the Columbia/Snake River Salmon Recovery Program, the San Juan River Recovery Implementation Program, the Upper Colorado Recovery Implementation Program, and the Multi-Species Conservation Program within the Lower Colorado River Operations Program, among others.

The investments described in Reclamation's FY 2025 budget, in combination with BIL and IRA implementation efforts will ensure that Reclamation can continue to provide reliable water and power to the American West. Water management, improving and modernizing infrastructure, using sound science to support critical decision-making, finding opportunities to expand capacity, reducing conflict, and meeting environmental responsibilities are all addressed in this FY 2025 budget request. Reclamation continues to look at ways to plan more efficiently for future challenges faced in water resources management and to improve the way it does business.

Thank you for the opportunity to present the President's FY 2025 Budget Request for the Bureau of Reclamation.

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QUESTIONS SUBMITTED FOR THE RECORD TO THE HONORABLE CAMILLE TOUTON,  
COMMISSIONER, U.S. BUREAU OF RECLAMATION, U.S. DEPARTMENT OF THE INTERIOR

**The Hon. Camille Touton did not submit responses to the Committee by the appropriate deadline for inclusion in the printed record.**

#### **Questions Submitted by Representative Grijalva**

*Question 1. At the start of this year, the Department's final rule for the Implementation of the Native American Graves Protection and Repatriation Act went into effect. Within this budget request, there is \$1.2 million for NAGPRA in the Land Resources Management Program, could you share how this funding will be utilized to ensure compliance and implementation of the new rule?*

*Question 2. Within the budget request, there is \$500,000 to support Departmental and Reclamation efforts for Tribal Co-Stewardship activities. Could you expand on how this funding will be utilized?*

*Question 3. The ability to release water from Glen Canyon Dam under a wide range of hydrologic conditions is vital for Reclamation's effective management of the Colorado River system and to ensure that the Quechan Indian Tribe, the other four tribes whose water rights were decreed by the U.S. Supreme Court in Arizona v California, and other tribes and non-Indian water users in the Lower Basin are able to have reliable access to clean and safe drinking water and water to support their*

*economies. Recently, Reclamation has identified engineering concerns at Glen Canyon Dam related to the ability to release necessary water to the Lower Basin through that facility's bypass tubes if Lake Powell's elevation drops below elevation 3490 feet, a prospect that cannot be ruled out with the challenging hydrology facing the Basin.*

*3a) What is in the proposed budget to address the infrastructure limitations created by the bypass tubes at Glen Canyon Dam to ensure that the Quechan Tribe and other tribes and non-Indian Lower Basin water users are not deprived of necessary access to water?*

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Mr. BENTZ. Thank you, Commissioner. I now recognize Director Williams for 5 minutes.

**STATEMENT OF THE HON. MARTHA WILLIAMS, DIRECTOR, U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR, WASHINGTON, DC**

Ms. WILLIAMS. Good afternoon, Chairman Bentz, Ranking Member Huffman, and members of the Subcommittee. I appreciate the opportunity to testify today on behalf of the U.S. Fish and Wildlife Service's 2025 budget request.

The President's budget for the Fish and Wildlife Service totals \$1.9 billion, an increase of \$163.4 million above the 2024 enacted level. The budget promotes strategic investments to conserve fish and wildlife species that face many stressors. It connects Americans with the outdoors. It facilitates economic development and creates good-paying jobs.

The Fish and Wildlife Service is a field-based organization that works collaboratively and creatively to meet our responsibilities. Our 9,000 dedicated employees carry out our work across 8 regional offices and 800 field stations across the country. These biologists, refuge managers, hatchery operators, law enforcement professionals, maintenance professionals, officers, and more depend on relationships to help implement our mission in ways that respect local needs and fit the places where we work.

We partner with state, local, and even foreign governments, tribes, landowners, scientists, hunters, anglers, outdoor recreationists, non-governmental organizations, schools, industries, and other Federal agencies. Although we are a relatively small agency, these partnerships greatly increase our effectiveness and our reach.

Over the course of my career, and now as Director, I have seen this firsthand. As an example, I recently joined our staff at the Cahaba River National Wildlife Refuge in Alabama to celebrate the completion of a mine reclamation project. The Fish and Wildlife Service worked side by side with the Alabama Department of Labor and other partners to complete the project. In addition to ensuring public safety, the project restored hydrology and improved water quality. It also opened new access to the refuge for the community, expanded hunting opportunities, created a 10-acre fishing lake, and added 3.5 miles of hiking trails. All of this will pay long-term dividends for the environment and the economic vibrance of the surrounding communities. The celebration brought together the mayor, county commissioners, the friends group for the refuge, and even the Cahaba Lily Queen, showing strong community support for the refuge and this important project.

Building and sustaining partnerships like these take people and resources. However, over the past 20 years, due to relentless budget constraints, the Fish and Wildlife Service has had to significantly reduce our workforce, stretching our ability to do our work safely and proactively to the point of snapping.

The Fish and Wildlife Service has consistently adapted and stretched our resources. For example, we seek reimbursable agreements to support our staffing needs. Because we do not have the capacity to staff each refuge as a stand-alone unit, we now administer units of the refuge system under a complex structure to achieve management efficiencies.

And we also innovate. For example, we developed an online system that streamlines permitting, allowing project proponents to quickly determine whether a project requires Endangered Species Act consultation so they don't have to wait in line for a response from the government.

When Congress makes strategic investments like those under the Bipartisan Infrastructure Law, the Fish and Wildlife Service, together with our partners, has demonstrated that we can do great things for wildlife, local economies, communities. It has given us a chance to show just what we can achieve together. If funded, our budget request would help restore capacity in key areas and, as a result, would provide positive impacts to people, communities, and habitat. We would maximize the budget's investments by leveraging the capacity of our partners, tailoring the implementation of our mission to meet the conditions and needs of local situations.

Thank you again for the opportunity to testify before you today, and I would be pleased to answer any questions you may have.

[The prepared statement of Ms. Williams follows:]

PREPARED STATEMENT OF MARTHA WILLIAMS, DIRECTOR, U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

### **Introduction**

Good morning, Chairman Bentz, Ranking Member Huffman, and Members of the Subcommittee. I am Martha Williams, Director of the U.S. Fish and Wildlife Service (Service). I appreciate the opportunity to testify before you today on the Service's Fiscal Year (FY) 2025 budget request. The FY 2025 budget promotes strategic investments to: address the impacts of climate change on Service trust resources, conserve species and habitats, reconnect Americans with the outdoors, facilitate economic development, and create good-paying job opportunities.

The President's Budget for FY 2025 invests in America and prioritizes key conservation initiatives while following the Fiscal Responsibility Act of 2023. The President's Budget request for the Service totals \$1.9 billion, an increase of \$163.4 million above the FY 2024 enacted level.

The mission of the Service is working with others to conserve, protect, and enhance fish, wildlife, and plants and their habitats for the continuing benefit of the American people. Meeting our mission is dependent on the Service leading with our values of collaboration, stewardship, integrity, respect, and innovation. The Service is a diverse and largely decentralized organization that works collaboratively and creatively to meet its conservation and management responsibilities. In addition to our headquarters office, the Service has eight regional offices and nearly 800 field stations. The backbone of the Service is its nearly 9,000 dedicated employees working in our regional offices and field stations across the country. The Service's headquarters office sets national policy to provide consistency and clarity, and stewards and implements most of our international conservation work, while the majority of our domestic conservation work is carried out on the ground by our regions and field stations. Our biologists, refuge managers, hatchery operators, and more build relationships at the global, regional, state, Tribal, and local level, to

implement the Service's mission and carry out our statutory mandates in a way that respects local needs and fits the places where we work. The Service is a relatively small agency, but our reach is large due to the strength of our partnerships with other federal agencies, states, Tribes, foreign governments, landowners, scientists, hunters, anglers, nongovernmental organizations, industry, and the public. However, building and sustaining those partnerships takes people and resources.

Over the past twenty years the Service's capacity has eroded significantly, while at the same time costs and workloads have increased, and challenges to wildlife conservation have become more complex. In this challenging budget environment, the Service has been forced to adapt. We are expanding our partnerships, seeking reimbursable agreements to support our staffing needs, establishing refuge complexes for management efficiencies, and establishing cross-programmatic teams to share expertise. The Service continually strives to be efficient and innovative with the resources Congress provides to us. For example, we continue to enhance our Information for Planning and Consultation (IPaC) decision support system to streamline the environmental review process. We similarly work to enhance our ePermits system to improve electronic permitting for a variety of stakeholders and the public. We have also sought good neighbor authority and stewardship contracting authority to enable the Service to partner with states, Tribes, and counties to conduct ecosystem restoration projects on Service lands. While we have found opportunities to adapt and be more efficient with the resources we have, these challenging budgets have required us to pull back on important partnerships and conservation work.

The Service's FY 2025 budget request seeks to address our needs to deliver our mission now and how to build towards the future. Through strategic investments like the Infrastructure Investment and Jobs Act, commonly referred to as the Bipartisan Infrastructure Law (BIL), the Service has shown that when given the resources to accomplish our mission, we, together with our partners, can do great things for wildlife, local communities, and the economy. If funded, the Service's FY 2025 budget request would help restore our capacity and invest in key conservation partnerships. My testimony below discusses the discretionary portion of our request in greater detail.

### **Ecological Services**

For over 50 years, the Ecological Services Program has implemented the Endangered Species Act (ESA), our country's most important law for protecting imperiled fish, wildlife, and plants. The total request for the Ecological Services Program for FY 2025 is \$338.2 million, an increase of \$49.9 million above the FY 2024 enacted. The ESA is extraordinarily effective at preventing species from going extinct and has inspired action to collaboratively conserve at-risk species and their habitat before they need to be listed as threatened or endangered. Since it was signed into law in 1973, nearly all of the species listed under the law are still with us today and many species have recovered, been downlisted, or received the necessary conservation to not require listing.

Preventing extinction and recovering listed species has always been, and will continue to be, one of the Service's highest priorities. Through close collaboration with our federal, state, and Tribal partners, and range countries around the world, we have recovered species from the brink of extinction, restored critical habitat, and applied a balanced approach for building better natural and human communities. For example, on January 25, 2023, we celebrated the recovery and delisting of five species on the U.S. Navy-owned San Clemente Island (San Clemente Island paintbrush, lotus, larkspur, and bush-mallow plants and San Clemente Bell's sparrow). This conservation success was due to four decades of partnership between the Service and the Navy and shows how collaborative conservation can drive species recovery. The FY 2025 budget proposes \$126.4 million for recovery of threatened and endangered species, a \$15.9 million increase over the FY 2024 enacted level. This funding would allow the Service to reduce the recovery plan backlog for listed species that do not yet have recovery plans, conduct required 5-year reviews of listed species, and allow the Service to propose or finalize an estimated 25 delisting or downlisting rules. Additionally, funding would be used to catalyze and support high priority recovery actions identified in Service recovery plans for priority species.

The Service's work supports economic growth and job creation in the U.S. through timely reviews of proposed infrastructure and development projects that are consistent with statutory environmental requirements. We provide expertise and technical assistance to applicants, coordinating early whenever possible. We also continuously seek ways to innovate and improve the efficiency and effectiveness of our environmental review and permitting of projects. A clear example of this is the

IPaC decision support system, a web-based application that allows federal agencies and project proponents to instantly obtain official species lists and recommended conservation measures. This system was conceived proactively by Service biologists who saw an ever-increasing consultation workload under flat and declining projected budgets. This innovative solution enabled the Service to address rising demand through greater efficiency. In the last 5 years, IPaC users generated over 115,000 documents using determination keys (DKeys), and over half required no further action on the part of the Service or the IPaC user. DKeys typically result in a final document in less than 30 minutes and all administrative logging for Service project tracking is completed automatically. This is a huge time savings and win-win for the Service, consulting federal agencies, and project proponents.

However, between 2003 and 2023, our environmental review staff decreased by 20 percent, while the number of species listed as endangered or threatened under the ESA has risen by 39 percent. This degradation of capacity has made it increasingly difficult to achieve our mission and meet the needs of federal agencies and applicants in a timely manner. To address the increasing needs for consultation in a growing economy, the Service is requesting \$146.6 million for planning and consultation, a \$28.4 million increase over the FY 2024 enacted level.

Additionally, the Service is requesting \$23.9 million for listing activities, a \$1.9 million increase over the FY 2024 enacted level. The Service is requesting \$41.2 million for conservation and restoration activities, a \$3.6 million increase over the FY 2024 enacted level. These investments will put key staff on the ground to work with partners and the public to carry out the essential mandates of the ESA and facilitate important development projects.

#### **National Wildlife Refuge System**

The mission of the National Wildlife Refuge System (Refuge System) is to administer a national network of lands and waters for the conservation, management, and restoration of fish, wildlife, and plant resources and their habitats within the United States for the benefit of present and future generations of Americans. The Refuge System spans all 50 States and 5 U.S. Territories, with more than 856 million acres of lands and waters, and includes 571 national wildlife refuges, 38 wetland management districts, 48 coordination areas, seven National Monuments, and 760 million acres in Marine National Monuments. In addition to conservation, the Refuge System delivers outdoor recreation and economic benefits to local communities. According to the Service's 2017 Banking on Nature report, the economic impact on local communities from recreation visits totaled \$3.2 billion, and the Refuge System generates \$1.1 billion in job income and over 41,000 jobs nationally.

In FY 2023, the Refuge System hosted a record-breaking 67 million visits to national wildlife refuges, an increase of 46.6 percent since FY 2011. This shows the growing importance of our national wildlife refuges to the public. Without adequate staffing, our ability to safely manage and welcome visitors is strained. To begin to address this capacity need as well as on-the-ground conservation and public engagement, the Service is requesting a total of \$602.3 million for the Refuge System, \$75.3 million above the FY 2024 enacted level. This requested additional funding will position the Refuge System to meet expected increased demands for access, visitation, and ecological functioning.

At current funding levels, the Service maintains 125 visitor facilities, most of which are wholly volunteer-operated, have limited hours of operation, or are staffed by administrative officers or refuge managers as collateral duties. The FY 2025 budget request includes \$93.6 million for visitor services, an increase of \$17.6 million over the FY 2024 enacted level. The majority of this funding would be used to ensure safer operations at existing facilities and contribute to rebuilding the visitor services workforce, focusing on entry-level positions to greet visitors, teach students, engage communities, and coordinate volunteer programs.

Similarly, the Department of the Interior's (Department) Law Enforcement Task Force found that Refuge System law enforcement has had a 28 percent reduction from its 15-year high officer base, the highest of all the Department's bureaus. To address this need, the Service's FY 2025 budget request includes \$63.4 million for Refuge System law enforcement, an increase of \$17.9 million over the FY 2024 enacted level. This funding would enable the Service to hire an additional 48 officers, bringing the Service closer to the International Associations of Chiefs of Police recommended minimum number of officers and enhancing the protection of the Refuge System and its visitors. It would also support additional needs of Refuge System Law Enforcement.

The number of units in the Refuge System has increased over the past ten years, changing staffing and expertise needed to fulfill the Service's stewardship responsibilities. The Service's FY 2025 budget request includes \$280.4 million for wildlife

and habitat management on the Refuge System, an increase of \$25.7 million over the FY 2024 enacted level. This funding would enable the Service to fill vacancies in the Refuge System that support scientific studies, habitat restoration and management, landscape conservation, and climate resiliency, as well as implementation of the National Seed Strategy, subsistence management and Tribal co-stewardship.

The Refuge System maintains over 44,000 assets representing over \$58 billion in public investments, including 6,400 buildings, 17,500 roads, bridges, and trails, 8,700 water management structures, and 11,400 other real property assets. A robust maintenance workforce is required for responsible rehabilitation, maintenance, and construction of Service infrastructure. The FY 2025 budget requests \$160.1 million for Refuge System maintenance, an increase of \$12.1 million over the FY 2024 enacted level. This additional funding would be used to build capacity in our infrastructure workforce and address deferred maintenance as well as annual maintenance needs across the Refuge System.

Additionally, the Service's FY 2025 budget request includes \$68.1 million for the Partners for Fish and Wildlife (Partners) Program, a \$9.1 million increase over the FY 2024 enacted level. This voluntary, community-based program supports important conservation initiatives for wildlife and habitat on private lands. The program is emblematic of how the Service carries out its mission through on-the-ground implementation that leverages the capabilities of partners and is tailored to fit the needs and aspects of the local community. Since inception, the program has restored more than 7 million acres of habitat while leveraging program funding with partner contributions at a ratio of greater than 4:1. The Partners Program also yields significant economic benefits for local communities. The Service's 2017 report titled "Restoration Returns: The Contribution of Partners for Fish and Wildlife Program and Coastal Program Restoration Projects to Local U.S. Economies" found that every dollar the Partners for Fish and Wildlife Program invested in a project creates \$6.15 in local economic returns. Additionally, a recent report developed by the Jobs Through Restoration and Resilience Sub-Team of the Service's National America the Beautiful Team identified that every \$1.0 million in FY 2022 spending under the Partners for Fish and Wildlife Program supported 12.28 jobs.

### **Migratory Birds**

The Migratory Bird Program is the premier federal leader in migratory bird conservation and manages birds in the U.S. and internationally through effective partnerships, applied science, and innovative strategies. Migratory birds provide significant benefits to our ecosystems and economy. They pollinate, control pests, and support recreational opportunities. The *2022 National Survey of Fishing, Hunting, and Wildlife Associated Recreation Report* estimated that the 2.8 million migratory bird hunters and 96 million bird watchers in the U.S. spent billions of dollars participating in these activities.

However, migratory birds are experiencing significant population declines. In 2019, a report published in *Science* found that 3 billion breeding birds have been lost since 1970 in North America. Habitat loss, invasive species, climate change, disease and human-caused mortality are among the leading drivers for bird declines. The mission of the Migratory Bird Program is as relevant and important today as it was at the inception of the Service: to ensure a legacy of healthy bird populations for the American people. The Service's FY 2025 budget request includes a total of \$73.1 million for the Migratory Bird Program, a \$19.9 million increase over the FY 2024 enacted level.

The Migratory Bird Program provides expertise in the conservation and management of over 1,100 species protected under the Migratory Bird Treaty Act (MBTA) and the Bald and Golden Eagle Protection Act (Eagle Act) and 269 species included in the Birds of Conservation Concern. Migratory Bird Program staff develop decision-support tools and guidance for energy, infrastructure, and other development projects to avoid and minimize impacts to migratory birds. They also provide technical assistance and implement bird conservation partnerships under Partners in Flight and the U.S. Shorebird Conservation Partnership.

The Migratory Bird Program is also responsible for the continental-wide monitoring of migratory bird species, including waterfowl banding, aerial population surveys, and hunter harvest surveys. The Service's six-decade history of migratory bird monitoring data provides a unique perspective on shifting bird distributions and habitat conditions across North America over time. These rich datasets allow the Service to evaluate population shifts, migration chronology, and productivity, and prioritize land acquisition for the Refuge System and population goals for the North American Waterfowl Management Plan. Additionally, this data is used to set and evaluate migratory bird hunting seasons.



Each year the Service conducts extensive migratory game bird surveys and bird banding programs across North America that provide valuable information about bird population, harvest, and habitat. Results from these surveys provide the foundation for the establishment of annual hunting seasons for migratory game birds. The Service is struggling to maintain its critical role in monitoring migratory game bird species abundance and establishing annual hunting regulations due to funding and workforce constraints. The Service's FY 2025 budget request includes \$40.9 million for conservation and monitoring, a \$10.5 million increase over the FY 2024 enacted level. A portion of this funding will address capacity gaps and allow the Service to pursue enhancements and efficiencies in its monitoring activities and current harvest management processes. This increase will also provide targeted investments in partner engagement, monitoring, technical assistance, conservation planning, on-the-ground conservation delivery, and promoting bird-friendly practices.

The Service's FY 2025 budget request also includes \$13.4 million for migratory birds permitting, an increase of \$8.0 million over the FY 2024 enacted level. With increasing infrastructure and energy development, the Service has also seen a rise in workload related to permitting reviews under the MBTA and Eagle Act. This funding increase would support capacity for migratory birds permitting staff, including in the Service's regional offices. The FY 2025 budget request also includes \$1.1 million for the Federal Duck Stamp Program, an increase of \$547,000 over the FY 2024 enacted level. A portion of this increase would be used to implement the new mandates of the Duck Stamp Modernization Act of 2023, recently enacted by Congress.

Additionally, the Service's FY 2025 budget request includes \$17.6 million for the North American Waterfowl Management Plan and Migratory Bird Joint Ventures (JVs), an increase of \$828,000 over the FY 2024 enacted level. JVs are another example of the Service creating partnerships to further our mission in a way that fits regional needs on behalf of the American people. Each JV is a network of regional, self-directed partnerships involving federal, state, and local governments; corporations; individuals; and non-governmental organizations. JVs are a model for collaborative conservation in the 21st century, using state-of-the-art science and public and private resources to ensure diverse habitat is available to sustain migratory bird populations. The increased funding would achieve target funding levels for all 21 JVs across the country.

### **Fish and Aquatic Conservation**

The world's rivers and lakes once teemed with abundant and diverse communities of fish, invertebrates, and plants. However, aquatic species now represent some of the most imperiled organisms on the planet. Increasing impacts from habitat loss, fragmentation, aquatic invasive species, pollution, and climate change threaten America's freshwater ecosystems and native fish populations, which provide important benefits to communities, local economies, and the broader environment. The Service's Fish and Aquatic Conservation Program addresses these challenges by collaborating with states, Tribes, landowners, federal agencies, and other partners to conserve aquatic species and ecosystems. This includes conservation work through our National Fish Hatchery System (Hatchery System), population assessments, habitat restoration and connectivity, and aquatic invasive species control. As the threats to freshwater ecosystems and native fish species have increased and changed, so must our tools, expertise, partnerships, and strategies. For FY 2025, the Service is seeking to increase and enhance actions to conserve native aquatic species and their habitats with a total request of \$239.3 million for the Fish and Aquatic Conservation Program, an increase of \$12.6 million above the FY 2024 enacted level.

The work of the Fish and Aquatic Conservation Program not only benefits aquatic ecosystems, it also creates and maintains outdoor recreation opportunities, yielding benefits for local economies. Fishing and other aquatic-based recreational opportunities are multi-cultural, multi-generational experiences that improve the quality of life for American families from all facets of our diverse society, and generate substantial economic returns for local communities. The *2022 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation* reports nearly 40 million anglers, age 16 or older, went fishing in 2022, spending a combined \$99.4 billion, with the average angler spending \$2,490 per year. And according to the Recreational Boating and Fishing Foundation's special report on fishing activities, roughly 54.5 million Americans went fishing in 2023.

For over 150 years, the Hatchery System has served communities across the U.S. Today, the Hatchery System consists of 71 National Fish Hatcheries, one historic National Fish Hatchery, six Fish Health Centers (Health Centers), seven Fish

Technology Centers (Tech Centers), and the Aquatic Animal Drug Approval Partnership Program. The Service's captive rearing facilities produce over 150 million fish and other aquatic organisms each year to aid in the recovery of threatened and endangered species, restore imperiled species, mitigate the impact of federal water development projects on fish populations, meet Tribal trust responsibilities, and enhance recreational and commercial fishing opportunities. The Service's FY 2025 budget request includes \$80.3 million for fish hatchery operations, an increase of \$5.2 million over the FY 2024 enacted level. This funding will focus on propagating fish and other aquatic species to carry out Tribal trust responsibilities and sustain wild populations, including actions to help prevent the further decline of at-risk species and reduce the need for listings under the ESA. The FY 2025 request also includes \$31.6 million for Hatchery System maintenance, a \$7 million increase over the FY 2024 enacted level. This funding would help address the annual and deferred maintenance needs of the Hatchery System.

Across the nation, millions of barriers to fish passage and aquatic connectivity have compromised the ability of waterways to sustain healthy fish populations and ecosystems. Barriers like old culverts, dams, and levees, can also lead to public safety hazards, water quality degradation, and higher water treatment costs. Utilizing its national network of fish biologists and engineers, the Service works with partners to restore natural flows to streams, rivers, floodplains, and tidal areas, restore riparian areas and wetlands, remove barriers to fish passage and aquatic connectivity, and improve water quality. The investments in this work will pay valuable benefits far into the future as natural systems improve in health year after year once aquatic connectivity is restored.

This is another example of the Service working on the ground to deliver our conservation mission on behalf of the American people, in ways that fit the local circumstances. In addition to the lasting benefits to fish and wildlife, the Service's work to restore degraded habitats benefits local communities through development of more resilient infrastructure, reduced public safety hazards, and improved recreational opportunities. The Service's FY 2025 budget request includes \$18.6 million for fish passage improvements, an increase of \$3.6 million over the FY 2024 enacted level. The Service will also continue to implement BIL funding for fish passage in FY 2025, building on our success and collaborative work with partners on priority projects.

Invasive species are a significant threat to human, animal, and plant health, infrastructure, the economy, and cultural resources. The Service plays a critical role in safeguarding the Nation's waters from aquatic invasive species by preventing introduction, detecting and responding to new invasions, and suppressing populations of existing invasive plants and animals. In FY 2025, the Service will prioritize prevention efforts, which are the most cost-effective strategy to minimize the long-term risk and impacts of invasive species. The FY 2025 budget request includes \$10.4 million for prevention, an increase of \$7.7 million over the FY 2024 enacted level. Funding would be used to establish a pilot Aquatic Invasive Species Rapid Response Fund and to build capacity in the Fish and Aquatic Conservation Program to conduct early detection surveillance within invasion hotspots and points of entry into the U.S. as part of a nationally coordinated Early Detection and Rapid Response Framework developed under BIL.

### **Science Applications**

The Science Applications Program works across the Service's programs and with partners to address complex conservation challenges through voluntary, landscape-level partnerships and the innovative application of science and data management. The Service's FY 2025 request includes a total of \$37.9 million for the Science Applications Program, an increase of \$4.1 million over the FY 2024 enacted level.

Collaborative conservation is among the most effective methods to meet the enormous and diverse conservation challenges facing our nation. For more than a decade, the Service's Science Applications' Science Partnerships program has built trust with partners, successfully fostering regional, national, and international collaborations to identify shared conservation goals and deliver conservation actions. For example, the Science Partnerships program plays a central leadership, collaboration, and technical assistance role for the Center for Pollinator Conservation, which is conducting pollinator inventory and monitoring with the Refuge System and milkweed distribution analysis with the Monarch Joint Venture. Science Partnerships is also supporting implementation of the 2023 memorandum of understanding between the Service, National Alliance of Forest Owners, and National Council for Air and Stream Improvement through collaborative science and technical project management. The Service's FY 2025 budget request includes \$27.3

million for Science Partnerships, an increase of \$2.3 million over the FY 2024 enacted level. This funding would be used to further support partnership conservation initiatives and build capacity, including for data managers and geospatial mapping technicians to better incorporate information in collaboration with our partners.

#### **Office of Law Enforcement**

There is a significant amount of trade involving wildlife that occurs globally and within our nation's borders. The legal trade of wildlife into and out of the U.S. alone is valued at several billion dollars a year. This trade provides great benefits to Americans, but the high market value for wildlife creates incentives for bad actors to circumvent wildlife laws for ill-gotten financial gain. The Office of Law Enforcement is the investigative arm of the Service tasked with enforcing our wildlife laws. Our special agents, attachés, wildlife inspectors, intelligence analysts, forensic scientists, and other staff serve on the front lines to regulate the wildlife trade, investigate wildlife crimes, prevent the introduction of invasive species, and partner with international, Tribal, federal, and state counterparts to conserve and protect wildlife resources. The Service's FY 2025 budget request includes a total of \$110.8 million for the Office of Law Enforcement, a \$18.9 million increase over the FY 2024 level.

The ever-changing nature and growing complexity of wildlife crime has required the Office of Law Enforcement to adapt, develop innovative techniques, and expand our partnerships and our presence across the globe. Many wildlife crimes were once predominantly crimes of opportunity committed by individuals or small groups. Today, wildlife trafficking is largely carried out by transnational criminal organizations that are sophisticated, violent, and capable of illegally moving large commercial volumes of wildlife and laundering its proceeds. These transnational criminal organizations also traffic in people, weapons, narcotics, and other contraband.

In addition to our domestic special agents, the Service also has 11 personnel (10 attachés and one intelligence analyst) stationed internationally. Our attachés partner with foreign governments, share and coordinate intelligence, support and assist with investigations, and provide training. The Service also manages the National Fish and Wildlife Forensics Laboratory, the world's only full-service crime laboratory devoted exclusively to supporting wildlife law enforcement. Additionally, the Service manages the Digital Evidence Recovery and Technical Support Unit, which supports the retrieval and analysis of computer-based records and advanced digital surveillance techniques, which is critical as wildlife crime has moved increasingly online. The Service's domestic agents, attachés, intelligence analysts, forensic scientists, and inspection teams work together to combat the illegal wildlife trade. In FY 2023, the Service conducted over 9,600 wildlife crime investigations, which resulted in ordered restitution of \$1.9 million in fines, \$1.0 million in civil penalties, 64 years in prison, and 222 years of probation. Wildlife trafficking remains a serious threat to conservation, national security, economic prosperity, global health, and community stability. The Service's FY 2025 budget request includes an increase of \$8.9 million over the FY 2024 enacted level to support, equip, and expand the capacity of our law enforcement workforce and to implement the Department's Law Enforcement Task Force priorities.

The U.S. remains one of the world's largest markets for wildlife and wildlife products, both legal and illegal. The Service's Wildlife Inspection Program is based at U.S. ports of entry and monitors the wildlife trade, processes legal shipments, intercepts wildlife contraband, prevents the introduction of invasive species, and works with special agents to support wildlife trafficking investigations. In FY 2023, the Service's wildlife inspectors processed nearly 175,000 declared wildlife shipments and facilitated legal trade valued at over \$4.6 billion. The Wildlife Inspection Program faces a critical juncture as international wildlife trade expands in complexity, and responsibilities have evolved beyond facilitating legal imports and exports. Funding for the Service's wildlife inspectors is based on user fees, which have not increased since 2012. The Service's FY 2025 budget request includes an increase of \$10.0 million over the FY 2024 enacted level to support the Wildlife Inspection Program. This increase would enable the Service to modernize technology to enhance risk analysis and inspection efficiency, increase special operations nationally to target high-risk trade routes, bolster biosafety measures, increase capacity at ports of entry, and strategically deploy K9 interdiction teams.

#### **International Affairs**

Global biodiversity faces ever-growing and evolving threats, including climate change, wildlife trafficking, rapid habitat loss, and disease, which are pushing species to extinction and threatening human well-being in many parts of the world.

The Service has engaged in international conservation for more than a century, starting with the 1916 Migratory Bird Treaty with Canada. The Service's International Affairs Program has a long history of implementing global treaties and agreements, diplomatic engagement with foreign nations, collaborating with global partners to implement on-the-ground conservation, and supporting research and trainings abroad. The work of the International Affairs Program is critical to stemming global biodiversity loss and conserving some of the world's most iconic wildlife species, including African and Asian elephants, tigers, rhinoceros, great apes, sea turtles, scarlet macaws, and cheetahs. The Service's FY 2025 budget request includes \$24.0 million for the International Affairs Program, an increase of \$2.9 million over the FY 2024 enacted level. The Service is also requesting to move funding for the ePermits system into its own line to reflect the cross-bureau nature of that effort.

For over 50 years, the Service's International Affairs Program has served as the implementing body for the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) through the Divisions of Management and Scientific Authorities. CITES provides a global framework to ensure scientific integrity and international cooperation to facilitate legal, sustainable trade of the over 37,000 species listed in the CITES Appendices, and to combat wildlife trafficking. The International Affairs Program implements CITES by leading U.S. engagement at CITES meetings, ensuring that U.S. exports and imports comply with CITES requirements, and supporting CITES capacity-building efforts around the world. The Service's FY 2025 budget request would support the Service's preparations for the 20th meeting of the Conference of the Parties to CITES, which will take place in mid-2025. It will also help address the Service's CITES permit workload through greater efficiencies.

The Service's International Affairs Program also implements the Pelly Amendment to the Fishermen's Protective Act (Pelly), which authorizes the President to prohibit import of products from nations whose nationals are determined by the Secretary of the Interior or Commerce to be engaging in trade or take that undermines the effectiveness of any international treaty or convention for the protection of endangered or threatened species. In 2023, the Secretary of the Interior, in consultation with the Department of State, issued two Pelly certifications to the President, finding that nationals of Mexico and the People's Republic of China (PRC), directly or indirectly, engaged in harvest or trade that diminishes the effectiveness of CITES. In Mexico, the concern is illegal fishing for and illegal trade in the totoaba, which is causing the imminent extinction of the vaquita, the world's smallest and most endangered marine mammal, with fewer than 10 individuals remaining. In the PRC, the concern is the illegal trade in pangolins, the most trafficked mammal in the world. The Service's FY 2025 budget request would support implementation of Pelly, including ongoing efforts regarding the certifications of Mexico and the PRC.

The International Affairs Program supports on-the-ground conservation for priority species and habitats across the globe, including through the Multinational Species Conservation Funds (Species Funds). The Species Funds support strategic on-the-ground conservation projects for African elephants, Asian elephants, rhinoceros, tigers, great apes, marine turtles, and freshwater turtles and tortoises. From 2015 to 2022, the Species Funds provided \$92.5 million in grants and cooperative agreements and leveraged nearly \$200 million in additional funds towards conserving these species. The Service's FY 2025 budget request also includes \$21.0 million for the Species Funds, a \$500,000 increase over the FY 2024 enacted level. This increase would enable the Service to support additional conservation needs for priority species and their habitats.

### **Legislative Proposals**

The Service's FY 2025 budget request includes a legislative proposal to provide the Service with good neighbor and stewardship contracting authorities. The good neighbor authority allows states, counties, and Tribes to enter into a Good Neighbor Agreement to perform forest, rangeland, and watershed restoration work on Service lands. Authorized restoration services include treating insect- and disease-infested trees, reducing hazardous fuels, and any other activities to restore or improve ecosystem health, including fish and wildlife habitat. Stewardship contracting authority will allow the Service to trade forest products for land management and ecosystem restoration services. While the Service was provided good neighbor authority in the Consolidated Appropriations Act of 2024, we would appreciate the opportunity to continue working with the Chairman and Subcommittee on further technical assistance to meet the needs of the Service and provide stewardship contracting authority as well.

The FY 2025 budget request also includes a legislative proposal to allow persons responsible for harm to Service assets—not taxpayers—to pay for any injury they cause. Under current law, when Service resources are injured or destroyed, the costs of repair and restoration falls upon the appropriated budget for the affected field station or office. This is the case even when parties are ordered to pay restitution. Unlike some other land management agencies, the Service only has criminal penalties (fines) for those injuries occurring on Service property. In most cases, the injuries far exceed any fines recovered by the U.S. Government. With this authority, the recovery of damages for injury to Service resources would be used to reimburse assessment costs, prevent or minimize the risk of loss, monitor ongoing effects, and/or use those funds to restore, replace, or acquire resources equivalent to those injured or destroyed.

The Service's FY 2025 budget request also supports revising administrative amounts for both the North American Wetlands Conservation Act (NAWCA) and Neotropical Migratory Bird Conservation Act (NMBCA) to better keep pace with administrative needs. For NAWCA, this would mean increasing the administrative cap from four percent to seven percent to address increased administrative requirements and help our partners address threats to wetland dependent species and recover populations. For NMBCA, this would mean increasing the administrative cap from three percent to five percent and further lower match requirements passed in the Migratory Birds of the Americas Conservation Enhancements Act of 2023 from 2:1 to 1:1 to encourage a wider variety of bird conservation partners.

The FY 2025 budget request also includes a proposal to grant authority for federal agencies to transfer funding provided under BIL to the Service to meet the consultation and environmental review workload for BIL projects. The Service appreciates Congress' inclusion of this authority in the Consolidated Appropriations Act of 2024. The Service is currently working to implement this newly provided authority.

### **Conclusion**

The Service's FY 2025 budget request invests in America and prioritizes key conservation initiatives while following the Fiscal Responsibility Act of 2023. The Service strives to be efficient and innovative with the limited resources we have. However, over the past twenty years the Service's capacity has declined, while costs and workloads have increased, and wildlife conservation challenges have become more complex. The Service is in a moment where our decreased capacity is eroding our on-the ground conservation efforts.

If funded, the Service's FY 2025 budget request would help restore our capacity and invest in key conservation partnerships. The Service would maximize the budget's investments by building upon our experience in developing partnerships, leveraging the capacity of our partners, and tailoring the implementation of our mission to meet the conditions and needs of local situations.

Thank you again for the opportunity to testify before you today. I would be pleased to answer any questions that you may have.

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QUESTIONS SUBMITTED FOR THE RECORD TO THE HONORABLE MARTHA WILLIAMS,  
DIRECTOR, U.S. FISH AND WILDLIFE SERVICE

**The Hon. Martha Williams did not submit responses to the Committee by the appropriate deadline for inclusion in the printed record.**

### **Questions Submitted by Representative Bentz**

*Question 1. September 2023 the White House published the Memorandum on Restoring Healthy and Abundant Salmon, Steelhead, and Other Native Fish Populations in the Columbia River Basin. Among other things, the memo directed "all agencies with applicable authorities and responsibilities" to provide the Office of Management and Budget "an assessment of the agency's programs that can advance the policy established in section 1 of this memorandum." <sup>1</sup>*

<sup>1</sup> Healthy and Abundant Memo. <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/09/27/memorandum-on-restoring-healthy-and-abundant-salmon-steelhead-and-other-native-fish-populations-in-the-columbia-river-basin/#:~:text=In%20recognition%20of%20these%20priorities.abundant%20salmon%2C%20steelhead%2C%20and%20other>

1a) What authorities or programs did the U.S. Fish and Wildlife Service provide to the Office of Management and Budget to carry out the policy established in this memorandum?

Question 2. With regard to the Northeast Canyons and Seamounts Marine National Monument, in March 2021, a 1-hour conference call was conducted in which affected members of the fishing industry were given less than 5 minutes each to explain their reasons for opposing a reimposition of the commercial fishing ban to DOI staff. One of the more severely affected groups, the swordfish and tuna harvesters, reached out to DOI repeatedly via phone, letters and email, requesting a meeting so that members of the swordfish and tuna longline industry could explain why analyses funded by environmental interests claiming that the commercial fishing ban had no negative effect on their fisheries were inaccurate.

Their correspondence was acknowledged upon receipt by Shantha Ready Alonso, Director of the Office of Intergovernmental and External Affairs (OIEA), but despite numerous follow-up calls and emails, they received no response to their request. In December 2021, they received a form letter from Martha Williams of the U.S. Fish and Wildlife Service stating that two months earlier, President Biden signed Presidential Proclamation 10287 "Northeast Canyons and Seamounts Marine National Monument" reimposing the prohibition on commercial fishing.

Did you or your staff meet with any fishing interests affected by the commercial fishing prohibition in the Northeast Canyons and Seamounts Marine National Monument before President Biden signed Presidential Proclamation 10287?

2a) If so, with whom did you meet?

2b) If so, were any of the groups with whom you or your staff met organizations that accept support, financial or otherwise, from environmental or conservation organizations or their funding sources?

Question 3. The U.S. Department of the Interior press release on several monuments issued on October 7, 2021, referenced "rare and endangered marine life," specifically mentioning deep-sea corals. Deep-sea corals in the Northeast Canyons and Seamounts Marine National Monument were already protected through previous actions taken by the New England and Mid-Atlantic Fishery Management Councils and approved by National Marine Fisheries Service, which protected those important species without hindering the ability of fisheries operating in the region from operating sustainably under the Magnuson-Stevens Act.

3a) What additional protection is afforded by prohibiting commercial fishing activity in the water column above the bottom habitat of those species?

### Questions Submitted by Representative Carl

Question 1. Director Williams, adequate funding for the management of migratory birds and their habitat is critically important, wouldn't you agree? As you are likely aware, state fish and wildlife agencies rely on the valuable data derived from USFWS surveys and science to justify seasons, monitor trends, and weigh management decisions. As such I am deeply concerned that the proposed presidential FY25 budget for aspects of the Service's Migratory Bird Management (MBM) program hasn't risen to the level of need identified for some of the MBM program's most critical needs.

Specifically I'd like to point to the Conservation and Monitoring Account, which is proposed to be funded at \$40.8M, that falls grossly short of what states and partners have identified (\$53 million) as what is needed to support key needs for population monitoring and surveys, research, technical assistance and guidance, and species conflict reduction.

1a) Coupled with the significant cut to NAWCA and I worry about the message that is being sent about Federal waterfowl and wetland habitat efforts. Can you please outline for me how the Service intends to meet the critical needs for waterfowl monitoring at the requested funding level?

1b) So if the need is higher than the request, what is a higher priority for the Service that these important surveys and NAWCA cannot be adequately funded?

Question 2. BIDEH—Director Williams, we have heard on multiple occasions about the need for more funding for the National Wildlife Refuge System (NWRs). If the need is as great as you have suggested, why would the Service advance a rule. And I am referring to the BIDEH rule, that has the potential to significantly restrict

cooperative conservation efforts on the NWRS, not to mention add significant administrative burden and costs to a system you believe is not adequately funded?

To expand refuge boundaries (as you have recently proposed), to add administrative burden on your refuge staff, and then prohibit practices like cooperative agriculture just doesn't add up. I hope you are giving serious thought to rescinding or significantly retooling your proposed BIDEH rule.

### Questions Submitted by Representative Westerman

*Question 1. In March, you issued a report, the 2019 National Wetlands Status and Trends report that found that 221 million acres of wetlands were destroyed between 2009 and 2019. Most of that loss was from vegetated wetlands like marshes and swamps, which shrank by 670,000 acres, an area roughly the size of Rhode Island.*

*That same month, the Service budget proposed a significant 35 percent reduction in one of the most popular and effective wetland programs in our country, one that has had strong bipartisan support and is up for reauthorization this year. That \$17M reduction is more than a haircut.*

*Under NAWCA, that \$17M cut would leverage more than \$17M in additional partner contributions under the program's match requirements and we often see more than that in private support. In fact, since 1991, NAWCA grants totaling over \$2 billion have leveraged almost \$5.6 billion in contributions from partners. This funding has vastly exceeded match requirements, enabling the successful restoration of more than 32 million acres of wetlands and associated uplands in North America.*

*So, you ring the alarm that we have a problem and then purposely cut funding to address the problem. What message are you trying to send? How do you justify this troubling cut to NAWCA?*

*Question 2. In testimony given to this subcommittee last month, the Services Deputy Director for Policy Steve Guertin stated "my understanding is that all of our staffed refuges have at least one biologist." When pressed further, Mr. Guertin stated that he didn't believe there were any refuges without a biologist. We tried to follow up to clarify the inconsistencies in his responses through questions for the record, but we've yet to hear back from the Department.*

*Which is it—do all staffed refuges have a biologist, or does every refuge have a biologist?*

*Question 3. The U.S. is a party to the Convention on International Trade in Endangered Species of Flora and Fauna. As you know, CITES is the international treaty that controls the international trade of threatened and endangered species. When countries attend CITES meetings and vote to uplist or downlist certain species, those decisions are to be based on sound science. In some cases, the United States has voted to not uplist a species only to return home and begin regulations to list under the ESA that very species. In other cases, the science is clear that the species is not worthy of uplisting based on CITES requirements, yet the Service has voted to uplist it. At one point, a US attendee even asked an official from the Department how these decisions are made, and the official responded by saying, "We fly by the seat of our pants." Do you agree that these decisions should be based on science and not politics? How can Service improve their decision-making process to be more transparent and base decisions on science?*

*Question 4. CITES requires a notification to range states of stricter domestic measures than agreed to by CITES. Have these notifications been made to the range states that manage African Elephants or hippos? How have they been provided?*

*Question 5. When the Service decides to make a rulemaking on a species that does not reside in the US, the Service is supposed to consult with the countries that do manage these species—yet many times that does not happen in any meaningful way. How can the US write a rule for a species in another country, not consult with that country, and expect the rule to be effective? I know you will say that these countries may comment during the public comment period, but wouldn't it be more prudent and waste less time to put out a draft rule where consultation has already occurred with the other management authority tasked with managing these animals every day? Does the Service send any employees to range states that must manage populations for which the US is proposing restrictions under ESA?*

*Question 6. Has the Service consulted with foreign management authorities on the development and implementation of regulations under the Endangered Species Act? If so, please provide a list. In what format have these consultations occurred? Does*

*the Service have designated personnel to liaise with foreign management authorities on Endangered Species Act implementation issues?*

*Question 7. The Secretary has talked at great lengths about including tribes and Indigenous peoples in the work that they do domestically—and tribes should be included. Why then are Indigenous peoples abroad not considered in rulemakings that will impact them? Do you reach out to Indigenous communities before writing a rule in a foreign country that will impact them and the animals they live with every day?*

*Question 8. Service's e-Permit system launched in 2020 continues to fail to accept applicant information and deliver permits in a timely manner; however, permit fees are deposited quickly. Federal agencies and the regulated public are frustrated and worried when permits expire and a renewal is not delivered for months after expiration. What actions is the Service taking to rectify this problem? When will the system begin to work properly?*

*Question 9. Populations of double-crested cormorants are increasing and establishing new breeding colonies. However, the national take allocation of 121,504 birds established by a 2020 Final Environmental Impact Statement for the Management of Conflicts Associated with Double-crested Cormorants for Federal, state and public entities through bird depredation permits has not been revised to reflect the growing challenges for agencies, tribes, and farms. Is the Service aware of the growing bird populations? Is there a periodic reassessment of the Population Take Model and reallocation to permit holders as provided within the 2020 EIS? If not, when will the Service reassess and reallocate?*

*Question 10. Congress authorized the Department of Interior to list species through the Endangered Species Act, Section 4(c)(1), specifying “. . . with respect to each such species over what portion of its range it is endangered or threatened . . .” However, within the Code of Federal Regulations the majority of threatened and endangered species are listed as “wherever found.” Why, how, and when did the Department decide to ignore Congressional direction?*

*Question 11. The Endangered Species Act authorizes the United States as a party to the CITES. This authorization includes explicit language that the United States “. . . has pledged itself as a sovereign state in the international community . . .” to implement actions to control import and export of CITES listed species. However, the Department of Interior continues to list foreign species under the ESA that are also protected by CITES trade restrictions. Is the ESA listing of these species an implicit admission by the Department there is a failure by the United States to implement CITES provisions? How does an ESA listing increase protections that are globally negotiated and are essentially duplicative in preventing or restricting trade? Is CITES a failure?*

*Question 12. Recently, the U.S. Fish and Wildlife Service halted all imports or re-exports of non human primates (NHPs), or research samples derived from NHPs imported from Cambodia, forcing American biotech companies to scramble for new sources. The Service's stated reason for suspending permits involved an enforcement action which has now been rejected in a US court by both judge and jury. Is the Service committed to re-opening trade in purpose bred Cambodian NHPs?*

*Question 13. Has the Service taken steps to expedite the processing of permits that were put on hold during the unsuccessful enforcement action, especially for time sensitive re-exports?*

*Question 14. Going forward, is the Service reviewing its protocols for suspending vital research related permits to allow for stakeholder input and more narrowly tailored approaches that do not drive American biotech into the arms of our Chinese competitors?*

*Question 15. In 2019, the Service revised its approach to the application of the ESA section 9 prohibitions to threatened species. Specifically, to be consistent with NMFS, FWS rescinded its “blanket 4(d) rule” and applied the prohibitions on a species-by-species basis. This allows prohibitions to be applied as warranted and, in a manner, tailored to the conservation needs of each threatened species. In a final rule published this year, the Service reversed this decision and returned to its pre-2019 manner of implementation. Can you explain how this promotes consistent implementation of the ESA across agencies?*

*Question 16. Earlier this year, the Services finalized three rulemakings related to the implementation of the ESA. The finalized Section 7 consultation regulation incorporates new potential requirements for developing the Reasonable and Prudent*



*Measures (RPMs) necessary for an action agency or entity seeking a Federal permit to employ in order to minimize the impacts of incidental take. In this final rule, the Services can consider and include measures in an RPM that offset any remaining impacts of incidental take that cannot be avoided. These measures to offset impacts can be required inside or outside the action area. These are significant changes, and the Section 7 Consultation handbook needs to be updated in order for action agencies and permit seekers to understand how this new process works. When will the handbook be updated, and will that process include public notice and comment so that the regulated community—and your fellow Federal agencies—can provide input on the practical impacts?*

*Question 17. There is a lot of discussion of mitigation in the new ESA implementation rules. How many species “mitigation banks” are there in the country? Are there banks for all listed species? Can you explain what an “in lieu fee” mitigation offset is? How are any of these kinds of offsets reviewed and approved by the Service?*

*Question 18. The new ESA Section 7 consultation rule just went into effect, and the Service has said that all consultations not yet completed will have to comply with them. How many ongoing consultations will now be delayed or have to be redone because of the new rules?*

*Question 19. In a departure from their long-standing interpretation, the final rule allows the Services to require minimization and mitigation measures as reasonable and prudent measures when authorizing incidental take of species. The relevant statutory authorization (ESA Section 7(b)(4)(C)(ii)) only allows the Services to “minimize” the impact of incidental take. The Services have never interpreted this provision as allowing for mitigation of take. What is the statutory legal authority that allows the Services to now impose “mitigation,” including compensatory mitigation that would fully offset all potential impacts or require restoration/protection of habitat, when it is not clearly authorized by the ESA?*

*Question 20. The final rule deletes the regulatory provisions at 50 CFR 402.17. These were added in 2019 to establish when an activity is reasonably certain to occur and what consequences are caused by a proposed action for purposes of determining the effects of an action for consultation. The Services recognize that these criteria are relevant and applicable considerations. Why are the Services removing them from the regulations?*

*Question 21. The ESA Consultation Handbook that the Services rely on for guidance was last published in 1998. The Services state that they are planning to update the Handbook to provide additional guidance on the ESA section 7 process. What is the timing for the new Handbook and what public review and comment process will be provided?*

*Question 22. Can you please explain how the new ESA Section 4 regulations comply with the Supreme Court’s decision in *Weyerhaeuser v US FWS*?*

*Question 23. In the 2024 final rule, the Services removed the more robust and detailed procedures for the designation of unoccupied areas as critical habitat that had been implemented in 2019. That 2019 final rule provided important standards detailing when property could be designated as critical habitat because it is essential to the conservation of species that do not currently occur on those lands or waters. How do the Services intend to designate unoccupied critical habitat going forward given their prior difficulties applying the relevant ESA statutory criteria and when there is no agreed upon regulatory definition of what is “habitat” for a species?*

*Question 24. The courts have said that it is the five criteria in ESA Section 4(a)(1) that dictate the status of the species and whether it should be listed, delisted, or downlisted. The courts have also said that recovery plans and recovery criteria are not binding and do not have to be satisfied before a species is delisted. The final rule adds a “recovery” component to delisting/downlisting considerations. Can you explain how the Services intend to apply this new standard given that it seems contrary to the statute and case law?*

#### **Questions Submitted by Representative Newhouse**

*Question 1. Please provide an exact dollar amount that is requested in the FY25 budget for grizzly bear introduction.*

*Question 2. Please provide a timeline, including dates, for planned grizzly bear introduction into the North Cascades Ecosystem.*

*Question 3. Please provide a detailed explanation for the increase in administrative fees for the Partners for Fish and Wildlife program in Washington State.*

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Mr. BENTZ. Thank you, Director Williams. I now recognize Administrator Spinrad for 5 minutes.

**STATEMENT OF THE HON. RICHARD SPINRAD, UNDER SECRETARY OF COMMERCE FOR OCEANS AND ATMOSPHERE AND NATIONAL OCEANIC & ATMOSPHERIC ADMINISTRATION ADMINISTRATOR, DEPARTMENT OF COMMERCE, WASHINGTON, DC**

Dr. SPINRAD. Chairman Bentz, Ranking Member Huffman, members of the Subcommittee, thank you for this opportunity to testify about NOAA's Fiscal Year 2025 budget. We really appreciate the continued support of Congress, the Administration, and our broad and diverse set of stakeholders.

For Fiscal Year 2025, NOAA's budget request proposes \$6.6 billion in discretionary appropriations, an increase of \$224 million from the Fiscal Year 2024 enacted level. The Fiscal Year 2025 request will prioritize investments in critical operational and infrastructure activities that support NOAA's ability to carry out our mission across five thematic areas.

First, NOAA will address the climate crisis and strengthen resilience. Specifically, NOAA will invest in increasing conservation and protection in an expanded sanctuary system by training the next generation of marine-protected area professionals and expanding technology use to support management priorities.

Second, NOAA will continue to provide critical science and data to inform economic development. Notably, NOAA will continue to work closely with the Department of the Interior's Bureau of Ocean Energy Management and others to maximize the benefits of offshore wind.

Third, NOAA will invest in the next generation of environmental satellites in order to provide significant improvements in data and products to meet the security, safety, and prosperity needs of the nation. NOAA uses industry's standard acquisition procedures to ensure that we invest appropriately and effectively.

Fourth, NOAA will integrate equity across the organization by improving knowledge-sharing capabilities and service delivery in tribal, rural, and urban communities.

And finally, NOAA will continue to reduce the deferred maintenance and repair backlog across our facilities in order to maintain operations, address safety issues, and ensure mission capability.

This Fiscal Year 2025 budget builds on investments from the Inflation Reduction Act and the Bipartisan Infrastructure Law. I am proud to share that as of the end of Fiscal Year 2023, NOAA has awarded a total of \$1.1 billion in IRA and BIL grants and contracts. Demand for funding to prepare for and adapt to climate change is extraordinarily high. In fact, some of our programs have seen 28 times more demand, which equals about \$16 billion more than we have in available funding, demonstrating the strong need for these types of opportunities.

Additionally, NOAA is continuing to invest in a few other notable areas. We are prioritizing funding for North Atlantic right whale conservation through \$48 million in the Fiscal Year 2025 request, which will build on resources provided in the Inflation Reduction Act. Human-caused mortality continues to threaten the survival of this species. Notably, since January of this year, there have been four confirmed right whale mortalities in U.S. waters attributable to vessel strikes and entanglement in fishing gear.

We must do more to protect and recover this species, and that is why NOAA is working on the Vessel Strike Reduction Rule and investing in on-demand fishing gear and collision avoidance technologies. We remain hopeful and look forward to working closely with our partners on finding durable solutions.

The Administration, the Department of Commerce, and NOAA are committed to combating Illegal, Unreported, and Unregulated, or IUU, fishing, seafood fraud, and forced labor. NOAA appreciates the increased funding in Fiscal Year 2023 for its Seafood Import Monitoring Program, or SIMP, and the Fiscal Year 2025 budget request maintains this level of support. We are hard at work reviewing SIMP to ensure it works as effectively and efficiently as possible.

Since November of this past year, we have met with 15 Federal agencies, reached out to more than 3,000 stakeholders, engaged with 20 NGOs and 100 businesses, and consulted with 10 foreign nations to solicit feedback on ways to improve the program. We are committed to using every tool at our disposal to enhance efforts in the fight against IUU fishing and seafood fraud, and we look forward to working more with you and other leaders in Congress on this important issue.

Lastly, we continue to invest in Pacific salmon conservation. The Fiscal Year 2025 budget request, a \$10 million increase for Mitchell Act hatchery programs. This funding will support hatchery salmon production to fulfill our recovery goals, as well as support tribal fisheries in the Columbia River.

Overall, with this Fiscal Year 2025 budget request, NOAA will be well positioned to help support the communities we serve, particularly those most vulnerable to climate change and its impacts. I look forward to working closely with you on each of these initiatives and to discussing NOAA's mission more with you today. Thank you.

[The prepared statement of Dr. Spinrad follows:]

PREPARED STATEMENT OF DR. RICHARD W. SPINRAD, UNDER SECRETARY OF  
COMMERCE FOR OCEANS AND ATMOSPHERE AND NOAA ADMINISTRATOR

Chairman Bentz, Ranking Member Huffman, and members of the Subcommittee, thank you for the opportunity to testify about the National Oceanic and Atmospheric Administration (NOAA) Fiscal Year (FY) 2025 budget. NOAA appreciates the continued support of Congress, the Administration, and our broad and diverse base of stakeholders.

For FY 2025, NOAA's budget request proposes \$6.6 billion in discretionary appropriations, an increase of \$224.8 million from the FY 2024 enacted level. The FY 2025 budget builds on investments from the Inflation Reduction Act (IRA) (P.L. 117-169) and Bipartisan Infrastructure Law (BIL) (P.L. 117-58) for climate resilience, climate science, data and services, environmental observations, and fisheries and protected resources.

The FY 2025 request will prioritize investments in the critical operational and infrastructure activities that support NOAA's ability to carry out its mission. These substantial investments, along with other targeted increases, reflect my priorities as Administrator, which are to:

1. Build on NOAA's long history of success, and meet the needs of the future by expanding, diversifying, and enhancing climate products and services for all Americans.
2. Ensure that NOAA builds economic opportunities in the new blue economy and upholds our critical role of environmental stewardship.
3. Integrate equity across NOAA by improving capabilities and knowledge sharing, and honing product development and service delivery in Tribal and underserved communities and taking an aggressive and active role in diversifying the Federal workforce, in a just, equitable, and inclusive manner.

#### **Invest in Critical Satellites**

NOAA satellites are critical for NOAA's mission, as well as the security, safety, and prosperity of the Nation. Data from these satellites provide essential support to all segments of the U.S. economy. In FY 2025, NOAA requests an additional \$605.7 million for significant investments in NOAA's observational infrastructure, underscoring NOAA's commitment to making crucial, time-sensitive, and cost-effective investments to ensure that the Nation's next-generation satellite systems expand delivery of essential earth system observations to meet the evolving needs of the American public. The FY 2025 budget will help NOAA better forecast weather events, issue accurate warnings, and observe environmental phenomena connected to climate change-related impacts and patterns, and deliver products, information, and climate services to inform decision makers.

NOAA's current satellite constellation has proven its worth and will continue to do so into the 2030s. However, NOAA must concurrently invest in the next generation of environmental satellites with the needs of user communities in mind. FY 2025 funding for future geostationary, low earth orbit, and space weather observations will ensure critical data continuity from legacy systems, while providing significant improvements in data and products to meet the complex societal and environmental needs of the Nation. In FY 2025, NOAA will continue the development of the GeoXO satellite program, which will provide improved weather forecasting, real-time monitoring of air quality conditions, and improved ocean forecasting and fisheries management yielded from geostationary orbit observations.

The value of NOAA's world-class data is enhanced by NOAA applications and accessibility for users. The FY 2025 budget supports much-needed improvements to NOAA's data infrastructure. For example, the request includes funding to transition NOAA data from on-premise systems to a cloud-based environment for data ingest, processing, dissemination, and archiving, which will expand the size and diversity of NOAA user communities and data applications.

#### **Expand Climate Products and Services to Build Climate Resilience**

The FY 2025 budget in conjunction with investments in BIL and IRA and in collaboration with other Federal agencies will address the climate crisis and strengthen resilience. In FY 2025, NOAA requests an additional \$155.5 million to contribute to implementing Executive Order (EO) 14008 on Tackling the Climate Crisis at Home and Abroad. Establishing an end-to-end value chain for climate and weather data and services starts with investing in observational infrastructure and culminates in delivering services to meet a diverse set of missions. Therefore, NOAA will support observational infrastructure, decision support tools, service delivery, and conservation.

NOAA provides timely and actionable environmental observations on global, national, and regional scales from satellites, radar, surface systems, atmospheric greenhouse gas sampling stations, ocean buoys, uncrewed systems, aircraft, and ships. With the funding requested in FY 2025, in addition to the funding provided through IRA, NOAA will finalize the acquisition of a second G-550 for its high-altitude jet program. Additionally, NOAA will invest in Days at Sea and Flight Hours to support critical mission priorities, and the NOAA Corps officers needed to safely and effectively operate ships and aircraft.

NOAA's weather forecasts and climate projections and information must be reliably delivered to users to inform decision making. Forty percent of the U.S. population lives and works in coastal counties, making a disproportionate segment of our society and economy at increasing risk to hazards such as hurricanes and coastal inundation. The National Weather Service will provide more Impact-based

Decision Support Services, and NOAA is expanding its service delivery with more products and services to more communities across the country. The foundation for expanded service delivery is the Advanced Weather Interactive Processing System (AWIPS) in the cloud. AWIPS in the cloud will allow for more products across NOAA to use this dissemination system and reach local offices across the country. As a result, AWIPS in the cloud will push out a greater amount of information to reach a larger number of communities to provide greater decision support services. Therefore, the FY 2025 request will transform AWIPS into a modern, extensible cloud-based framework.

Planners and decision makers face challenges when seeking Federal data to support resilience-building efforts. In FY 2025, NOAA will enhance the accessibility and usability of Federal climate data through the Climate Resilience Information System and Climate Mapping for Resilience and Adaptation, a publicly accessible, interoperable architecture that makes it easy for people to find and use Federal agencies' decision-relevant data to support climate adaptation and mitigation planning. NOAA will support this enhancement and expansion to include information specific to additional environmental hazards, integrate stakeholder feedback, and improve the systems' functionality.

NOAA will also invest in increasing conservation and protection in an expanded sanctuary system, which is an integral part of NOAA's contribution to implementation of the America the Beautiful initiative that includes the goal to conserve at least 30 percent of U.S. lands and waters by 2030. NOAA's FY 2025 request will enhance NOAA's sanctuary management capacity as new sanctuaries are designated. NOAA will work to identify gaps in marine protection, train the next generation of Marine Protected Area professionals, and expand technology use in sanctuaries to support management priorities.

#### **Provide Science and Data to Inform Economic Development**

NOAA will continue to foster environmental stewardship and optimize advances in science and technology, with a particular focus on the New Blue Economy: supporting development framed around an information and knowledge-based approach to support fisheries, transportation, shipping, renewable energy, recreation, and livelihoods. In 2023, the Bureau of Economic Analysis, in partnership with NOAA, released the official Marine Economy statistics that the U.S. marine economy contributed about \$432.4 billion, or 1.9 percent, to the Nation's gross domestic product, an increase from 1.7 percent, or \$363.2 billion<sup>1</sup> and supports 2.3 million jobs annually.<sup>2</sup> In FY 2025, NOAA requests an additional \$55.1 million in support of the expansion of offshore wind energy, salmon populations of the Columbia River basin and beyond, and improvements in our tsunami and space regulatory infrastructure.

NOAA is an important Federal collaborator in support of the Administration's goal to responsibly deploy 30 gigawatts (GW) of offshore wind energy by 2030. In FY 2025, NOAA will continue to work closely with the Department of the Interior's Bureau of Ocean Energy Management (BOEM), the lead Federal agency for offshore wind siting, leasing, and permitting, and others to maximize the benefits of offshore wind; minimize the effects of offshore energy projects on protected marine resources, fisheries, and important habitats; and mitigate impacts to NOAA assets, fisheries surveys, and other activities.

NOAA will continue supporting the production of 42 million hatchery fish, which represents about 30 percent of the total hatchery salmon and steelhead released in the Columbia River Basin, as well as their associated monitoring programs. Salmon smolts from hatchery programs funded through the Mitchell Act translate into the harvest of about 250,000 fish that add to commercial, recreational, and Tribal fisheries. Fish from the Columbia River Basin also reflect an important component of Canadian and Alaskan ocean fisheries. These funds will complement the \$60 million in IRA funds for Mitchell Act hatchery deferred maintenance, repair, and modernization.

To further address tsunamis' unpredictability and potentially disastrous consequences to life and property along vulnerable U.S. coastlines, NOAA will provide a common framework that supports the National Tsunami Warning Center, located in Alaska, and Pacific Tsunami Warning Center, located in Hawai'i. Funding will ensure continuity of operations by eliminating discontinuities within existing systems, and providing consistent guidance to all users, independent of location.

<sup>1</sup> Bureau of Economic Analysis, *Marine Economy Satellite Account*, 2021, <https://www.bea.gov/news/2023/marine-economy-satellite-account-2021> (accessed January 22, 2024)

<sup>2</sup> Bureau of Economic Analysis and NOAA, *Marine Economy*, <https://coast.noaa.gov/states/fast-facts/marine-economy.html> (accessed January 25, 2024)

NOAA will foster the conditions for the economic growth and technological advancement of the U.S. commercial space industry. This request will allow the Office of Space Commerce to develop and maintain a new online information system to enhance commercial space companies' experience obtaining regulatory approvals and facilitating streamlined Department of Commerce consultation with interagency partners to establish and maintain an inventory of non-governmental space operations. The information system will also provide a simple method to disseminate information regarding U.S. space activity regulation, standards, and best practices. NOAA will provide necessary staffing to implement Department of Commerce responsibilities under the U.S. Novel Space Activities Authorization and Supervision Framework (December 2023) and legislative reforms proposed by the Biden Administration. The personnel will implement an expanded regulatory program beyond remote sensing for licensing and monitoring compliance of in-space activities. Providing necessary resources for the Office's expanded roles is critical to meeting U.S. international obligations, ensuring U.S. economic competitiveness in commercial space, and maintaining space sustainability.

#### **Bolster Equity**

NOAA will continue to support Executive Order 13985 on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government and Executive Order 14091 on Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government. NOAA will integrate equity across the organization by improving capabilities and knowledge sharing, and honing product development and service delivery in Tribal and underserved communities.

#### **Update and Maintain Crucial Facilities**

Safe and modern facilities are vital to support NOAA's mission of science, service and stewardship. In FY 2025, NOAA requests an additional \$26 million to reduce the deferred maintenance and repair (DM&R) backlog in order to maintain operations, address safety issues, and ensure mission capability. Funding will also support design needs for facilities such as science centers and laboratories which will support future new construction and renovation projects.

#### **Summary**

NOAA is working hand-in-hand with Federal and non-Federal partners locally and sharing best practices globally. People know they can turn to NOAA for reliable climate and extreme weather information to help make informed decisions that help save lives and livelihoods. In FY 2025, NOAA will invest in its world class satellite program; expand Federal climate products and services to improve climate resilience; foster environmental stewardship and economic development by optimizing advances in science and technology with a focus on the New Blue Economy; integrate equity across the organization and in our work; and support ongoing investments in NOAA's aircraft, ships, and facilities. NOAA will be well-positioned to help support the communities we serve, particularly those most vulnerable to climate change and its impacts. Through this budget, NOAA will support the whole-of-government effort to address the climate crisis, boost resilience, and promote economic growth.

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QUESTIONS SUBMITTED FOR THE RECORD TO THE HONORABLE RICHARD SPINRAD,  
UNDER SECRETARY OF COMMERCE FOR OCEANS AND ATMOSPHERE &  
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION ADMINISTRATOR

**The Hon. Richard Spinrad did not submit responses to the Committee by the appropriate deadline for inclusion in the printed record.**

#### **Questions Submitted by Representative Bentz**

*Question 1. At our hearing I asked you about the Lower Snake River Dams and you stated that "it's our agency's view that we can identify what the impacts are on the salmon population. We don't express an opinion on whether the dams should go in or go out, and that authority actually resides with Congress." However, at a hearing of the House Committee on Energy and Commerce in January, the Assistant Administrator of the National Marine Fisheries Service, Janet Coit, stated that "our report concludes that in order to give the best possible chance of restoring salmon,*

we would need to breach the Lower Snake River Dams, and that is to achieve the healthy and harvestable goal.”

1a) Does this represent a change in policy at NOAA?

1b) Can you state for the record whether NOAA believes that the Lower Snake River Dams should be removed?

Question 2. On September 30, 2022, the National Marine Fisheries Service released a draft report, “Rebuilding Interior Columbia Basin Salmon and Steelhead.”<sup>1</sup> The Report seemed to represent a shift in how NOAA views the Federal Columbia River Power System and the Lower Snake River Dams. For example, the 2020 Record of Decision for the Columbia River Power System stated operation of the dams with mitigation and conservation measures “will not jeopardize listed species or adversely modify or destroy critical habitat.”<sup>2</sup> However, the 2022 Rebuilding Report found that “for Snake River stocks, the centerpiece action is restoring the lower Snake River via dam breaching.”<sup>3</sup>

2a) Can you explain what changed NOAA’s shift in thinking over the course of 2 years?

2b) What studies or experts did NOAA consult with in releasing the 2022 Rebuilding Report?

Question 3. In September 2023 the White House published the Memorandum on Restoring Healthy and Abundant Salmon, Steelhead, and Other Native Fish Populations in the Columbia River Basin. Among other things, the memo directed “all agencies with applicable authorities and responsibilities” to provide the Office of Management and Budget “an assessment of the agency’s programs that can advance the policy established in section 1 of this memorandum.”<sup>4</sup>

3a) What authorities or programs did NOAA provide to the Office of Management and Budget to carry out the policy established in this memorandum?

Question 4. In contrast with the 2022 Rebuilding Report, the 2020 Environmental Impact Statement and Record of Decision were heralded by Senator Patty Murray and Governor Jay Inslee as being “developed over four years costing \$50 million and involved technical experts, scientific models, the input of thousands of individuals via public comment and meetings, and detailed economic analyses.”<sup>5</sup>

4a) Is it fair to say that the process to develop the 2020 ROD and EIS was a more thorough and public process than the one that led to the 2022 Rebuilding Report?

Question 5. Leading up to and after this U.S. Government agreement was announced in late 2023, a diverse group of regional stakeholders and Members of Congress raised a number of concerns about a NOAA report entitled, “Rebuilding Interior Columbia Basin Salmon and Steelhead,” which was used as a basis for the U.S. Government commitments and actions. That report was out of character for NOAA Fisheries and not consistent with the agency’s historical practices.

5a) What are NOAA’s specific plans to address this recent report that stands in contrast to decades of analysis and reports that draw vastly different conclusions?

Question 6. In June 2022 the Bureau of Ocean Energy Management released Guidelines for Mitigating Impacts to Commercial and Recreational Fisheries on the Outer Continental Shelf.<sup>6</sup> In comments on these draft guidelines, the New England, Mid-Atlantic, and South Atlantic Fishery Management Councils all stated their belief that the offshore wind industry “should be required to monitor changes in composition and abundance of aquatic species, habitats, and ecosystems at the project

<sup>1</sup> <https://www.fisheries.noaa.gov/s3/2022-09/rebuilding-interior-columbia-basin-salmon-steelhead.pdf>

<sup>2</sup> Record of Decision. <https://www.govinfo.gov/content/pkg/FR-2020-10-08/pdf/2020-22147.pdf>

<sup>3</sup> Rebuilding Report. <https://www.fisheries.noaa.gov/s3/2022-09/rebuilding-interior-columbia-basin-salmon-steelhead.pdf>

<sup>4</sup> Healthy and Abundant Memo. <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/09/27/memorandum-on-restoring-healthy-and-abundant-salmon-steelhead-and-other-native-fish-populations-in-the-columbia-river-basin/#:~:text=In%20recognition%20of%20these%20priorities.abundant%20salmon%2C%20steelhead%2C%20and%20other>

<sup>5</sup> [https://governor.wa.gov/sites/default/files/2022-11/LSRD%20Benefit%20Replacement%20Final%20Report\\_August%202022.pdf](https://governor.wa.gov/sites/default/files/2022-11/LSRD%20Benefit%20Replacement%20Final%20Report_August%202022.pdf)

<sup>6</sup> [https://www.boem.gov/sites/default/files/documents/renewable-energy/DRAFT%20Fisheries%20Mitigation%20Guidance%2006232022\\_0.pdf](https://www.boem.gov/sites/default/files/documents/renewable-energy/DRAFT%20Fisheries%20Mitigation%20Guidance%2006232022_0.pdf)

and regional scales.”<sup>7</sup> They also stated that monitoring efforts should include “potential impacts to the fishery, the affected community, and to habitats upon which managed fish species depend.”<sup>8</sup>

6a) Do you agree that the offshore wind industry should work proactively with fisheries on these sorts of efforts?

Question 7. In their comments, the Councils also raised concerns with how state and Federal agencies, the offshore wind industry, and the fishing industry work to develop guidelines for socioeconomic impacts. They said that limitations on data will make it difficult to “fully assess socioeconomic impacts for all impacted individuals,” including captains, crews, and anglers, along with support industries related to processing, packing, and bait and tackle shops.

7a) What sort of work does NOAA intend to do to help assist with these efforts?

Question 8. NOAA states in its FY 2025 Budget Request that it will continue its work with BOEM on offshore wind and will “minimize the effects of offshore energy projects on protected marine resources, fisheries, and important habitats.”<sup>9</sup>

8a) What specific steps or actions has NOAA taken to work with fishing communities across the United States as offshore wind energy projects have advanced?

Question 9. A puzzling aspect of this budget request is its apparent focus on offshore wind while seeking reductions in areas like fisheries management and data collection, along with zeroing out the collaborative research program.

9a) At a time where the seafood sector in the United States faces so many challenges, what message does cutting funding for these important programs send to the United States’ fishing sector?

Question 10. Administrator Spinrad, subsea cables are critical telecommunications infrastructure that enable our global connectivity and are integral to our national and economic security. In the proposed Chumash Heritage National Marine Sanctuary off the coast of California, there are existing and planned subsea cables that should be accommodated without additional regulatory and permitting requirements.

10a) Does NOAA have a plan for subsea cables within the sanctuary?

10b) Can you ensure that any Special Use Permit (SUP) or requirements imposed on these cables will align with the existing regulatory and permitting requirements? Compliance with the robust existing requirements should be more than adequate for qualifying for a SUP.

Question 11. All eight Regional Fishery Management Councils supported the removal of the commercial fishing bans from all marine national monument designations, stating that they “hinder the councils’ ability to sustainably manage fisheries throughout their range, and they restrict the councils and the National Marine Fisheries Service from acquiring invaluable knowledge about the stocks and the marine ecosystem made available through catch-and-effort and observer data.”

11a) Do you disagree with all eight councils that commercial fishing bans in the monuments hinder their ability to perform their statutory duties under the Magnuson-Stevens Act?

Question 12. All eight Regional Fishery Management Councils stated publicly that “there is no peer-reviewed literature that demonstrates conservation benefit of the monument fishing restrictions to the highly migratory stocks that are targeted.”

12a) What peer-reviewed data did your office assess before determining that a commercial fishing ban should be reimposed?

12b) To what peer review data did you have access that the councils overlooked in making their determination?

Question 13. In 2023, the Department of Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service released its National Seafood Strategy which, among other things, identifies as its Number One objective

<sup>7</sup> <https://www.regulations.gov/comment/BOEM-2022-0033-0045>

<sup>8</sup> *Id.*

<sup>9</sup> Pg. 10, [https://www.noaa.gov/sites/default/files/2024-04/NOAA\\_Blue\\_Book\\_FY25\\_Budget\\_Summary.pdf](https://www.noaa.gov/sites/default/files/2024-04/NOAA_Blue_Book_FY25_Budget_Summary.pdf)



to: maximize fishing opportunities and sustainable seafood production while ensuring the sustainability of fisheries through effective and efficient management.

13a) How does closing all U.S. waters around the U.S. Pacific Remote Island Area (PRIA), which historically have been important to the U.S. purse seine fleet and the Hawaii longline fleet, and displacing these fleets to fish on the high seas among foreign subsidized vessels, support NOAA's National Seafood Strategy?

13b) How does closing U.S. waters to commercial fishing in the Northeast Canyons and Seamounts Marine National Monument, which historically have been important to the U.S. swordfish and tuna longline fleet, support NOAA's National Seafood Strategy?

### Questions Submitted by Representative Radewagen

Question 1. On February 20 during a meeting at the Marriot hotel with Governor Lemanu and Congresswoman Radewagen, Assistant Secretary Bavishi agreed there was an "unusual process here" as to the rapidity of this PRIMNM/Sanctuary designation process being conducted; do you agree with the Assistant Secretary's observation that this PRIMNM Sanctuary designation has been an "unusual process here"?

Question 2. Members of The Pacific Remote Islands Coalition stated in meetings March 7 with my Congressional staff that their clear goal is to kill all purse seine fishing and shutdown the cannery in American Samoa in pushing for the PRIMNM/Sanctuary designation they have been lead sponsor for, do you agree with the Pacific Remote Islands Coalitions sponsors goals to shut down our cannery in American Samoa?

Question 3. The CEQ, under the Executive Office of the President is the policy agency for environmental impact statements which drive most decisions made by the Executive branch. I understand the 2nd draft EIS for the PRI Sanctuary has been written and is being reviewed by NMFS and other agencies. When will the draft be made public and does it include options for commercial fishing?

### Questions Submitted by Representative Westerman

Question 1. Earlier this year, the Services finalized three rulemakings related to the implementation of the ESA. The finalized Section 7 consultation regulation incorporates new potential requirements for developing the Reasonable and Prudent Measures (RPMs) necessary for an action agency or entity seeking a Federal permit to employ in order to minimize the impacts of incidental take. In this final rule, the Services can consider and include measures in an RPM that offset any remaining impacts of incidental take that cannot be avoided. These measures to offset impacts can be required inside or outside the action area. These are significant changes, and the Section 7 Consultation handbook needs to be updated in order for action agencies and permit seekers to understand how this new process works. When will the handbook be updated, and will that process include public notice and comment so that the regulated community—and your fellow Federal agencies—can provide input on the practical impacts?

Question 2. There is a lot of discussion of mitigation in the new ESA implementation rules. How many species "mitigation banks" are there in the country? Are there banks for all listed species? Can you explain what an "in lieu fee" mitigation offset is? How are any of these kinds of offsets reviewed and approved by the Service?

Question 3. The new ESA Section 7 consultation rule just went into effect, and the Service has said that all consultations not yet completed will have to comply with them. How many ongoing consultations will now be delayed or have to be redone because of the new rules?

Question 4. In a departure from their long-standing interpretation, the final rule allows the Services to require minimization and mitigation measures as reasonable and prudent measures when authorizing incidental take of species. The relevant statutory authorization (ESA Section 7(b)(4)(C)(ii)) only allows the Services to "minimize" the impact of incidental take. The Services have never interpreted this provision as allowing for mitigation of take. What is the statutory legal authority that allows the Services to now impose "mitigation," including compensatory mitigation that would fully offset all potential impacts or require restoration/protection of habitat, when it is not clearly authorized by the ESA?

*Question 5. The final rule deletes the regulatory provisions at 50 CFR 402.17. These were added in 2019 to establish when an activity is reasonably certain to occur and what consequences are caused by a proposed action for purposes of determining the effects of an action for consultation. The Services recognize that these criteria are relevant and applicable considerations. Why are the Services removing them from the regulations?*

*Question 6. The ESA Consultation Handbook that the Services rely on for guidance was last published in 1998. The Services state that they are planning to update the Handbook to provide additional guidance on the ESA section 7 process. What is the timing for the new Handbook and what public review and comment process will be provided?*

*Question 7. Can you please explain how the new ESA Section 4 regulations comply with the Supreme Court's decision in Weyerhaeuser v US FWS?*

*Question 8. In the 2024 final rule, the Services removed the more robust and detailed procedures for the designation of unoccupied areas as critical habitat that had been implemented in 2019. That 2019 final rule provided important standards detailing when property could be designated as critical habitat because it is essential to the conservation of species that do not currently occur on those lands or waters. How do the Services intend to designate unoccupied critical habitat going forward given their prior difficulties applying the relevant ESA statutory criteria and when there is no agreed upon regulatory definition of what is "habitat" for a species?*

*Question 9. The courts have said that it is the five criteria in ESA Section 4(a)(1) that dictate the status of the species and whether it should be listed, delisted, or downlisted. The courts have also said that recovery plans and recovery criteria are not binding and do not have to be satisfied before a species is delisted. The final rule adds a "recovery" component to delisting/downlisting considerations. Can you explain how the Services intend to apply this new standard given that it seems contrary to the statute and case law?*

*Question 10. The Department of the Interior (DOI) requires that lessees and owners of operating rights decommission their facilities, pipelines and other equipment, in accordance with the governing DOI regulations and lease conditions. DOI has a robust review and approval process in place for the decommissioning of offshore platforms and facilities and the Bureau of Safety and Environmental Enforcement (BSEE) published its Record of Decision (ROD) in December 2023 to kick off this robust process for the first ever decommissioning of offshore platforms in the Pacific Ocean. At the same time, NOAA has proposed the Chumash Heritage National Marine Sanctuary in the Pacific Ocean along the south-Central California coastline, which includes the same region of the Pacific where some of these platforms are located offshore. While the proposal allows for the continued production of oil and gas in the Sanctuary, it does not allow for the decommissioning of oil and gas platforms and facilities. Given the robust permitting process that DOI is already undertaking to decommission these platforms and facilities in the Pacific, does it make sense to create an additional NOAA permitting process which could further delay or hinder the ability for companies to fulfill their obligation with DOI to decommission in the Pacific? Has NOAA considered making the decommissioning of oil and gas platforms and facilities an allowed activity in the Chumash Heritage National Marine Sanctuary once it's finalized?*

#### **Questions Submitted by Representative D'Esposito**

*Question 1. Mr. Spinrad, could you briefly explain NOAA's current efforts regarding surveying and mapping of coastal and Federal waterways?*

*Question 2. Is there a need for NOAA to work with the private sector to deploy advanced technologies and more effectively conduct these activities?*

*Question 3. Within NOAA's Budget Estimates report for FY25 and its justification of program and performance it states, "Complete and up-to-date hydrographic data is central to developing accurate nautical charts and ensuring the safety of life at sea, and promoting efficient maritime commerce."*

*Question 4. Do you believe this information is readily available for commercial anglers, recreational fishers, boaters, maritime vessels, and others who enjoy our coastal waters?*

*Question 5. My colleague Representative Mike Levin and I introduced the MAPOceans Act, which would provide for the standardization, publication, and*

accessibility of data for Federal waterway regulations and fishing restrictions along our coasts. This bill would require the Secretary of Commerce and relevant agencies, such as NOAA to partner with non-Federal and third-party providers, including the private sector to carry out this act. Do you agree that standardizing such information and making it publicly accessible would be beneficial for coastal economies and the multiple users of our coastal and Federal waterways?

#### **Questions Submitted by Representative Hoyle**

*Question 1. The Fiscal Year 2025 (FY25) budget proposes significant cuts for the Integrated Ocean Observing System (IOOS), which would have severe consequences for my district. I appreciate that developing the President's Budget requires trade-offs, especially in light of the Fiscal Responsibility Act's requirements. However, I am concerned about potential ripple effects of the proposed budget cuts.*

*1a) How do you plan to prioritize remaining funds to ensure that critical functions of IOOS are maintained, and what criteria will guide these decisions?*

*1b) How would the proposed cuts impact both programmatic core funding as well as Bipartisan Infrastructure Law and Inflation Reduction Act funding?*

*1c) Can you outline the potential direct and indirect impacts of the proposed cuts to programs, communities, or international partnerships that rely on the data and infrastructure supported by IOOS?*

*Question 2. It is my understanding that there have been ongoing issues with new business and awards systems (BAS and eRA Commons) implemented by NOAA last fall which have made NOAA unable to send funding or handle proposals for Cooperative Institutes. For example, the Cooperative Institute for Marine Ecosystem and Resources at Oregon State University has received no funding since the switch-over, cannot process proposals, and is barreling toward a funding cliff this fall. I'm very concerned about the potential impact on researchers in my district and, more broadly, damage to NOAA's partnerships across the country. What is NOAA doing to address this issue, and what are the expectations for getting it resolved?*

#### **Questions Submitted by Representative Dingell**

*Question 1. Dr. Spinrad, the President's budget only proposes \$10 million for the Integrated Ocean Observing System which is a 76 percent reduction from fiscal years 2023 and 2024. I'm concerned this cut would drastically affect the IOOS's ability to work with its regional partners like the Great Lakes Observing System to generate and deliver continuous data on our coastal waters, oceans, and Great Lakes. Dr. Spinrad, do you share these concerns, and can you elaborate on how you arrived at this funding level?*

*Question 2. Great Lakes researchers heavily rely on their partnership and use of the NOAA research vessel the Laurentian to better understand our Great Lakes, but the vessel is currently 50 years old. Dr. Spinrad, given its age and how important the work this vessel does, are there any plans in place to replace it?*

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Mr. BENTZ. Thank you. I now recognize Administrator Hairston for 5 minutes.

#### **STATEMENT OF JOHN HAIRSTON, ADMINISTRATOR AND CEO, BONNEVILLE POWER ADMINISTRATION, DEPARTMENT OF ENERGY, PORTLAND, OREGON**

Mr. HAIRSTON. Good afternoon, Chairman Bentz and members of the Subcommittee. My name is John Hairston. I am the Administrator and CEO of the Bonneville Power Administration, based in Portland, Oregon.

The Bonneville markets wholesale power from 31 Federal dams in the Pacific Northwest and operates over 15,000 miles of high-voltage transmission lines, which are the backbone of the region's transmission grid.

I ask that my written testimony be submitted for the record, and I will briefly touch on key initiatives and challenges.

First, I want to emphasize that Bonneville is in sound financial condition. In the last Fiscal Year, Bonneville excelled in difficult market and operational conditions. The 2023 water year was the 13th driest on record, requiring Bonneville to make significant power purchases, which drove up our expenses. Our power services organization combined strategic forecasting, planning, and marketing approaches to partially offset those high power purchase costs. Our transmission service business organization expertly managed the Federal grid to ensure reliability and maximize capacity and sales, which further offset increased costs.

Demonstrating our sound financial condition, Bonneville made its annual payment to the United States Treasury for the 40th consecutive year, on time and in full, a payment of just over \$1 billion. And I am very pleased to report that in March, Bonneville achieved a significant milestone for our commitment to remain the region's low-cost power provider beyond 2028, when our current long-term contracts expire.

Bonneville released its final provider of choice policy, laying out the foundation of our future long-term contracts. Bonneville will offer to execute new contracts with customers in late 2025, and power sale deliveries for those contracts will begin in October 2028. The provider of choice policy was developed over several years of close discussions in a public process with our customers and other interested parties. Bonneville is now in a 2-year period for its power and transmission rates, which run through October 2025. In the current rate period, our power and transmission rates are flat compared to the last rate period. Our ability to maintain these levels of rates reflect execution of our financial plan and disciplined cost management.

Now, Bonneville is beginning a public review of our forecasted program costs for the next rate period, which will cover the next 3 years beginning in October 2025. This will coincide with the last 3 years of our current power sales contracts.

Among other strategic priorities is Bonneville's engagement in developing Western electricity markets, as well as extensive collaboration across the Pacific Northwest and beyond for electric system reliability and evolving transmission needs. New markets present opportunities to enhance the delivery of reliable, affordable, and carbon-free hydropower to our customers. We are basing our evaluation of market opportunities on principles to determine if Bonneville's participation will be consistent with our statutory obligations and support our customers' needs and interests.

In 2022, Bonneville joined the Western Energy Imbalance Market, operated by the California Independent System Operator. Now, we decided to join the real-time market with the confirmation that it is voluntary and that we could participate consistent with our statutory obligations. Building on that experience, Bonneville is participating now in the development of two alternative day-ahead initiatives, one that would be operated by the California Independent System Operator and the other by the Southwest Power Pool.

We released a staff recommendation in April for public comment, which stated a preference for the option proposed by the Southwest Power Pool. The recommendation noted the importance of the Southwest Power Pool market's independent governance. We will continue to hold public discussions with regional parties for my consideration and final decision in late November.

Due to growing power demands, the need to bolster reliability and integrating clean energy across the Pacific Northwest, Bonneville is engaged in several initiatives to meet regional transmission needs. In July 2023, Bonneville announced it was moving forward with proposals for more than \$2 billion in transmission substation and line projects. Bonneville is also participating in a transmission planning initiative to draw together diverse participants from across the Western Interconnection. The initiative, called the Western Transmission Expansion Coalition, aims to develop transmission plans over a larger footprint and a longer time horizon compared to others.

In January, Bonneville announced the adoption of reforms to our open access transmission tariff to more efficiently connect new large generators onto the Federal grid. Bonneville currently has over 400 requests, representing over 120 gigawatts of potential new generation, making these reforms essential to the region's clean energy future.

These initiatives and our continued sound financial performance represent the engagement and commitment of Bonneville employees, and I am proud to represent them here today.

That concludes my testimony, Mr. Chairman, and I would be happy to respond to questions.

[The prepared statement of Mr. Hairston follows:]

PREPARED STATEMENT OF JOHN HAIRSTON, ADMINISTRATOR AND CHIEF EXECUTIVE OFFICER, BONNEVILLE POWER ADMINISTRATION

Good afternoon, Chairman Bentz and members of the Subcommittee. My name is John Hairston and I am the Administrator and Chief Executive Officer of the Bonneville Power Administration (Bonneville). I am pleased to be here today to discuss Bonneville's budget submission for Fiscal Year (FY) 2025 and to discuss Bonneville's current initiatives.

**Role of the Bonneville Power Administration**

Bonneville is a Federal Power Marketing Administration headquartered in Portland, Oregon. It serves a 300,000 square mile area that includes Oregon, Washington, Idaho, western Montana, and parts of northern California, Nevada, Utah, and Wyoming.

Bonneville markets electric power, provides transmission, and supports development of energy conservation throughout the region. Bonneville markets the electric power produced from 31 Federal hydroelectric projects operated by the U.S. Army Corps of Engineers (Corps) and the Bureau of Reclamation (Reclamation). Together, the 31 Federal hydro projects produce a total of 8,593 average megawatts in an average water year. Bonneville also acquires non-Federal power, including the power from one nuclear power plant, the Columbia Generating Station, to meet the needs of its customer utilities.

Bonneville maintains and operates over 15,000 circuit miles of transmission lines and associated facilities over which this electric power is delivered. Bonneville's system is a substantial majority of the Northwest's high-voltage electric grid. It is Bonneville's responsibility to plan for and fund the development, operations and maintenance of this system, while also preserving and enhancing physical security, cyber-security, and overall system resilience.

Bonneville is fully self-financed, issues bonds directly to the U.S. Treasury, and receives no direct annual appropriations for operations. Bonneville's power rates and

transmission rates are set to recover its costs. Bonneville is currently authorized by the U.S. Congress to have outstanding at any time up to \$13.7 billion of U.S. Treasury bonds through fiscal year 2027. Beginning in fiscal year 2028, an additional \$4 billion will become available to have outstanding for a total of \$17.7 billion of borrowing authority.

Bonneville also funds the protection, mitigation, and enhancement of fish and wildlife affected by the development and operation of the hydropower system as part of its efforts to preserve and balance the economic and environmental benefits of the Federal Columbia River Power System (FCRPS).

### **Financial Performance**

In the last fiscal year, Bonneville excelled in difficult market and operational conditions. Bonneville's accomplishments proved the value of resilience in navigating the variability and uncertainty of operating a hydro-based power system and an open-access transmission grid across a large geographic footprint. It was the 13th driest year on record, requiring Bonneville to make significant power purchases, driving up expenses. Strategic forecasting, planning, and marketing approaches, combined with actions to preserve liquidity, allowed Power Services to partially offset the power purchase costs. In addition, Transmission Services expertly managed the Federal grid to ensure reliability and maximize capacity, enabling increased sales. Despite the dry year, Bonneville exceeded its agency net revenue target of negative \$332 million by \$75 million.

Both Power Services and Transmission Services ended the year above their thresholds for financial reserves, triggering their reserves distribution clauses (RDC). The RDC amounts of \$285 million for Power and \$130 million for Transmission will be used to reduce customer rates, reduce debt, support transmission system investment, and the Power RDC can be used to fund specific fish and wildlife investments.

### **Fiscal Year 2025 Budget Overview**

Bonneville is in sound financial condition. Its Fiscal Year 2025 Budget proposes estimated accrued (self-financed) expenditures of \$2,999 million for operating expenses, \$55 million for projects funded in advance by customers and \$1,093 million for capital investments. Bonneville funds its approximate \$4.2 billion in annual cost of operations and investments primarily through power and transmission revenues and borrowing from the U.S. Treasury at market determined interest rates.

### **Debt Repayment and Credit Ratings**

Bonneville made its annual payment to the U.S. Treasury for the 40th consecutive year, on time and in full, totaling \$1.02 billion for FY 2023. This demonstrated Bonneville's ability to meet all of its financial commitments. Bonneville expects to make its 41st consecutive Bonneville payment to the U.S. Treasury, currently estimated at \$915 million, at the end of this fiscal year, on time and in full.

Leading credit ratings agencies have taken note of Bonneville's solid financial footing. Fitch's rating for Bonneville-backed debt is AA, stable; Moody's is Aa1, negative; and S&P is AA-, stable. These ratings reflect that Bonneville's financial policies are working and that Bonneville is well-positioned to lead the region toward a prosperous clean energy future.

### **Financial Planning**

Bonneville adopted an updated Financial Plan in 2022, focusing on core objectives and metrics. These objectives include maintaining cost-management discipline and execution of capital plans; maintaining financial resiliency through adequate reserves, leverage U.S. Treasury borrowing authority; and maintaining high investment-grade credit ratings. These objectives demonstrate Bonneville's commitment to deliver on its public responsibilities and to maintain its position as the region's leading power and transmission provider.

### **Bonneville's Strategic Direction:**

In January, Bonneville implemented its 2024–2028 Strategic Plan. The plan charts a path forward guided by six strategic goals: invest in people, enhance the value of products and services; sustain financial strength; mature asset management; preserve safe and reliable system operations; and modernize business systems and processes.

### **New Long-Term Power Sales Contracts:**

In March, Bonneville achieved a significant milestone for its commitment to remain the region's low-cost power provider beyond 2028 when current long-term power sales contracts expire. Bonneville released its final Provider of Choice Policy and Record of Decision, laying out the foundation for future long-term contracts. The Policy was developed through a public process in close collaboration with customers and other interested parties. Bonneville will offer to execute Provider of Choice contracts with utilities in late 2025. Power deliveries under these contracts will begin October 1, 2028.

At the heart of the Policy is Bonneville's decision to develop contracts based on a tiered rate construct, which seeks to protect the value of the existing Federal system from unbound acquisition costs, and insulate customers from costs associated with other customers' resource choices. The Policy maintains these key elements while proposing additional flexibilities and options to help meet customers' and Bonneville's evolving needs.

While the release of the Provider of Choice Policy signifies an important milestone in the contract renewal process with Bonneville's preference utility customers, much work remains. Bonneville has begun a series of policy implementation and contract development workshops to develop details about the products and services outlined in the Policy.

### **Rates:**

To establish rates for FY 2024 and FY 2025, Bonneville concluded the BP-24 rate proceeding in July 2023 by releasing the Administrator's Final Record of Decision and Final Proposal. Rates went into effect on Oct. 1, 2023, and will be effective through Sept. 30, 2025. The final decision held wholesale power rates effectively flat for the two-year period. Transmission rates are also maintained at their previous levels.

In December, Bonneville announced that it will adopt a three-year rate period for its next Power and Transmission rates process. This rate period will run from FY 2026 through FY 2028 and coincide with the expiration of Bonneville's current long-term power contracts on September 30, 2028. Bonneville decided to close out the contract period with a single three-year Power rate period and align the next Transmission rate period for that same duration. Maintaining common timing between Power and Transmission rate processes allows Bonneville to align its Integrated Program Review (IPR) to show total agency costs over that period. The common timing should also be more efficient with customer time for engaging in rate case work. Bonneville has begun workshops with customers and constituents to identify key issues for the upcoming rates process.

Bonneville is initiating its IPR to discuss with customers and constituents program cost forecasts for the next rate period. Determining program cost forecasts will require important Bonneville decisions to balance cost-management objectives against the need to invest in areas that support the delivery of strategic goals.

### **Western Markets Engagement**

New markets present opportunities to enhance the delivery of reliable, affordable and carbon-free hydropower to Bonneville customers. Bonneville evaluates market engagement from principles based on determining if participation will be consistent with Bonneville's statutory obligations and support its customers' needs and interests. In 2022, Bonneville joined the Western Energy Imbalance Market (WEIM), the real-time energy market operated by the California Independent System Operator (CAISO). Prior to joining the WEIM, Bonneville participated with other regional representatives to develop specific, but limited, authorities for WEIM design and oversight by an independent Governing Body.

Building on that experience, Bonneville is participating in the development of two day-ahead market initiatives underway in the West—the CAISO's Extended Day-Ahead Market and Southwest Power Pool's (SPP) Markets Plus. In July 2023, Bonneville initiated a public process with customers and the public on its decision to participate in either market option.

In April, Bonneville released its staff recommendation and preliminary legal assessment for day-ahead market participation. The staff recommendation is for Bonneville to pursue participation in a day-ahead market and they identified SPP's Markets Plus as the preferred option. The recommendation is based on the current design of both market alternatives and their governance features. Bonneville invited additional comment on its staff assessment of market opportunities and is continuing to host a series of public workshops. Bonneville plans to issue a draft policy in August and the Administrator's Record of Decision in November.

### **Transmission**

The demand for serving growing loads, bolstering reliability, and integrating clean energy across the Pacific Northwest is driving the need for transmission expansion to deliver energy from geographically dispersed resources to population centers where demand for electricity is expected to grow. In July 2023, Bonneville announced it is moving forward with proposals for more than \$2 billion in multiple transmission substation and line projects to reinforce the regional grid and to respond to its customers' demands while supporting the region's clean energy goals.

Bonneville is also participating in an initiative drawing together regional participants from across the West to develop an approach for regional and interregional transmission planning over a longer planning time horizon. This initiative has formed as the Western Transmission Expansion Coalition, or WestTEC, and is being facilitated by the Western Power Pool. Bonneville is contributing financial support and participating in the leadership and technical analysis of the initiative.

In January, Bonneville announced its adoption of certain reforms to its open access tariff to more efficiently process generation interconnection requests to connect new large generators onto the Federal transmission grid. These tariff modifications were developed with customers and stakeholders through a collaborative process and resulted in a settled tariff case. This important step came at a critical time for the region where, currently, Bonneville's large generator interconnection queue contains over 400 requests representing over 120 gigawatts of potential new generation.

With the adopted tariff reforms, Bonneville will implement a first-ready, first-served cluster study approach to processing interconnection requests, replacing the previous first-come, first-served serial study process. The new interconnection process included new readiness criteria and the ability to study requests as a group, or cluster, rather than individually in queue order. These improvements will allow Bonneville to offer a more transparent and streamlined process, and provide greater certainty regarding the cost and timing of interconnections.

### **Energy Efficiency**

For more than 40 years, Bonneville has catalyzed conservation as a resource the Pacific Northwest in the development of conservation as a resource to meet power load demands customers place on Bonneville. Conservation, or energy efficiency, is Bonneville's priority resource to address the growth in power load demands across the region. As of last year, Bonneville's cumulative energy efficiency savings totaled 2,583 average megawatts since the passage of the Northwest Power Act in 1980.

### **Fish and Wildlife**

The Federal Columbia and Snake River dams along with climate change, ocean conditions, habitat degradation, predation, harvest, and hatcheries have had adverse impacts on salmon, steelhead, and other native fish populations in the Basin. These fish have tremendous value to the region and to Tribal Nations in the Basin. As a result, Bonneville, the Corps, and Reclamation have made extensive modifications and operational changes to mitigate the impacts of the system's construction and continued operation on fish and wildlife. Since the 1980 Northwest Electric Power Planning and Conservation Act, Bonneville has invested billions of dollars in improved configuration and operation of the dams, as well as in offsite restoration efforts for the benefit of fish and wildlife sponsored by Tribes, states, and local communities. In the last year, Bonneville was a party to two agreements to address long-standing litigation over challenges to the Columbia River System Operations Environmental Impact Statement and associated Endangered Species Act consultations.

Last September, Bonneville and other federal signatories entered into a memorandum of understanding and settlement agreement with the Confederated Tribes of the Colville Reservation, the Coeur d'Alene Tribe, and the Spokane Tribe of Indians related to the blocked area above Chief Joseph and Grand Coulee dams. Bonneville agreed to provide \$200 million over 20 years for these Tribes' second phase of studies to assess reintroduction of specific non-federally protected salmonid stocks above Chief Joseph and Grand Coulee dams in the upper Columbia River Basin.

Subsequently, the Resilient Columbia Basin Agreement of December 14, 2023, was signed by the U.S. Government, including Bonneville, along with the Confederated Tribes and Bands of the Yakama Nation; the Confederated Tribes of the Umatilla Indian Reservation, the Confederated Tribes of the Warm Springs Reservation of Oregon; the Nez Perce Tribe; the State of Oregon; and the State of



Washington—collectively referred to as the “Six Sovereigns,”—and a coalition of environmental and fishing advocacy groups led by the National Wildlife Federation.

Bonneville has already planned, through its fish and wildlife program, to add at least an additional \$20 million in combined capital and expense funding in FY 2024 and FY 2025 for fish and wildlife efforts throughout the Columbia River Basin on top of its annual program funding and the September commitments to the upriver Columbia River Tribes. In the December 14, 2023, agreement, Bonneville’s financial commitments include and are limited to:

- \$200 million over 10 years in additional capital funding will be available to be directly funded by Bonneville to the U.S. Fish and Wildlife Service for Lower Snake River Compensation Plan hatchery modernization, upgrades, and maintenance, as guided by the priorities of other fishery managers including the Six Sovereigns.
- An additional \$100 million in funding over 10 years for projects that contribute to the restoration of salmon and other native fish populations. To implement this commitment, Bonneville will provide an annual \$10 million payment to the Six Sovereigns in a manner to be agreed upon, to distribute to specific projects, as prioritized by the Six Sovereigns.

### **Workforce Competitiveness**

This testimony has reviewed a number of accomplishments and initiatives that demonstrate Bonneville’s industry-leading technical and policy capabilities. Bonneville has a highly talented and skilled workforce, as demonstrated by this high performance. Bonneville competes for talent within the electric power industry. Its employees are subject to the federal General Schedule and government classification standards.

### **Columbia River Treaty**

The Columbia River Treaty is an agreement between the United States and Canada, which provides a framework under which they jointly coordinate water operations for flood risk management and hydropower generation. In September 2024, the Treaty shifts to a less-defined approach to flood risk management. The Treaty went into effect in 1964 and is an example of transboundary water resources cooperation.

The United States and Canada are discussing options to improve the Columbia River Treaty regime to better reflect today’s realities, and thereby benefit both countries. Bonneville is working with other affected Federal agencies to support the U.S. State Department in these negotiations with Canada to achieve a modernized Columbia River Treaty regime.

### **Willamette Valley System Power Deauthorization**

While the Federal hydroelectric dams of the Columbia and Snake Rivers are valuable clean energy assets for the Pacific Northwest, Bonneville is concerned by the sharply declining value of Federal hydroelectric generation from Oregon’s Willamette Valley. The Willamette Valley System was authorized by Congress primarily for flood risk management, and the 11 dams in the system continue to provide considerable benefits to downstream communities by reducing their flood risk as well as supporting water supply and recreation. Eight of the dams have power generating capability and Bonneville pays approximately 40 percent on average of the joint costs for those dams.

Some of the Willamette dams were built without fish passage facilities, and the Corps is investigating structural measures and implementing operations to provide fish passage at the power-producing Willamette dams. In addition, in the draft Environmental Impact Statement for the Willamette Valley System, the Corps proposed indefinitely extending reservoir operations for fish passage that reduce power generation by more than a third of recent levels of 171 average megawatts. These Willamette dams are among the highest cost projects in Bonneville’s hydro portfolio, and the estimated cost of structural measures will add significantly to Bonneville’s debt without increasing its revenue or assets. These potential increases in capital and associated repayment costs affect rates for Bonneville’s power customers.

In the FY 2020 Energy and Water Appropriations Act, the House Committee report directed the Corps, Reclamation, and Bonneville to report on methods to modernize allocation of project costs among authorized purposes to reflect current benefits. For FY 2021, the House Committee report directed the Corps and Bonneville to continue to work to resolve their approaches to cost reallocation and provide quarterly reports on their progress.

The 2020 Water Resources Development Act directed the Corps to report within two years of passage on the impacts of deauthorizing the power purposes at the Cougar and Detroit/Big Cliff projects of the Willamette Valley System. The 2022 Water Resources Development Act directed the Corps to conduct disposition studies for the power purpose at the eight Willamette dams within 18 months of enactment.

### Conclusion

Bonneville continues to deliver tremendous value to the communities served by the Federal power system. Bonneville serves as a cornerstone for the economy of the Pacific Northwest by both meeting its statutory obligations and evolving to support the changing needs of its customers and the region. I am proud of the accomplishments of our people and their dedication to Bonneville's mission. This concludes my testimony, Mr. Chairman, and I will be happy to respond to the Subcommittee's questions.

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QUESTIONS SUBMITTED FOR THE RECORD TO JOHN HAIRSTON, ADMINISTRATOR AND  
CEO, BONNEVILLE POWER ADMINISTRATION

**Mr. Hairston did not submit responses to the Committee by the appropriate deadline for inclusion in the printed record.**

### Questions Submitted by Representative Bentz

*Question 1. In mid-January, the Pacific Northwest region experienced an Arctic blast that led to extreme weather conditions—inches of freezing rain and snow and sub-zero temperatures brought the entire region to a standstill. While many electric utilities experienced outages, the region itself never ran out of available power. This is largely due to the reliability and dispatchability of the Lower Snake River Dams. BPA indicated that the four Lower Snake River Dams played a major role keeping the lights on. BPA noted in its press release that “The lower Snake River dams made major contributions to BPA’s efforts to keep the lights on during the cold snap,” finding that the four dams peaked at more than 1,000 aMW each day.<sup>1</sup>*

*1a) Can you talk about the importance of those four dams during this intense period?*

*Question 2. Administrator Hairston, the Pacific Northwest Utilities Conference Committee recently issued its 2024 Northwest Regional Forecast,<sup>2</sup> which helps to track shifts in energy demand and potential resource changes to the power sector across the region. The Committee projected, among other things, that electricity demand will increase 30% over the next 10 years.<sup>3</sup> BPA will play a critical role in helping to meet these demands.*

*2a) Can you offer any thoughts on how BPA is positioned to help the region meet this increase in demand?*

*Question 3. In your testimony in front of the Energy and Commerce Committee in January of this year, you talked about some of the challenges that salmon face due to BPA’s operations, but you also noted that “each of the Mainstem Columbia and Snake River dams now achieve 96 to 99% survival rates.”<sup>4</sup>*

*3a) Could you talk about how BPA has helped to improve salmon recovery and fish passage efforts, particularly along the Snake River Dams?*

*Question 4. Administrator Hairston, at our hearing Administrator Spinrad stated that “We don’t express an opinion on whether the dams should go in or go out, and that authority actually resides with Congress.” However, at a hearing of the House Committee on Energy and Commerce in January, the Assistant Administrator of the National Marine Fisheries Service, Janet Coit, stated that “our report concludes that in order to give the best possible chance of restoring salmon, we would need to breach*

<sup>1</sup> <https://www.bpa.gov/about/newsroom/news-articles/20240131-federal-hydro-system-powers-region-through-arctic-blast>

<sup>2</sup> <https://www.pnucc.org/wp-content/uploads/2024-PNUCC-Northwest-Regional-Forecast-final.pdf>

<sup>3</sup> *Id.*

<sup>4</sup> [https://dldth6e8-4htgma.cloudfront.net/01\\_30\\_24\\_ENG\\_Testimony\\_Hairston\\_36dl5ee6ee.pdf](https://dldth6e8-4htgma.cloudfront.net/01_30_24_ENG_Testimony_Hairston_36dl5ee6ee.pdf)

*the Lower Snake River Dams, and that is to achieve the healthy and harvestable goal.”*

*4a) Are you at all concerned with the approach that NOAA and the Biden Administration have taken with respect to the Lower Snake River Dams?*

*Question 5. There are key interests in the Northwest economy who say the U.S. Government has been virtually silent on how it is implementing the White House agreement and in fact critical dates identified by the U.S. Government have been missed.*

*5a) Can BPA shed light on any efforts by the Administration to share with the people of the Northwest what the status is for these sweeping actions and commitments and where the implementation details and specific responsible party points of contact can be found?*

*Question 6. Given that the announcement of the U.S. Government agreement and related elements were made in haste at the end of 2023 and finalized in early 2024, reports had indicated at the time that BPA had not been able to fully analyze the operational impacts that could occur from changed river operations that the agreement committed to.*

*6a) Where is BPA on that more robust analysis front and how does the analysis line up for a dry water year, which I understand the region is facing for the remainder of 2024?*

*Question 7. To what extent is BPA receiving outreach from other sovereign parties—such as Tribes, states or other special jurisdictions—who are expressing interest in additional agreements that may cost BPA ratepayers funds similar to the \$300 million or more in “actions and commitments” the U.S. Government and BPA recently signed on to?*

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Mr. BENTZ. Thank you. I now recognize Administrator LeBeau for 5 minutes.

**STATEMENT OF TRACEY LEBEAU, ADMINISTRATOR AND CEO,  
WESTERN AREA POWER ADMINISTRATION, DEPARTMENT OF  
ENERGY, LAKEWOOD, COLORADO**

Ms. LEBEAU. Thank you, Chairman Bentz, Ranking Member Huffman, and members of the Committee. My name is Tracey LeBeau. I am an Administrator for the Western Area Power Administration (WAPA). I am pleased to be here with you today.

WAPA is amongst the nation’s largest transmission owners and providers, covering a footprint of more than 1.3 million square miles across 15 states in the West. We market hydropower from 57 Federal dams and deliver along our 17,000 miles of high-voltage transmission. Our core mission is to safely provide reliable, cost-based hydropower and transmission to our wholesale customers and the communities they serve.

WAPA’s nearly 2,000 dedicated employees and contractors tirelessly keep the lights on for over 40 million Americans, and together we work to ensure that electricity is available and affordable to those who rely on it for economic and for basic needs.

Our recent strategic plan, Power Forward 2030, serves as a framework around our three organizational priorities to safeguard a sustainable energy future, to modernize our grid, and to invest in our employees. This framework is to guide us. We are well positioned to adapt to exciting and challenging years ahead, as both a critical source of stable, clean energy and a vital transmission backbone across the West.

One challenge we continue to face is drought. Drought threatened WAPA's entire service territory for the first time in 2022. While conditions improved in the last year, drought remains what we consider a slow-moving natural disaster that will take years of consistent and significant snowpack to fully recover. In response, we have adjusted rates throughout our system to ensure reliability.

Reduced hydropower generation means more customers must buy power in the open market, which has led to increased costs and constrained supply. Also, it has been negatively impacting WAPA's customers, many who have served the most economically vulnerable communities in the United States.

WAPA's purchased power and wheeling authority is an important financial guardrail against drought, as it funds our purchasing replacement power. This program's budget this year has been adjusted to \$688 million, down from \$715 million last year, which we fully recover through customer rates. Thanks to your support of this program, we are able to mitigate the economic impacts to the communities we serve.

WAPA continues to experience threats from extreme weather, which result in damage to our lines and facilities. These events are worsened by continuing supply chain challenges. Our supply chain risk management program is integral to our cybersecurity and our procurement strategies. We are also exploring with industries ideas like creating reserves for large transformers to establish some scale for new projects, and possibly guard against emergencies.

The core of WAPA's mission is to provide safe and reliable electricity. As such, we maintain, rebuild, and upgrade our existing infrastructure, and we also build new transmission. One current project in Arizona, the Vail to Tortolita Project, demonstrates how to improve reliability without raising rates, and is a model for future large-scale public-private partnerships. We have also partnered with the U.S. military, and we had some opportunities, particularly with the Beale Air Force Base in Arizona, to help them with reliability for their essential missions.

Our transmission infrastructure program continues to manage and invest WAPA's \$3.25 billion borrowing authority to finance the exigent need for new transmission in the West. TIP is supporting a number of projects, one of which being a recently announced public-private partnership with grid lines to expand a portion of our Mead substation outside of Hoover, which is a critical transmission and energy market hub in the West.

Energy markets are supporting how we operate, making sure that we reliably serve expanding loads, meet clean energy goals, and plan and build new lines. WAPA was the first PMA to fully join a Regional Transmission Organization, or RTO, in 2015. It has been very successful, and today we are involved in every major energy market initiative throughout the Western Interconnection.

Physical security is an increasing concern to the grid. We continue to harden our system from physical and cyber risks. Although there is no specific physical threat to WAPA at this time, we have a concerning uptick in security incidents, and we continue to be hyper vigilant, reminding everybody, if they see something, to say something, and have increased our security posture. As the energy landscapes evolve, WAPA stands ready to address the challenges

and seize opportunities for the benefit of our nearly 700 wholesale customers across the West, as well as the nation.

Thank you again for allowing me to testify today, and I will be available to answer any of your questions you might have.

[The prepared statement of Ms. LeBeau follows:]

PREPARED STATEMENT OF TRACEY LEBEAU, ADMINISTRATOR, WESTERN AREA POWER ADMINISTRATION, U.S. DEPARTMENT OF ENERGY

Thank you, Mr. Chairman and Members of the Subcommittee. My name is Tracey LeBeau, and as the Administrator of the Western Area Power Administration (WAPA), I am honored to present our annual operations review and discuss our budget request for Fiscal Year 2025. Our mission at WAPA is as significant as it is complex—we are tasked with delivering cost-effective, reliable hydropower across vast regions of the Western United States. We maintain extensive transmission systems, adapt to the evolving energy landscape, and ensure the sustainability of our operations thanks to a truly outstanding workforce.

WAPA's transmission network spans 1.3 million square miles to serve a diverse population, including nearly 700 wholesale customers which are often in rural communities, including cities and municipalities, rural electric cooperatives, irrigation districts, military installations, and Tribal governments and utilities. We manage power from 57 federal dams operated by the Bureau of Reclamation (Reclamation), the U.S. Army Corps of Engineers, and the International Boundary and Water Commission. And we own, operate, and maintain one of the nation's largest transmission systems, with over 17,000 circuit miles of high voltage transmission and more than 300 bulk electric substations across 15 states. This immense responsibility compels us to continuously seek ways to enhance our operational efficiencies and ensure the reliability of our services, especially in the face of escalating environmental and energy markets challenges.

WAPA's FY 2025 budget proposal is designed to ensure the continued reliability and security of the federal power and transmission system while addressing the financial and operational challenges ahead. This budget not only supports WAPA's operational needs but also contributes to broader federal energy goals by maintaining critical energy infrastructure across the Western United States.

Today, I will outline the advancements and strategic initiatives we have undertaken in the past year, discuss the challenges we face due to changing hydrological conditions and aging infrastructure, and detail our financial strategies and requirements to continue fulfilling our mission effectively.

#### **POWER AND TRANSMISSION**

At WAPA, we administer a range of rate structures across our multiple different projects to facilitate the efficient delivery of federal hydroelectric power. Established to recover annual operations and maintenance costs as well as the original investment, plus interest, our preference and power customers shoulder these financial responsibilities, and we value their input and support as we manage costs together. Repaying the Treasury for these investments, WAPA has returned \$1.5 billion to Treasury in the last 5 years.

There are a number of notable rate matters that deserve highlighting this year:

**Detailed Rate Structures and Adjustments:** The Desert Southwest Region's (DSW) Boulder Canyon Project (BCP) features a unique rate structure with a base fee proportionally distributed among contractors based on power allocation. For Fiscal Year 2024, the base charge is set at \$74.3 million, marking an 11.3% increase due to heightened Bureau of Reclamation replacement costs and WAPA's operational enhancements.

This year WAPA introduced and successfully implemented a One Transmission Rate (OTR) of \$20.76 per kW-year in DSW starting January 1, 2024, for customers including the Central Arizona Project (CAP). The OTR unified the rates for several projects in DSW to a single rate, reducing administrative overhead and supporting WAPA's objectives to enhance operational flexibility and ensure fair distribution of transmission service costs. This OTR was a strategic and timely move towards a standardized rate structure maintaining project rate integrity, eliminating rate pancaking and fostering regional consistency. This major change represents a positive example of WAPA's collaboration with customers to drive efficiencies.

The Sierra Nevada Region's (SNR) Central Valley Project (CVP) has benefited from improved hydrological conditions, leading to increased projected generation for

FY 2024. Despite hydropower fluctuations, WAPA's Power Revenue Requirement (PRR) system protects customers from market price spikes, ensuring stable and predictable pricing. This fiscal year, the Central Valley Project Improvement Act (CVPIA) Restoration Fund charge assessed to commercial power is \$8 million, the lowest it's been in over 15 years (the highest was \$35.9M in FY 2017). In FY 2023, the CVP derived rate was \$30.74 per megawatt hour (MWh) in comparison to the market cost at \$57.28 per MWh. SNR rates were 46 percent below the market which is a significant benefit to the CVP power customers in SNR's service territory.

Project-Specific Challenges and Responses: In the DSW Region's Pacific Northwest-Pacific Southwest Intertie Project (Intertie), WAPA maintained stable rates until the OTR was implemented. The transmission service rate for the Intertie remained unchanged at \$19.32 per kilowatt-year (kW-year) to maintain cost predictability for stakeholders.

While the OTR consolidation simplifies regulatory interactions and creates a unified rate structure, some stakeholders have raised concerns about disproportionate cost distribution. WAPA is addressing these concerns through regulatory channels to ensure that the new rate structure meets federal standards and supports the needs of the broader region.

Vail-Tortolita and Southline Transmission projects: WAPA and Tuscon Electric Power (TEP) have decided to rebuild the 60-mile portion of WAPA's Parker Davis Project transmission system, the Vail-Tortolita Project, using advanced/high-temperature low sag conductors. Aluminum conductor, steel supported (ACSS) technology uses soft (annealed) aluminum, making it resistant to breaking even at higher temperatures. Using this conductor will be beneficial, especially in congested urban areas with limited infrastructure. WAPA and Southline will work together on rebuilding an adjacent 60-mile segment of the same line.

Drought: Drought impacts on generation and transmission continue to be a priority across WAPA's footprint. While hydrology improved over the last two years, those improvements fall short of normal levels with respect to energy deliveries and the impact drought is having on hundreds of WAPA's customers who must secure replacement power due to lost hydropower in the short term. Customers are also planning for long-term power replacement needs. Similar to the support WAPA provides through mutual aid in any emergency or crisis, WAPA linked arms with customers to explore and begin to implement initiatives and solutions to address the long-term drought. Drought has been described as a slow-moving natural disaster and that remains the case.

Through careful planning, transparent rate-setting processes, and continuous stakeholder engagement, WAPA is committed to providing reliable and cost-effective federal hydroelectric power. We are continually refining our approaches to rate setting, ensuring the fiscal health of our projects, and effectively meeting the needs of our customer base. Our goal is to maintain financial stability and sustainability across all operations.

## **MARKET INTEGRATION**

WAPA's mission is to deliver clean, renewable, and reliable power, even as we navigate the complexities of modern energy markets and the imperatives of environmental stewardship. As we progress into an increasingly dynamic energy landscape, WAPA is taking decisive actions to enhance operational efficiency and adapt to new market conditions. A significant aspect of this strategy is engagement with the Southwest Power Pool (SPP) and involvement in critical federal hydropower initiatives.

SPP RTO West Membership: In a landmark decision for WAPA, I authorized the Colorado River Storage Project (CRSP), Rocky Mountain (RM) region, and Upper Great Plains (UGP) region to pursue final negotiations with the Southwest Power Pool (SPP) regarding entry to, or expansion of the Regional Transmission Organization (RTO). Final negotiations consist of WAPA working alongside SPP to develop tariff language for the WAPA terms and conditions approved by the SPP board. WAPA is also working with SPP on the implementation details of a technical solution to meet the needs of CRSP's Southern Division customers who are not in the SPP footprint. If final negotiations are successful, to include FERC approval, the SPP RTO is expected to go live in April 2026. This includes CRSP and RM executing SPP membership agreements and UGP expanding its participation, resulting in full membership as SPP RTO participants for all three regions. Full membership allows for SPP to expand its footprint as the market operator and will enable the broad operational and reliability benefits of the RTO to the west participants.

Integrating into an RTO presents challenges, particularly in navigating governance and operational control changes. However, WAPA remains committed to ensuring these transitions uphold our mission and meet the needs of our stakeholders while mitigating associated market and cost risks.

#### **TRANSMISSION SERVICES**

Our transmission services function undertakes strategic projects and initiatives to enhance infrastructure, integrate renewable energy sources, and maintain safety and reliability in the face of environmental challenges and community needs.

One of our significant projects is the Trinity Public Utilities District (TPUD)-WAPA Right-of-Way Project, a collaborative effort with Trinity Public Utilities District in Northern California. This project focuses on expanding the right-of-way and enhancing vegetation management to mitigate wildfire risks and improve electrical reliability for communities in vulnerable areas. Such initiatives are critical as they directly impact our ability to maintain service integrity in regions prone to natural hazards.

Additionally, the Rail Tie Wind Project, located south of Laramie, WY, is a 504-megawatt wind energy development that exemplifies WAPA's role in facilitating the integration of renewable energy. This project involves interconnecting to WAPA's Ault-Craig transmission line and highlights our commitment to supporting sustainable energy sources while supporting Tribal partners and adhering to environmental and regulatory standards.

Integrating a diverse mix of renewable and conventional energy sources presents complex challenges, particularly in maintaining system reliability and managing extensive regulatory environments. These challenges require sophisticated strategic planning to balance technical, economic, and environmental considerations.

WAPA's planning efforts also aim to address the aging infrastructure within the network. Modernization is paramount to keeping pace with technological advancements and regulatory requirements. This involves upgrading physical infrastructure and adopting innovative technologies and practices that enhance operational resilience and efficiency.

#### **NATIONAL SECURITY**

WAPA is honored to have partnered with Beale Air Force Base (Beale) in California to provide redundant 230-kilvolt (kV) bulk electric system feed to improve reliability to Beale and bolster reliable operation of the base's critical national security mission. In addition to its critical national security role, Beale is also located in a Tier III high fire risk area. WAPA's interconnection will be outside the risk area and will utilize steel pole structures. This project is on schedule albeit challenged with supply chain issues facing much of the industry.

#### **SAFETY AND SECURITY**

WAPA remains steadfast in its commitment to ensuring the highest safety and security standards across all facets of its operations. Our expansive network, which includes four control centers, over 300 substations, and more than 17,000 miles of transmission lines, requires a vigilant and proactive approach to manage the myriad risks associated with such a vast infrastructure. Our commitment extends beyond mere compliance; it is about safeguarding communities, employees, and the systems that power the nation.

**SCADA Modernization:** Another WAPA initiative is the Common SCADA/EMS Vendor Project. This project aims to standardize SCADA (Supervisory Control and Data Acquisition) and EMS (Energy Management System) across all WAPA regions, enhancing our operational efficiencies and cybersecurity measures. By streamlining these systems, WAPA will boost overall system management capabilities, ensuring that operations are secure and adaptable to the evolving energy landscape.

**Cybersecurity Initiatives:** In the realm of cybersecurity, WAPA has adopted a robust framework that prioritizes the protection of our critical infrastructure. Our cybersecurity initiatives are rigorously designed to mitigate risks and defend against potential breaches. We undertake comprehensive audits endorsed by authorities, including the DOE, OIG, and NERC, to ensure our defenses remain impenetrable. Furthermore, WAPA participates in national-level training and simulations, such as the DOE CyberFire and GridEX exercises, which prepare our team to handle emerging cyber threats effectively.

Our ongoing cybersecurity enhancements, including the implementation of a Zero Trust Strategy and advancements in Multifactor Authentication and data encryption, have significantly fortified our systems. These measures align with

recent executive orders and are crucial for maintaining the integrity and reliability of our operations.

**Physical Security:** Physical security threats remain a top concern across the country and at WAPA. We have seen a near three-fold increase in incidents these last few years, from surveillance to theft to threatening behavior near our facilities. WAPA is vigilant and on alert while continuously assessing the threat landscape facing our assets and systems.

WAPA's strategy involves a comprehensive assessment of vulnerabilities, ensuring the resilience of facilities and infrastructure. Regular risk assessments, compliant with North American Electric Reliability Corporation Critical Infrastructure Protection (NERC CIP) standards, and constant surveillance identify and mitigate potential threats. Our focus on updating security methodologies and enhancing collaboration with stakeholders ensures that physical security measures are practical and adaptive. WAPA collaborates closely with industry and agency counterparts on threat information, response and recovery planning, and threat mitigation strategies for both physical and cybersecurity.

Recovery is an integral component of resilience and ensuring operations are put back into place in the most safe and timely manner possible. WAPA has shared over the years its continuing concern regarding the potential for multiple, simultaneous or cascading failures of bulk electric components on the system due to an attack or series of attacks. We have evaluated and continue to evaluate strategies for establishing or participating in reserves of high voltage transformers and likewise continue to encourage the public, the industry and Congress to reprioritize this important issue.

**Wildfire Prevention and Vegetation Management:** Addressing environmental challenges, particularly wildfires, is paramount, given their frequency and severity in the regions we serve. WAPA's Integrated Vegetation Management (IVM) Program is essential for reducing vegetation around transmission lines and mitigating wildfire risks. WAPA's proactive approach includes updating wildfire mitigation plans annually, incorporating the latest technologies and best practices to enhance preparedness and response capabilities.

Collaborations with local stakeholders and agencies play a vital role in the effectiveness of wildfire mitigation strategies. These partnerships are crucial for ensuring the safety and operational stability of the transmission network and protecting the communities that depend on it.

As WAPA continues to navigate the complexities of maintaining a secure and reliable energy infrastructure, our commitment to safety and security remains unwavering. Through continuous improvement, advanced technology, and strategic partnerships, we are dedicated to upholding the highest safety and security standards to protect infrastructure and the communities we serve. Our ongoing efforts in cybersecurity, physical security, and wildfire risk management are integral to the mission and fundamental to the trust placed in WAPA by customers and the 40 million people we serve.

## **ASSET MANAGEMENT**

WAPA's Asset Management (AM) Program supports the reliable and efficient delivery of power. This program integrates comprehensive field knowledge with systematic criticality assessments to guide risk-based, data-driven capital planning and maintenance decisions. Our strategic approach is designed to optimize the management of WAPA's most crucial assets, ensuring that our operations continue to meet high standards of reliability and efficiency.

The primary goals of our Asset Management Program include improving asset management practices aligned with ISO 55001 standards, increasing the valuation of our assets, and prioritizing investments and operational activities. This comprehensive strategy is crucial for effectively communicating asset-related information to diverse internal groups and stakeholders, ensuring all parties are informed and engaged in our processes.

Under the Asset Management Program, WAPA successfully completed its seventh annual asset risk assessment, focusing on key components such as transformers and breakers. Additionally, we continued condition-based health analytics for our transmission lines. These initiatives were bolstered by the adoption of new IT tools, which has improved our data collection and analysis processes, thereby enhancing transparency and providing deeper insights into asset conditions.

**Supply Chain Management and Security:** The Supply Chain Risk Management (SCRM) program is integral to WAPA's cybersecurity and procurement strategies, especially when paired with federal initiatives and standards such as Executive



Order 14028 and NERC CIP-013. Our actions have included comprehensive vendor assessments and incorporating robust SCRM standards into operations, enhancing the security and reliability of WAPA's technology and supply chains.

Looking to the future, the AM Program is poised for further growth and refinement. In FY2024, WAPA will perform a maturity assessment, a crucial step in the journey to align WAPA practices with industry best practices and prepare for future technological trends. This proactive approach is not just a strategy, but a necessity in a rapidly evolving energy environment. It is this forward-thinking mindset that will continue to maintain and advance WAPA's operational capabilities.

#### **FY 2025 BUDGET REQUEST**

WAPA's success and operations are supported through management of three program and financing accounts: Construction, Rehabilitation, Operation, and Maintenance (CROM); Falcon and Amistad Operating and Maintenance Fund; and the Colorado River Basins Power Marketing Fund. Only CROM and Falcon and Amistad program and financing accounts request funds from appropriations.

CROM is the largest account and includes four components: Construction and Rehabilitation (C&R); Operation and Maintenance (O&M); Purchase Power and Wheeling (PPW); and Program Direction (PD). C&R results in replacement, upgrade, and modernization of the electrical system infrastructure with an eye towards continued reliability, improved connectivity, and increased adaptability to the grid.

For FY 2025, WAPA requests a total budget authority of \$1.787 billion, predominantly sustained through offsetting collections and alternative financing arrangements, which comprise 94% of the total funding. The budget supports critical operations, maintenance, and enhancements across WAPA's extensive transmission system and associated infrastructure.

Appropriations and Funding: WAPA's Construction, Rehabilitation, Operation, and Maintenance (CROM) require a significant portion of the budget, totaling \$1.178 billion, with \$101 million (approximately 6% of total mission costs) coming from direct appropriations. The majority of CROM funding is sourced from offsetting collections (\$777 million) and alternative financing (\$301 million).

Operational Increases: The projected increase in Operation and Maintenance (O&M) funding is crucial for addressing routine and strategic infrastructure needs across WAPA's transmission network. A significant portion of this increase—approximately \$32 million—is allocated specifically for the replacement and upgrading of transmission lines, which includes the reductoring of the DSW Gila Knob 161-KV and the RMR Alcova-Casper North/South lines. These upgrades are essential for improving reliability and safety within the network. The Gila Knob project will employ both conventional and advanced high-temperature low sag conductors, enhancing the line's ampacity and resilience to high temperatures without compromising its structural integrity. Additionally, this project includes replacing existing wood structures with light-duty steel H-frames over 15 miles and steel monopoles over five miles. This hardens the infrastructure against climate-induced turbulent weather and consolidates transmission paths to free up land and minimize environmental impact.

Stable Construction and Rehabilitation Funding: The Construction and Rehabilitation (C&R) budget remains static at \$0, reflecting no projects classified under this category for FY 2025.

Program Direction and Support: WAPA's Program Direction (PD) funding has risen by \$25 million from \$295 million in FY 2024 to \$320 million in FY 2025, maintaining a workforce of 1,521 full-time equivalents. This increase supports essential workforce expenses related to the operation, maintenance, construction, IT, and physical security of WAPA's high-voltage transmission system, including compensation for sophisticated control systems like SCADA. These systems are crucial for real-time operational management and ensuring grid reliability.

Purchase Power and Wheeling Adjustments: The Purchase Power and Wheeling (PPW) budget is adjusted to \$688.3 million, down from \$715.8 million in FY 2024, influenced by reservoir levels and weather impacts.

CRSP Basin Fund: WAPA's FY2025 budget request for the Colorado River Basins Power Marketing Fund account is estimated at \$584 million with no request from appropriations, funded instead through offsetting collections. CRSP carries out WAPA's mission in Arizona, Utah, Colorado, New Mexico, Nevada, Wyoming and Texas, selling about 5,300 gigawatt hours to cities and towns, rural electric cooperatives, Native American tribes, irrigation districts and federal and state agencies.

WAPA works with sister agencies, such as the Department of the Interior's Bureau of Reclamation, and other stakeholders, to address challenges in the basin while supplying critical power to customers. As CRSP does not rely on separate appropriations, the basin fund is an essential component of the success of the Colorado River Storage Project for both WAPA and Reclamation.

#### **CHALLENGES AND RISK MANAGEMENT**

**Financial Sustainability:** The reliance on a blend of offsetting collections and alternative financing highlights WAPA's innovative approach to funding but also underscores the vulnerability to fluctuating market conditions and hydrological changes.

**Infrastructure and Service Reliability:** With aging infrastructure and escalating supply chain costs and severe weather events, WAPA is challenged to maintain service reliability and compliance with regulatory standards without sufficient capital funding.

**Strategic Investments:** The budget supports strategic investments in infrastructure resilience and cyber and physical security enhancements crucial for protecting the grid against emerging threats.

#### **CLOSING STATEMENT**

Thank you for the opportunity to present the FY 2025 budget and operational priorities for WAPA. WAPA is at a critical juncture, facing both challenges and opportunities as we strive to maintain the reliability and affordability of our power and transmission services across the Western United States. Our commitment is to continue enhancing our infrastructure resilience, advancing technological innovation, and ensuring the security of our energy systems against physical and cyber threats. The agency continues to work with Congress, customers, and other stakeholders to secure the necessary support to effectively fulfill its mission.

Thank you again for your trust and support. I look forward to our continued partnership in achieving these vital goals, and I am ready to address any further questions you might have.

## Appendix 1

WAPA Funding Overview  
(dollars in thousands)

	FY 2023 Enacted	FY 2024 Enacted	FY 2025 Request	FY 2025 Request vs Enacted (\$)	FY 2025 Request vs Enacted (%)
<b>Construction, Rehabilitation, Operation and Maintenance (CROM)</b>					
Operation and Maintenance (O&M)	85,229	130,131	170,617	40,486	31%
Construction and Rehabilitation	47,189	0	0	0	0%
Purchase Power and Wheeling (PPW)	715,824	715,824	688,345	-27,479	-4%
Program Direction (PD)	277,287	295,039	319,946	24,907	8%
Subtotal, CROM Program	1,125,529	1,140,994	1,178,908	37,914	3%
Alternative Financing	-341,552	-343,184	-300,850	42,334	-12%
Offsetting Collections, Colorado River Dam Fund	-9,404	-9,521	-11,075	-1,554	16%
Offsetting Collections, Annual O&M and PD	-200,841	-213,417	-241,111	-27,694	13%
Offsetting Collections, PPW	-475,000	-475,000	-525,000	-50,000	11%
Rescission of prior year balances	0	0	-17	-17	NA
<b>Total, CROM</b>	<b>98,732</b>	<b>99,872</b>	<b>100,855</b>	<b>983</b>	<b>1%</b>
<b>Federal FTEs</b>	<b>1,201</b>	<b>1,200</b>	<b>1,215</b>	<b>15</b>	<b>1%</b>
<b>Falcon and Amistad O&amp;M Fund</b>					
	7,928	8,297	8,210	-87	-1%
Offsetting Collections, annual O&M	-6,102	-3,197	-6,297	-3,100	97%
Offsetting Use of Prior Year Balances	0	-3,000	0	3,000	-100%
Alternative Financing	-1,598	-1,872	-1,685	187	-10%
<b>Total, Falcon and Amistad</b>	<b>228</b>	<b>228</b>	<b>228</b>	<b>0</b>	<b>0%</b>
<b>Federal FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Colorado River Basins Power Marketing Fund (CRBPMF)</b>					
Equipment, Contracts and Related Expenses	178,927	454,857	500,538	45,681	10%
Program Direction	79,539	80,381	83,693	3,312	4%
Subtotal, CRBPMF Program	258,466	535,238	584,231	48,993	9%
Offsetting Collections	-258,466	-535,238	-584,231	-48,993	9%
<b>Total, CRBPMF</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Federal FTEs</b>	<b>308</b>	<b>311</b>	<b>302</b>	<b>-9</b>	<b>-3%</b>
<b>Transmission Infrastructure Program Discretionary</b>					
	6,600	6,600	6,698	98	1%
Offsetting Collections	-6,600	-6,600	-6,698	-98	1%
<b>Total, TIP Discretionary</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Federal FTEs</b>	<b>12</b>	<b>10</b>	<b>4</b>	<b>-6</b>	<b>-60%</b>
<b>Total, WAPA (net Discretionary BA)</b>	<b>98,960</b>	<b>100,100</b>	<b>101,083</b>	<b>983</b>	<b>1%</b>
<b>Federal FTEs</b>	<b>1,521</b>	<b>1,521</b>	<b>1,521</b>	<b>0</b>	<b>0%</b>

Mr. BENTZ. Thank you. I now recognize Administrator Wech for 5 minutes.

**STATEMENT OF MIKE WECH, ADMINISTRATOR, SOUTHWESTERN POWER ADMINISTRATION, DEPARTMENT OF ENERGY, TULSA, OKLAHOMA**

Mr. WECH. Mr. Chairman and members of the Subcommittee, I am Mike Wech, Administrator of the Southwestern Power Administration. Thank you for the opportunity to be here today.

Since 1943, Southwestern has marketed and delivered Federal hydropower and energy in our region from 24 U.S. Army Corps of Engineers multi-purpose projects. With a combined capacity of 2.2

gigawatts and an average annual energy of 5,000 gigawatt hours, Southwestern collects about \$200 million a year in revenue. Our staff works from offices in Arkansas, Missouri, and Oklahoma. We own and operate about 1,400 miles of high voltage transmission line, 26 substations, and 46 communication sites that support regional and national energy security. The customers we serve are not-for-profit municipalities, electric cooperatives, and military installations that depend on Federal hydropower and the energy received from Southwestern to serve over 10 million electric consumers in our area of the country.

Our system of reservoirs is almost entirely dependent upon rainfall. Operations are regularly impacted by rain events, and we work with other water users so that we can continue to meet the power needs of our customers under a variety of water conditions. In some cases we have to purchase power so that we can meet our obligations to our customers and the consumers that they serve. To fund those purchases, we have historically relied on our congressional authority to use our receipts over the long term. Prior-year balances have been available to Southwestern so that we are financially prepared and able to achieve rate stability.

Southwestern's program is cost-based, funded by our ratepayers. We perform power repayment studies annually to review the projected and actual costs of operating our business to assure that sufficient revenues are being collected to repay those costs, along with the principal and interest on the Federal investment. Southwestern remains cost conscious, always seeking ways to maximize value amidst rising costs.

At the request of our customers, Southwestern is developing a program to equitably distribute renewable energy certificates, or RECs, to its customers based on each megawatt hour of Federal energy generated.

We also continue to invest in our generating assets through our customer funding initiative. To date, over \$1.2 billion in funding has been approved by our customers, who know that this kind of investment is crucial to keeping Federal hydropower reliable. Southwestern has consistently proven that dependable Federal assets contribute to the reliability of the regional electrical grid. During recent winter storms, Southwestern provided voltage support, assisted with transmission congestion relief, and worked with other stakeholders to ensure that the lights stayed on.

As part of the regional grid, Southwestern participates in strategic planning and other initiatives. Our decades-long participation in the Southwest Power Pool promotes cooperation amongst regional stakeholders, while our participation in the Midcontinent Independent System Operator allows options to purchase power when needed, and will enable us to directly market two projects into MISO later this year.

From an agency perspective, we continue to engage in strategic planning, with safety as our No. 1 goal. We were honored to be recognized once again this year with the Safety Award of Excellence from the American Public Power Association. This year's strategic planning effort, Set to Thrive in 2025, incorporates safety, workforce excellence, operational excellence, collaborative partnering, and evolving services. Southwestern is committed to these strategic

goals and to our mission of providing Federal hydropower that benefits our customers, regional communities, and the nation.

Southwestern's Fiscal Year 2025 request for appropriations is \$11.44 million, and includes offsetting collection authorities and alternative financing, both of which are essential to Southwestern accomplishing its mission through minimal congressional appropriations.

Mr. Chairman, this concludes my testimony. I would be pleased to address any questions that you or members of the Subcommittee may have.

[The prepared statement of Mr. Wech follows:]

PREPARED STATEMENT OF MIKE WECH, ADMINISTRATOR, SOUTHWESTERN POWER ADMINISTRATION, U.S. DEPARTMENT OF ENERGY

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to share information about the FY 2025 budget of Southwestern Power Administration (Southwestern).

Southwestern has marketed and delivered Federal hydropower since 1943. Our service territory includes Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas, and customers in these states depend on Federal hydropower to keep their economies strong and help their constituents thrive. Southwestern is proud to support the farms, businesses, and factories in these areas, and I look forward to sharing with you today an overview of our program and some of the current initiatives we are working on that will allow us to continue our service in the future.

#### **SOUTHWESTERN PROFILE**

Southwestern markets and delivers hydroelectric power from 24 U.S. Army Corps of Engineers (Corps) multi-purpose dams with a combined capacity of 2,243 megawatts (MW). On average, Southwestern markets 5,600,000 MW-hours of energy annually, with revenue of approximately \$200 million per year.

The energy produced at the hydroelectric power plants flows mainly over transmission assets owned by Southwestern. Our 1,381 miles of high-voltage transmission lines, 26 substations and switching stations, and a communications system that includes digital microwave, VHF radio, and fiber optic communications are an integral part of the regional electrical grid.

We have a staff of approximately 180 full-time equivalent Federal employees and approximately 50 contractors who work out of offices in Gore, Oklahoma; Jonesboro, Arkansas; Nixa, Missouri; Springfield, Missouri; and Tulsa, Oklahoma. Around-the-clock power scheduling and dispatching are conducted by staff in Southwestern's Nixa and Springfield Operations Centers.

Southwestern employees are dedicated professionals, conscientious in ensuring that costs are kept to a minimum. They understand that every dollar Southwestern receives in revenue is dedicated to the repayment of the Nation's investment, with interest, in our program, and they also understand that Southwestern's ratepayers are the ones footing the bill.

#### **SYSTEM CHARACTERISTICS**

Southwestern often describes its system of 24 reservoirs as "hydro-only," meaning that those reservoirs are almost entirely dependent on rainfall. In general, when it rains and inflows into the reservoirs and river channels are sufficient, hydropower generation flourishes; when it does not rain, hydropower generation suffers.

Operations are regularly impacted by the rainfall we receive in our region, both too little and too much, and we work with other water users so that we can continue to meet the power needs of our customers under a variety of water conditions.

In some cases, due to drought, downstream flooding, operational restrictions, or other contributing factors, Southwestern's contractual obligations to provide power exceed the amount of hydropower that is available. Southwestern must continually balance Federal hydropower needs against the needs of other water users and current energy market conditions when determining whether to purchase power to meet contractual obligations.

## **FUNDING**

Power purchases have historically been funded by Southwestern through Congressional authority to use our receipts over the long-term—across good water years and bad. Prior year balances have been available to Southwestern so that we are financially prepared and able to achieve rate stability for our customers. After five years of decreased funding, in FY 2023 and FY 2024 we received our full offsetting collections authority request for purchase power and wheeling, and the President's FY 2025 Budget requests a continuation of this authority that is critical to operating our program according to sound business principles.

Southwestern's program is funded by authority to use receipts, alternative financing, and other authorities approved by Congress, including appropriations, which traditionally have represented only about 6% of Southwestern's total program. Generally, the more funding flexibility we have, the more efficiently we can operate our business and provide a high-value product to our customers.

## **RATES AND REPAYMENT**

Southwestern's program is cost-based, funded by our ratepayers. We perform Power Repayment Studies annually to review the projected and actual costs of operating our business to assure that sufficient revenues are being collected to repay those costs, along with the principal and interest on the Federal investment.

Power Repayment Studies, conducted in 2023, indicate the need for more revenue across all three of our rate systems to meet repayment obligations due to rising cost estimates for future transmission and hydropower infrastructure investments, elevated interest rates, and increased costs for operations and maintenance.

We are in the process of developing new rate schedules to reflect the needed revenue increase and have extended our current rate schedules through September 30, 2024. We have concluded the public comment period for one of our rate systems, and expect to open the public comment period for the additional rate systems within the month.

Southwestern remains cost conscious always, seeking ways to maximize value amidst rising costs. Our support of the regional electrical grid during recent winter weather events is a good example of the value of Federal hydropower. To put it simply, hydropower showed up to help keep the lights on during Winter Storm Uri in 2021, during Winter Storm Elliott in 2023, and, most recently, in January of this year during Winter Storm Heather. We were able to provide voltage support, assist with transmission congestion relief, and worked with the Regional Transmission Organizations to ensure the bulk transmission system remained reliable during these periods.

## **INFRASTRUCTURE INVESTMENT**

To keep hydropower available, the generating plants must be ready to operate. The year 2024 marks the silver anniversary—25 years—of Southwestern's customer funding program. Since 1999, through a memorandum of agreement (MOA) among Southwestern, its customers, and the Corps, we have provided funding to keep the turbines spinning without the need for annual appropriations. To date, over \$1.2 billion in funding has been approved by our customers for use in replacing aging, obsolete, and failing equipment at the Corps hydroelectric power plants. This kind of investment is crucial to keeping Federal hydropower viable, and customers have steadfastly supported this effort since the beginning.

## **SAFETY**

Southwestern is in many respects a typical electric utility. As such, we sell and deliver power, develop rates to recover our costs, and maintain our assets so that the lights stay on, all the while maintaining safe operating procedures and practices.

In fact, this is the second year in a row Southwestern was recognized for its safe operating practices. In March 2024, Southwestern was awarded a Safety Award of Excellence from the American Public Power Association (APPA). APPA bestows the award based on incident-free records and the overall state of the safety programs and culture, elements that Southwestern takes great pride in.

## **REGIONAL TRANSMISSION PLANNING**

Southwestern is taking part in studies under the DOE Grid Deployment Office for interconnections between Regional Transmission Organizations to bolster the electric infrastructure in our region. These studies involve the use of Southwestern's facilities as part of Southwest Power Pool (SPP), and could result in future interconnections between SPP and the Midcontinent Independent System Operator

(MISO), and between SPP and the Electric Reliability Council of Texas (ERCOT). Interconnections of this magnitude have the potential of strengthening the backbone of the Nation's economic, energy, and national security infrastructure.

#### **RENEWABLE ENERGY CERTIFICATES**

It is often said that Federal hydropower is one of the original renewable energy sources in the Nation, and our customers have been seeking the benefits that go along with purchasing this renewable energy from Southwestern. To that end, Southwestern is developing a program to equitably distribute Renewable Energy Certificates—or RECs—to its customers based on each MWh of Federal Energy generated.

This distribution of RECs will allow our customers to support their respective state's renewable energy goals, provide the opportunity to offset their carbon footprint and support clean energy, and build stronger relationships within their communities.

I want to commend my colleagues at Southeastern Power Administration for their expertise implementing a successful REC program and for sharing their experience so that Southwestern can begin distributing RECs to our customers.

#### **MARKET PARTICIPATION IN MISO**

Southwestern registered as a Market Participant in MISO in June 2021 in response to a need for Southwestern to better position itself to align with electric industry initiatives and to ensure, as drought and hydrological challenges occur, that Southwestern has additional options to purchase power. As an extension of that effort, we will begin directly marketing two Corps-owned projects in Arkansas into MISO, with DeGray—beginning June 1, 2024, and Blakely Mountain beginning June 1, 2025.

Benefits of this effort will include optimizing these generation resources to provide maximum value for our customers while reducing our capacity replacement costs due to long term outages for rehabilitation and infrastructure investment.

#### **STRATEGIC PLANNING EFFORTS**

Southwestern is constantly working to provide the best possible product for our customers while also providing the best possible work environment and strategic direction for our organization. To that end, Southwestern has implemented our latest Strategic Planning Effort—Set to Thrive in 2025. The revised strategic plan incorporates elements to achieve success and clear direction in the following areas: Workforce Excellence, Operational Excellence, Collaborative Partnering, and Evolving Services.

#### **BUDGET HIGHLIGHTS**

Southwestern's FY 2025 request for appropriations is \$11.44 million. The FY 2025 budget request also includes offsetting collection authorities, including the up-to request of \$80 million for purchase power and wheeling. The use of offsetting collection authorities as well as alternative financing are essential to Southwestern accomplishing its mission with minimal Congressional appropriations.

#### **CONCLUSION**

Southwestern remains committed to our core values and strategic direction. We strive for workforce and operational excellence, a safe and healthy workplace, increased value for our customers, and rate stability. We also look forward to opportunities to continue investing in the Nation's infrastructure and exploring ways that we can be a part of strengthening grid resiliency and supporting the Nation's energy security.

Mr. Chairman, this concludes my testimony. I would be pleased to address any questions that you or the Members of the Subcommittee may have.

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QUESTIONS SUBMITTED FOR THE RECORD TO MR. MIKE WECH, ADMINISTRATOR,  
SOUTHWESTERN POWER ADMINISTRATION

**Mr. Wech did not submit responses to the Committee by the appropriate deadline for inclusion in the printed record.**

**Questions Submitted by Representative Westerman**

*Question 1. In November, you testified before this committee at a legislative hearing on H.R. 4219, the Southwestern Power Administration Revolving Fund, which would create a self-financed fund through Southwestern's power sales receipts. In your testimony, you said that the Administration did not have a position at that time. Do you have a position now? Are SWPA's customers united in wanting this legislation to advance?*

*Question 2. In December, the USACE shut down power production at Narrows Dam in my district in order to repair its trash racks. Approximately how much power does Narrows produce? Do you have an estimated timeline for when the repairs will be made so power can be restored?*

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Mr. BENTZ. Thank you. I now recognize Administrator Hobbs for 5 minutes.

**STATEMENT OF VIRGIL HOBBS, ADMINISTRATOR AND CEO,  
SOUTHEASTERN POWER ADMINISTRATION, DEPARTMENT  
OF ENERGY, ELBERTON, GEORGIA**

Mr. HOBBS. Subcommittee Chairman Bentz, Ranking Member Huffman, and members of the Committee, I am Virgil Hobbs. I am the Southeastern Power Administrator. I appreciate the opportunity to share current program accomplishments, upcoming initiatives, and our Fiscal Year 2025 budget request.

Southeastern's mission is to market and deliver Federal hydroelectric power at the lowest possible cost, consistent with sound business principles, to public bodies and cooperatives in accordance with the Flood Control Act of 1944. Southeastern's 44 full-time employees market approximately 3,400 megawatts of power produced at 22 multi-purpose projects operated by the U.S. Army Corps of Engineers. The projects are separated into four marketing systems and serve the 11 states of Alabama, Florida, Georgia, Illinois, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

In Fiscal Year 2023, Southeastern sold nearly 7½ billion kilowatt hours of energy to 471 wholesale customers, with revenue totaling \$307 million. Over 12 million consumers benefit from Southeastern's Federal hydropower. Southeastern coordinates the operation of these Federal carbon-free generation assets from our office and dispatch centers in rural Elberton, Georgia. Southeastern does not own transmission facilities, but delivers allocation of Federal hydropower through lines and substations operated by neighboring utilities. Power sales revenue is used by Southeastern to compensate transmission service providers through long-term energy wheeling contracts.

Federal hydropower must remain a competitive and viable component to our customers' energy portfolios. Regional energy variables, including the reduction of baseload coal generation, new nuclear reactors connected to the local grid, fluctuations in natural



gas prices, and intermittent alternative renewable resources have made affordable, reliable Federal hydropower vitally essential to our customers.

Southeastern's ability to consistently deliver needed energy, as we did during Winter Storm Heather this past January, has earned high praise and appreciation from our customers.

The transmission service provider at the Jim Woodruff Project notified Southeastern in 2022 of their intent to terminate a vintage contract dated back to 1957, a bundled transmission arrangement where deficient stream flow energy was purchased from, and excess Federal hydropower was sold to, an investor-owned utility. Over the last 2 years, Southeastern formalized and implemented a power marketing policy to address energy delivery decisions associated with this single project electrical system, and in April began delivering all available power to only public power customers in Florida.

Efforts to provide Renewable Energy Certificates, or RECs, associated with Southeastern Federal hydropower generation began in 2019. Potentially, Southeastern can create 6 million REC each year across all of Southeastern's marketed systems. Since inception, 25 million RECs have been verified as generated, and 15 million RECs have been enthusiastically distributed to our Federal power customers, having purchased the accompanying energy. Southeastern's customers are extremely grateful to be accessing this intrinsic additional economic benefit linked to the Federal hydropower.

The Water Resources Development Act of 1996 and 2000 enables hydropower customers to provide funding to improve generation infrastructure. Since 2004, at the direction of our customers, Southeastern has transferred \$872 million of energy and capacity sale receipts to the Corps for hydropower equipment replacements.

Southeastern's Kerr-Philpott system customers are excited to be rehabilitating the smallest Federal hydropower plant, Philpott, by authorizing \$23 million to increase the station's 2-generator output from 14 megawatts, nearly 30 percent, to 20 megawatts. The contractor has completed both generator rewinds, is fabricating two new turbines, and will finish ahead of schedule.

Southeastern has begun implementing a 4-year strategic plan, with initiatives dedicated to employee engagement, relationship enhancement, and organizational modernization. This year, Southeastern petitioned personnel to form small, comfortable focus groups to share perspectives and office improvement ideas. Senior leadership will hear directly from our most valuable asset, our employees, to better the work experience at Southeastern.

The future success of hydropower relies heavily on our ability to find solutions to complex challenges threatening the program through higher costs and reduced generation. These critical issues are discussed routinely with customers and the Corps at biannual partnering meetings.

Southeastern's Fiscal Year 2025 operating budget request is a net zero appropriation of \$9 million for program direction expenses and \$90 million for purchased power and wheeling costs, which are completely reimbursed by power sales collections.

March 21, 2025 marks Southeastern's 75th anniversary of proudly delivering Federal carbon-free hydroelectric power in an energetic energy environment.

I thank the Committee for the opportunity to submit this testimony and highlight the extraordinary accomplishments of Southeastern's civil servants.

[The prepared statement of Mr. Hobbs follows:]

PREPARED STATEMENT OF VIRGIL G. HOBBS III, ADMINISTRATOR & CHIEF EXECUTIVE,  
SOUTHEASTERN POWER ADMINISTRATION, U.S. DEPARTMENT OF ENERGY

Subcommittee Chairman Bentz, Ranking Member Huffman, and Members of the Committee, I am Virgil Hobbs, Administrator of the Southeastern Power Administration (Southeastern). I appreciate the opportunity to share the Fiscal Year (FY) 2025 budget request for Southeastern, including current program issues, recent agency accomplishments and upcoming activity.

#### **Southeastern Power Administration Profile**

Southeastern's mission is to market and deliver Federal hydroelectric power at the lowest possible cost, consistent with sound business principles, to public bodies and cooperatives in accordance with Section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s).

With a staff of 44 full-time employees, Southeastern markets approximately 3400 megawatts of power produced at 22 multipurpose projects, operated and maintained by the U.S. Army Corps of Engineers (Corps). The projects are separated into four marketing systems and serve an eleven-state area, including Alabama, Florida, Georgia, Illinois, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia. Each marketed electrical system is integrated hydraulically and financially with separate cost-based power rates and repayment schedules. In FY 2023, Southeastern sold nearly seven and a half billion kilowatt-hours of energy to 471 wholesale customers with revenue totaling \$307 million. Southeastern's Federal hydropower extends to over 12 million residential and industrial consumers.

Southeastern coordinates the operation of these Federal carbon free generation assets from our dispatch centers in rural Elberton, Georgia. We use customer determined load schedules and the North American Electric Reliability Corporation's (NERC) power balancing control performance criteria, while complying with the Corps' water management and environmental requirements.

Southeastern does not own any transmission facilities but delivers allocations of Federal power through transmission lines and substations owned and operated by neighboring utilities. Electric power sales revenue is used by Southeastern to compensate these transmission service providers through long-term energy Purchasing Power and Wheeling contracts.

Rates charged to our wholesale customers recover all of Southeastern's and the Corps' power related costs. Southeastern's rate schedules are designed to recoup expenses, on an annual basis, for operations, maintenance, purchased power, transmission, and interest. Rates also recover infrastructure improvement investments which are capitalized over an appropriate number of years.

Southeastern's mission is achieved in a manner promoting the maintenance and upgrade of our region's Federal energy infrastructure. These efforts help to ensure reliable and efficient delivery of Federal carbon free hydroelectric power, which is an integral part of the Nation's overall security and electric energy supply.

#### **Federal Hydropower Program in Evolving Energy Markets**

Southeastern is committed to the mission detailed in our governing law, the Flood Control Act of 1944, to employ sound business principles in delivering power to our customers at the lowest possible rates. Federal hydropower must remain a competitive and viable component of the customer's energy resource portfolios to support the region as the energy landscape in the Southeast evolves. Energy variables including the reduction of base load coal generation, new nuclear reactors connected to the local grid, fluctuations in natural gas prices and intermittent alternative renewable resources have made affordable, reliable Federal hydropower vitally essential to our customers. Southeastern's ability to consistently deliver energy, such as through Winter Storm Heather in January 2024, has earned high praise and appreciation from our consumers.

The Southeastern Energy Exchange Market (SEEM) was established in the Fall of 2022 as a bilateral energy trading platform and uses an algorithm to match power buyers and sellers while further optimizing available generation and transmission assets. As a cost-free participant in SEEM, Southeastern will lower replacement and pumping energy purchase price by expanding the pool of potential power providers. Southeastern will pass on savings achieved by participation in SEEM to our Federal power customers.

#### **Jim Woodruff Power Marketing Policy**

The transmission service provider at the Jim Woodruff project notified Southeastern in 2022 of their intent to terminate a 66-year-old interchange agreement in favor of modern Open Access Transmission Tariff service. The original 1957 contract was a bundled arrangement where deficient stream flow energy was purchased from, and excess Federal hydropower was sold to, an investor-owned utility. Southeastern formalized and implemented a power marketing policy to address generation capacity and energy delivery decisions associated with this single project, run-of-the-river electrical system and has begun delivering all available power to only public and cooperative power customers in the central panhandle Florida. No changes in stream flow operations or to the amount and timing of energy production was required to initiate the policy.

#### **Renewable Energy Certificates**

Efforts to provide Renewable Energy Certificates (REC) associated with Southeastern's Federal hydropower generation began in 2019 and REC distributions are enthusiastically proceeding. The potential REC volume is approximately six million per year across all four of Southeastern's marketed systems. Since program inception, over 25 million RECs have been verified as generated and 15 million RECs have been distributed to our Federal power customers having purchased the associated energy. Southeastern's customers are extremely grateful to be accessing this intrinsic additional economic benefit linked to Federal hydropower.

#### **Federal Hydropower Infrastructure Investment**

The Water Resources Development Act of 1996 section 216, as amended by section 212 of the Water Resources Development Act of 2000 (33 U.S.C. 2321a), enables hydropower customers to provide the Corps funding to improve generation infrastructure reliability and capability. Since 2004, at the direction of our customers, Southeastern has transferred \$872 million of energy and capacity sale receipts to accomplish hydropower equipment replacements and renewals.

In 2012, Southeastern's Cumberland System customers agreed to fund \$1.2 billion of planned rehabilitations of all 28 generation assets housed in the nine hydroelectric facilities operated by the Corps' Nashville District. With three units complete, eight more generators and seven turbines at the Barkley and Old Hickory projects are being replaced to improve reliability and increase maximum energy output. Perpetuating the cleanness and greenness of hydropower, Cumberland power customers also authorized \$24 million to commission a dissolved oxygen injection system upstream of the Wolf Creek project to reestablish year-round full power output by providing downstream fish friendly habitat.

Southeastern's Kerr-Philpott System customers are excited to be rehabilitating the smallest Federal hydropower plant, Philpott, by authorizing \$23 million to increase the station's output. Located in southwestern Virginia and operated by the Corps' Wilmington District, Philpott is a 14 megawatt two generator facility which will be upgraded nearly 30% to 20 megawatts! The contractor has completed both generator stator rewinds, is fabricating two new turbines, is well ahead of schedule and will be finished before the local utility can complete the transmission line replacement.

#### **Upcoming Rate Developments**

Southeastern formulates and proposes marketed power system rates through a public process and places rates into effect on an interim basis. The Federal Energy Regulatory Commission (FERC) confirms all of Southeastern's rates on a final basis for a five-year term. Annual adjustments, based on actual operational results and infrastructure investment placed into service, enable rates to respond accordingly within the term to assure proper repayment. Southeastern reviews all marketed system rates annually to ensure revenue is adequate to meet repayment obligations. In 2025, Southeastern will propose new rates for the Cumberland and Kerr-Philpott Systems.

### **Workplace Transformation Response**

Southeastern ensures available Federal power is delivered to the grid for the benefit of regional public customers. Southeastern is determined to accomplish this mission with shared vision and values. Southeastern is implementing a 2025–2029 Strategic Plan with initiatives dedicated to Employee Engagement, Relationship Enhancement, and Organizational Modernization. This year, Southeastern petitioned personnel to form small, voluntary and comfortable focus groups, moderated by our Human Resource Business Partner, to share perspectives and office improvement ideas. Senior leadership will hear directly from our most valuable asset, our employees, to better the work experience at Southeastern.

### **Customer and Federal Partner Relationship**

Southeastern maintains strong cooperative working relationships with our customers and the Corps. Future success of the Federal hydropower program in the southeast relies heavily on the success of those relationships and our ability to find solutions to complex challenges threatening the program through higher costs and reduced generation capability. Financial and operational issues are discussed at the Southeastern Federal Power Alliance and Team Cumberland biannual meetings.

The Southeastern Federal Power Alliance was established in 1991 and includes representatives from Southeastern, the Corps' South Atlantic Division and Southeastern's customers served by the Georgia-Alabama-South Carolina, Kerr-Philpott and Jim Woodruff Systems. Team Cumberland was formed in 1992 and includes representatives from Southeastern, the Corps' Great Lakes and Ohio River Division and Southeastern's Cumberland System customers, which are located both inside and outside the Tennessee Valley Authority's area of operation.

Over the past seven and a half years, fellow Administrators and I have met with Corps Commanding Generals to discuss topics critical to the sustainability of our jointly managed Federal Hydroelectric Power Program. Areas identified where changes can reap benefits include infrastructure acquisition strategies, cost accounting, water storage management, operations and maintenance staffing efficiencies and common communication plans.

### **Southeastern's Fiscal Year 2025 Budget Request**

Southeastern's FY 2025 operating budget request of approximately \$98.9 million results in a net appropriation of \$0 (Attachment 1). The FY 2025 budget request provides \$9.1 million for Program Direction expenses, which are completely offset by collections for these annual expenses and use of prior year balances, and \$89.8 million for Purchase Power and Wheeling costs, which are entirely supported with offsetting collections and net billing. Southeastern contracts with interconnected utilities for transmission service to deliver Federal power to customers at an estimated annual cost of \$45 million. In recent years, dependent on hydrology and energy market volatility, Southeastern's purchases has varied between \$4 million and \$85 million for replacement energy and pumped storage energy to fulfil Federal power customer contracts. The use of offsetting collections and net billing enables Southeastern to operate in a business fashion by allowing Southeastern's revenues to pay for purchase power and transmission costs rather than relying on appropriations. No new program starts are planned in this FY 2025 Budget Request.

Fiscal Year 2025 marks Southeastern's 75th anniversary of proudly delivering Federal carbon free hydroelectric power in an energetic electric energy environment at the lowest possible cost, consistent with sound business principles. Thank you for the opportunity to submit this testimony.

## Attachment 1

**Southeastern Power Administration  
Overview  
Appropriation Summary by Program  
(dollars in thousands)**

	FY 2023 Enacted	FY 2024 Enacted	FY 2025 Request	FY 2025 Request vs FY 2024 Enacted (\$)	FY 2025 Request vs FY 2024 Enacted (%)
<b>Southeastern Power Administration</b>					
Purchase Power and Wheeling (PPW)	92,687	86,019	89,816	3,797	4%
Program Direction (PD)	8,273	8,449	9,127	678	8%
<b>Subtotal, Southeastern Power Administration</b>	<b>100,960</b>	<b>94,468</b>	<b>98,943</b>	4,475	5%
Offsetting Collections, PPW	-78,696	-71,850	-75,778	-3,928	5%
Alternative Financing, PPW	-13,991	-14,169	-14,038	131	-1%
Offsetting Collections, Annual Expenses, PD	-8,173	-8,449	-9,127	-678	8%
Alternative Financing, PD	-100	0	0	0	0%
<b>Total, Southeastern Power Administration</b>	<b>0</b>	<b>0</b>	<b>0</b>	0	0%
<b>Federal FTEs</b>	<b>44</b>	<b>44</b>	<b>44</b>	0	0%

Mr. BENTZ. Thank you, and I thank the witnesses for their testimony. We will now move to Member questions. Each Member will have 5 minutes.

Congressman Graves, you are recognized for 5 minutes.

Mr. GRAVES. Thank you, Mr. Chairman. Thank you all for being here. I appreciate your testimony.

Dr. Spinrad, I want to thank you for allocating additional funds to red snapper research last year. I do appreciate that, and I think it is critically important that we continue working to improve the data to where we can more accurately and more sustainably manage the fisheries in the Gulf of Mexico.

And as we know, the data that the five Gulf states is collecting is more accurate, I also want to thank you for the recalibration that was announced on Monday. I believe that was for Florida, Mississippi, and Alabama. It is progress. But as we both know, we still have a long way to go.

Lastly on this topic, I just want to say that we continue to have a great deal of frustration, as you and I have discussed in the past, with the lack of integration of the great red snapper count, which is the most robust, the most accurate assessment of the stock in the Gulf of Mexico, and NOAA refusing to actually incorporate that into management strategies. But let me say it again, thank you for working with the Gulf Council, the Commission, and the states.

Let me pivot to the North Atlantic right whale issue. We had been asking for a while for NOAA to engage some of the stakeholders, some of the folks with different technology, and it appeared that we were moving in the right direction when NOAA actually held a workshop with some of the folks that had technology that, for example, is being used in Canada to avoid strikes. But I couldn't help but feel that that was really disingenuous when the same exact day that workshop occurred NOAA submitted the rule to OIRA for review.

How could you all possibly have taken into consideration anything that was presented in the workshop, if you are turning over your proposed rule to OIRA the same day?

Dr. SPINRAD. Thank you for the question, Congressman, and I share the concerns.

First of all, thank you for your complimentary comments with respect to red snapper management. I think we have made a lot of progress there. I point out my boss just received today the letter from a bipartisan collection of roughly two dozen Members who shared the sentiments with respect to the progress we have made on red snapper.

On the North Atlantic right whale, things are changing considerably. And our responsibilities, as reflected in both the Endangered Species Act and the Marine Mammal Protection Act, have required us to continue to have the dialogue, as well as taking into account the latest and most appropriate science and economic analysis, especially in light of the fact that we have, since 1999, seen 29 lethal vessel strikes. Just this year, we have seen one entanglement and three vessel strikes off the East Coast, dictating that we move with some alacrity.

We provide the best analysis possible, and we incorporate all of the input that we have received. And I assure you that all of the input that we received was included in what we have now provided to OIRA under—

Mr. GRAVES. Dr. Spinrad, I appreciate that, but let's be honest. It is impossible for NOAA to have incorporated what you received, what you learned at a workshop the same day that you turned over a rule to OIRA, so that was impossible. And let's be clear there.

Let me just ask you, what can we actually expect to see in a final rule? I think everyone here shares the objective of ensuring the whale's sustainability, but also not using tools that are going to be ineffective and create safety issues when they are more effective technologies available such as are being deployed by the Canadians.

Dr. SPINRAD. I assure you we are having dialogue with the Canadians. We are also having dialogue with our partners in other Federal agencies who have technological approaches.

Like I say, the final rule is with OIRA right now. I cannot give an update on the timeline. I suggest that you ask—

Mr. GRAVES. If you could submit something back to the Committee on the timeline, I would appreciate it, and what we can expect to see.

Secondly, on the Rice's whale in the Gulf of Mexico, I know that NOAA is moving in a direction of finalizing a rule there, as well. There are numerous studies that directly conflict with the outcomes or the conclusions that NOAA has reached. Can you give me a commitment that NOAA will review this alternative data before you submit a final rule?

Dr. SPINRAD. First of all, the Rice's whale, as you know, is limited to the Gulf of Mexico. We are committed to using the best available science. If you have science that you believe is not being incorporated, I will tell you we are using whatever we receive as recently as, I would add, just a month ago, when we received some of the very first images of Rice's whale that are being incorporated.

So, we are welcoming the inclusion of additional scientific information.

Mr. GRAVES. Dr. Spinrad, we have had thousands of hours of acoustic monitoring off the coast of Louisiana. You haven't detected a single whale there, yet your zone is right off the coast of Louisiana.

Dr. SPINRAD. But we are seeing them with aerial surveys.

Mr. GRAVES. I am not the smartest guy here, but that doesn't look like you are incorporating data or taking proper science into consideration.

Mr. Chairman, I apologize. I am out of time and yield back.

Mr. BENTZ. Thank you. The Chair recognizes Congresswoman Napolitano for 5 minutes.

Mrs. NAPOLITANO. Commissioner Touton, the Bureau has been working to implement the funding secured under our infrastructure law for large-scale water recycling projects. But one investment is, frankly, not enough. One-time investment is, frankly, not enough. There must be continuous funding to grow, construct, maintain, and operate these facilities, which is why I am proud to introduce the Large-Scale Water Recycling Reauthorization and Investment Act to reauthorize funding for water recycling and reuse projects in the West.

It is imperative that we work to address climate change now to protect our water supplies and increase the presence of regional large-scale water projects. Could you speak how the Bureau is prioritizing water recycling on the 2025 budget?

Ms. TOUTON. I would be pleased to, Congresswoman.

First, thank you for your championship of water recycling projects and now large-scale water recycling projects.

In our Fiscal Year 2025 budget, including in our Bipartisan Infrastructure Law work plan for Fiscal Year 2025, we have \$263 million for water recycling projects. You asked me specifically about large-scale water recycling. We are looking to make funding announcements for construction of large-scale water recyclings in the near future. I am happy to follow up with you on specifics, but we look to continue the work that you have championed, and get real wet water to those communities.

Mrs. NAPOLITANO. Thank you very much. But what recycling and reuse projects are critical components in water security as we move forward, especially in Colorado River Basin?

You have been engaging with the Basin states and tribes regarding the ongoing post-2026 operations negotiations. Until then, we are operating under the 2007 Interim Guidelines in the Drought Contingency Plan. Could you explain to the Committee how the funds for the Drought Contingency Plan are being implemented currently, and how are discussions going with Basin states and tribes?

Ms. TOUTON. Absolutely, Congresswoman.

Regarding the Drought Contingency Plan, we have allocated \$138 million of that already, thank you again to Congress for those funds, including \$25 million that we announced last month for Yuma East Wetlands and the Topock Marsh. Those are critical components of our ability to be able to deliver water, but also protect the ecosystem within the Colorado River basin.

You asked about negotiations for post-2026. First, so excited to have the Secretary sign the Record of Decision stabilizing the near-term operations at Colorado River. We are focused now on what operations look like from 2026 and beyond. We are working with the entire Basin states and the sovereign nations. I have personally visited half of the 30 sovereign nations. And we have a Federal state-tribal partnership meeting: 30 sovereign nations, 7 basin states, and the Federal Government meeting on a very frequent basis on these operations for the future.

So, everyone is at the table to be able to find consensus on the Colorado River.

Mrs. NAPOLITANO. Thank you for being so inclusive.

Dr. Rick Spinrad, in 2020 NOAA submitted a report to Congress describing actions needed to support water management, which included starting a pilot project to improve winter precipitation forecasting in the West. Creating reliable precipitation forecasts is vital for our cities, agricultural producers, and water agencies. So, I was very disheartened to see that NOAA's budget proposed significant cuts to its weather and climate research programs.

Can you give me an update on how NOAA is working to improve subseasonal to seasonal forecasting?

Is there any movement on creating a pilot program to improve forecasting for water management?

Dr. SPINRAD. Thank you, Congresswoman. Also, let me add my appreciation for your continued support in our work.

I assure you, we are continuing our investment in the efforts associated with integrated water in the West. As I am sure you well know, we have put a particular focus on the precipitation forecasts associated with atmospheric rivers, the largest majority of precipitation that affects agriculture that, as you already heard from the power administration reps on the panel here, affects operations of our dams and affects the hydrology of the West completely. Our efforts are going to focus largely on atmospheric rivers and improving the forecast.

We are also investing some of the Inflation Reduction Act resources we got into improving the climatology of precipitation. The current climatologies we have in some cases are 20 or 30 years old.

Mrs. NAPOLITANO. Thank you very much. And the last question would be for Ms. LeBeau.

What is the ongoing wholesale price of power?

Ms. LEBEAU. Thank you for the question. It does really vary throughout our footprint. We have well over a dozen different rates throughout our 15-state footprint.

And we are, generally, anywhere from 20 to 50 percent lower than our counterparts because of the long-standing historic investment in our generation fleet and in our transmission systems, and because it is at cost.

Mrs. NAPOLITANO. I would like you to report to the Committee on what the prices are, please.

Ms. LEBEAU. Anywhere from \$20 per megawatt—

Mrs. NAPOLITANO. No, in writing. In writing, please.

Ms. LEBEAU. Oh, yes, I will, thank you.

Mrs. NAPOLITANO. Thank you, Mr. Chair. Sorry.



Mr. BENTZ. The Chair recognizes Congressman Webster for 5 minutes.

Mr. WESTERMAN. Thank you, Chairman Bentz.

Mr. WEBSTER. Thank you, Mr. Chairman, for putting this together. I really appreciate it.

I am sorry, I missed what you said.

[Pause.]

Mr. BENTZ. I am sorry, Chair Westerman. Sorry about that.

Congressman Webster, you are up.

Mr. WEBSTER. Great. Yes, pointing is good.

[Laughter.]

Mr. WEBSTER. All right, thank you for hosting this, and it is very important.

Administrator Spinrad, several members of this Committee have great concern about NOAA's upcoming rule imposing additional speed restrictions on a broad category of vessels. And the proposed rule would expand the restriction on vessels 35 feet and longer, and will expand the Go Slow Zone as far as 90 miles out in the Atlantic Coast. This rule, if finalized, will destroy the recreational fishing industry and create massive safety hazards for commercial vessels off the Atlantic Coast.

I remain concerned that NOAA didn't fully consider the effect the increased restrictions will have on recreational fishing, as well as the downstream industries that rely on it. These industries are very significant for my home state of Florida, and NOAA has previously acknowledged that the rule will impact far more anglers than are impacted by the current rule.

How does NOAA anticipate that these proposed changes, if finalized, will impact outdoor recreation industries, particularly in our economy which continues to face high inflation and high costs?

Dr. SPINRAD. Thank you, Congressman. As I indicated earlier, North Atlantic right whales are both an endangered species and a marine mammal. So, consequently, our statutory authorities under the Marine Mammal Protection Act and the Endangered Species Act dictate that we take efforts to ensure that this endangered population survives, with fewer than 350 in the population right now.

We have looked at the economic impacts of the proposed rule, and we have found no indication of widespread economic harm as a result of the proposed rule.

I would also point out there has been some discussion about impact on the boating community. And, in fact, less than 4 percent of the boats that would be impacted are going to be larger than 35 feet. So, by any measure, the economic analysis suggests the impact not to be as draconian as some others have said.

I can also tell you that the specifics on the economic analysis are part of the rule that is currently in consideration at OIRA. And it is our assumption and perception that, done effectively, meaning allowing an adaptive management structure such as we have seen in Massachusetts, where, in fact, we were able to remove the closed area earlier than indicated because we found there were no whales in the area, so our ability to manage this and our understanding of the economic impact suggests this is the most appropriate way to balance economic activities while ensuring our responsibilities under MMPA and ESA.

Mr. WEBSTER. Well, I went to kind of just a display at the entrance in the Rayburn Building, and there are many, many innovative companies who have developed already-existing technology that could be used to track whales and vessels and patterns and other things in this issue. These technologies are very promising, and provide, I guess, a better solution than just what has been proposed in the rule.

Is NOAA aware of these available technologies?

Dr. SPINRAD. We most certainly are. In fact, we are talking with the developers of those technologies.

I would add on a little bit of a personal note, I spent the better part of my early career working for the U.S. Navy, trying to find large, dark objects at the surface of the ocean, and I assure you none of the technologies that are being put forward right now are 100 percent effective in finding whales.

Mr. WEBSTER. Are you considering at all using some of those technologies?

Dr. SPINRAD. Absolutely, and some that are currently in the laboratory for new development, as well. The solution, I believe, is going to be a combination of technology and policy activities such as those we have put forward in the proposed rule.

Mr. WEBSTER. Thank you very much. I yield back.

Mr. BENTZ. Thank you. Congresswoman Peltola is recognized for 5 minutes.

Mrs. PELTOLA. We are having a thumb war over here to see who goes first.

[Laughter.]

Mrs. PELTOLA. Thank you, Mr. Chairman, I appreciate it. I have three questions for Dr. Spinrad. My first question is about the nearly \$350 million in disaster funding, which I understand is stuck in various stages within NOAA, and are not able to proceed because of problems with NOAA's accounting software.

And I just really want to emphasize this ongoing crisis that our commercial fishermen are in. They are in a freefall. The banks are still expecting their boat payments and mortgages and all of their overhead. Meantime, this disaster funding is stuck in the mud. And I am wondering if you can give us an idea of when the funds will be released, and what is being done to make sure that other communities don't face the same kind of delay.

Dr. SPINRAD. Yes, thank you for this question, Congresswoman, and for your continued emphasis on the need to engage in process improvement and have the resources.

The Fishery Disaster Program is one that we recognize is critical for coastal communities, fishing communities at the individual and community level. I will tell you that part of the issue is that in the last 5 years, we saw 50 disasters, declarable disasters. That compares with 21 disasters in the previous 5-year period. So, part of this is the volume of requests that are coming in.

As a consequence of Congress' passage of the Fisheries Resource Disaster Improvement Act, I can tell you we have already halved, cut by 50 percent, the time for processing these disaster declarations. That is good news, but not good enough.

So, we are looking at all of the places in the current timeline for disaster relief, fishery disaster declarations, where we can improve

the speed with which we process these. I am having this discussion with Secretary Raimondo as we speak. I will tell you that we are about to make some announcements here very, very shortly that will at least move some of these out of the hopper into action. So, we recognize the need to expedite it.

I will also tell you that, as you can tell from my answer, this is not necessarily attributable to our implementation of a new accounting system. A lot of it is the volume of activity we have seen, and a lot of it is the process timeline and the steps we have to go through between NMFS, NOAA, Department of Commerce, OMB, through the chop chain.

Mrs. PELTOLA. Just a follow-up. In my experience, the definition of “coming soon” in government is a much different definition than “coming soon” for non-government people. What do you mean when you say, “coming soon”? Like, in a week, in a month, in 6 months?

Dr. SPINRAD. The announcements that I was alluding to?

Mrs. PELTOLA. Yes.

Dr. SPINRAD. You can expect within days to weeks.

Mrs. PELTOLA. OK. And are those announcements in regard to Alaska, as well?

Dr. SPINRAD. Yes, ma'am.

Mrs. PELTOLA. OK. Thank you.

My second question is, NOAA recently announced that it canceled the 2024 Bering Sea Longline Fisheries Survey. Last year, it was the halibut survey that was not performed because of a lack of funds. And I am wondering what steps NOAA is taking to ensure that the surveys go forward next year.

Dr. SPINRAD. First, I will say we recognize the criticality and the value of the data that we get from the surveys. We do these particular surveys on a cost recovery basis. And, in fact, in this particular case, the vessel operator did incur a number of losses due to decreased value of the catch that they had.

We are looking at options associated with how to do this. As you know, we have included a \$41 million increase for our days at sea for our own operations. I would like to see us be able to incorporate this, get beyond the implications of having a cost recovery effort.

My commitment to you is to try to define options that work better than a cost recovery that is subject to the market fluctuations.

Mrs. PELTOLA. OK, and we need to do this quickly because, if we have zero abundance and there is a horrible price, that is no money. And things move very slowly on this side of the table, as well. So, time is of the essence.

My third question, because I am looking at 30 seconds left, last year, NOAA began updating the national standards on 3 of the 10: abundance, bycatch, and communities. I am most concerned that at the North Pacific Fisheries Management Council at the AP they are talking about communities being factory trawlers with a straight face. They are making arguments that factory trawlers are communities versus communities that have been in that same location for 12,000 years based on a relationship with returning salmon that is no longer happening.

A factory trawler is not a village that has been there for 12,000 years. We have to get some definitions that make sense in our

national standards, and I am hoping that isn't, like, "coming quickly," meaning 10 months from now.

Dr. SPINRAD. First of all, I appreciate the concern you have expressed. And I think part of the answer is tied to the construct of the council. You have alluded to that.

We have reached out to the governor in Alaska, and said that we would like to see nominations be a bit more inclusive of the representation that you alluded to. So, I think that is part of the solution.

Mrs. PELTOLA. Thank you, Mr. Chairman.

Mr. BENTZ. The Chair recognizes Chairman Westerman for 5 minutes.

Mr. WESTERMAN. Thank you, Chairman Bentz, and thank you to the witnesses for being here today.

Administrator Spinrad and Director Williams, you have both put out some rules recently that haven't been finalized yet, but are very, very unpopular rules. They also seem to lack logic. I have looked at them, tried to have an open mind. I am talking about the speed limit rule with NOAA and the BIDEH rule with U.S. Fish and Wildlife.

And I think you know this, but I just want to remind you that you have really offended a lot of sportsmen and women across the country with these rules. And I would hate to see a vote on which one of these rules they dislike the most, because they dislike both of them very much. And it is almost like you all had a side bet to see who could offend the most people with rules that you have made. And I don't think it is your intent to alienate sportsmen and women around the country, but that is certainly what is happening.

And just to offer some advice, I would do everything in your power to pull these rules back before they become final, because these are people all over the country that are going to be pushing Republicans and Democrats to stop the rules that you are putting in place. And my position will be to try to stop that through the authorization and the appropriation process.

But I don't have time to talk about both of them, so we are going to talk about BIDEH, Director Williams. Last month, the Subcommittee held an oversight hearing on the Service's proposed BIDEH rule. At the hearing, the Service claimed this rule is largely consistent with current practices, and then later testified that it would look at certain management practices "through a new lens." What does the new lens mean?

Ms. WILLIAMS. Mr. Chair, thank you for the question, and I appreciate it. I listened intently to the BIDEH hearing.

What I would like to say about BIDEH is that I have pored through the National Wildlife Refuge System Improvement Act, the statute that authorizes the refuge system and guides its management, in its language says that it is the charge of the Secretary to ensure that the biological integrity, diversity, and environmental health of the system are maintained for the present and future generations.

So, I would like to say that we have had the requirement of the biological integrity, environmental health of the refuge system in

place. We have also had policies in place. This rulemaking is meant to reinforce that requirement from the Refuge Act.

Where I think there has been a misunderstanding, and I will absolutely acknowledge it and recognize that our sportsmen and women across the country are very important constituents to the Fish and Wildlife Service, are important to the health of the refuge system. I think that some of the misunderstanding and the distrust from the rule coming out was the way in which it was couched, “prohibited unless,” and that came from the way the National Wildlife Refuge System Act is written that starts with refuges being closed unless opened.

We extended our comment period. We understand there are many comments to go through.

Mr. WESTERMAN. I am going to have to—

Ms. WILLIAMS. And I want to address them to clarify.

Mr. WESTERMAN. Right. The message that the public is getting is that Fish and Wildlife doesn’t want to manage fish and wildlife refuges for fish and wildlife anymore, that they want to make them another little sanctuary, where people maybe can go in and bird watch or something. But not being able to do agriculture practices on these fish and wildlife refuges is definitely going to hurt wildlife habitat.

During our hearing, the Service also claimed that this rule would not ban the use of important management practices. However, the plain language tells a different story and supporters such as the Humane Society have lauded the proposal because it would “ban the use of predator control measures throughout the National Wildlife Refuge System.” So, who is correct here?

Ms. WILLIAMS. Mr. Chair and Congressman Westerman, the agricultural practices and predator management that support the purpose for which the refuge was created can continue. The BIDEH rule does not get rid of those agricultural practices or predator control practices.

Mr. WESTERMAN. Well, your friends at the Humane Society are touting that it gets rid of predator control.

Administrator Wech, I have a question for you. I will just submit it to the record. It has to do with the Narrows Dam in my district and what is taking so long to get the trash gates fixed on it.

I yield back.

Mr. BENTZ. Ranking Member Huffman, you are recognized for 5 minutes.

Mr. HUFFMAN. Thank you, Mr. Chairman.

Dr. Spinrad, I believe you did the right thing by moving forward, as you said, with alacrity to begin protecting the North Atlantic right whale in the face of an imminent extinction threat. I know it has been suggested that we should just continue endless dialogue. Of course, we all want to see new technology and other things that could help us, but you took action.

And you are a science agency. What do the scientists tell you that we can afford to lose each year when it comes to the North Atlantic right whale population, if we are going to keep them from going extinct?

Dr. SPINRAD. Well, the scientists and, I would also point out, the judicial system has indicated we cannot afford to lose one, much less, say, a reproductive female, of which there are only 70.

Mr. HUFFMAN. And we are losing more than one to ship strikes.

Dr. SPINRAD. We are. As I indicated, this year we have already had at least three deaths attributable to ship strikes because one of those was a female who we knew had a calf associated with her, and we haven't been able to find the calf. I should point out we can only account for 36 percent of those that are killed.

Mr. HUFFMAN. The ones we count, right.

Dr. SPINRAD. Yes.

Mr. HUFFMAN. You did the right thing.

Moving on to the Rice's whale, there is a suggestion that you should have focused singularly, I suppose, on some acoustic surveys that show no Rice's whales in the area proposed for critical habitat. But you have some other evidence that you didn't get to talk about because you were cut off. Tell us a little more about the aerial surveys.

And I understand there are also some anecdotal accounts from fishermen recently in the area you are proposing for critical habitat.

Dr. SPINRAD. Yes. Thank you, Ranking Member Huffman.

First of all, I would say there is an old credo within the scientific community that the absence of evidence is not the evidence of absence.

[Slide.]

Dr. SPINRAD. That was confirmed, in fact, in the image that I tried to share is this one, which was just taken by some of our scientists last month. It is an aerial survey. It is one of two Rice's whales that were detected in the area that is currently under consideration as critical habitat.

So, between that and, as you indicated, some of the anecdotal observations by those who fish and navigate in those waters, we know they are resident there.

Mr. HUFFMAN. I appreciate that. You talked a little bit about some of the funding from the IRA that has enabled you to do a lot of good work in the last couple of years: climate-ready fisheries, resilient coastal communities, safeguards against climate and weather impacts, tribal fish hatcheries. I understand some of the red snapper research, even, that you were praised for earlier benefited from some of that IRA funding. And if I heard you correctly, the demand for this programmatic funding is 28 times what we have been able to push out the door. Did I hear you right?

Dr. SPINRAD. That is absolutely right, and that is for a large chunk of those resources, almost \$600 million for what we are calling Climate Resilience Regional Challenge. These will typically be investments of, say, \$10 million, maybe as high as \$50 million. So, you have a sense of, at \$16 billion, what the nation, what the communities, industries, individuals around the country are asking for.

Mr. HUFFMAN. All right. So, the idea that this funding was not doing critically important, beneficial work would not be right. And I think that is important when we consider the fact that Chairman Westerman's proposed wildlife bill, the Wildlife Habitat and

Conservation Act, his version of RAWA, if you will, would actually strip that funding back by \$700 million, I guess, in the name of protecting wildlife. It seems to make no sense to me.

Commissioner Touton, I want to ask you about a recent *LA Times* report on illegal water theft from the Bureau of Reclamation. I know you are familiar with this, the Panoche Water District in California stole water over two decades. It was sold for more than \$25 million. This is, obviously, an outrage for taxpayers and for other water users who have struggled during difficult water years.

The Bureau is charged with allocating these scarce water resources, and also ensuring adequate stream flows and making the other tough calls to manage water. It is hard for me to imagine that the Panoche Water District is the only one of the dozens and dozens of Federal contractors that are plugged into the system that have done this.

Can you tell me what you are doing to get your arms around this problem, to understand the scope of it, and to make sure that illegal diversions stop, and that we don't continue to allow this to happen right under our nose?

And I am interested to know how the heck it did happen for over two decades under this agency's watch.

Ms. TOUTON. Thank you for that question, Ranking Member.

When we look at our ability, this is key to our mission, right, knowing where this water is going, and it showed that there was a significant gap in our monitoring. So, one of the things we are immediately doing now is utilizing BIL and IRA funding to increase our monitoring. The other tool is fines. As you alluded to, we fine them. But a key part of this is working with the state of California for enforcement.

Mr. HUFFMAN. All right, thank you.

I yield back.

Mr. BENTZ. Congressman Carl, you are recognized for 5 minutes.

Mr. CARL. Thank you, Chairman. I would like to apologize to my colleagues on this board. I am beginning to think like Garret Graves, and all of my questions are exactly what Garret asked. So, I have to make this up as we go along. Thinking like Garret is scary, especially being from Alabama.

Roll Tide, just for Garret's purpose.

[Laughter.]

Mr. CARL. Mr. Spinrad, help me fill in some blanks here. How much did you say we were budgeting for the Rice's whale study? In your opening statement you said billions?

Dr. SPINRAD. No, it was certainly not billions. I would have to get back to you with the exact number.

Mr. CARL. Well, you have it in your notes right there. And while you are looking, how many strikes did you say we had last year?

Dr. SPINRAD. On Rice's whale or North Atlantic right whales?

Mr. CARL. Well, let's just take Rice's whale for the moment.

Dr. SPINRAD. I don't have records of any strikes on Rice's whales.

Mr. CARL. No strikes in the Gulf.

Dr. SPINRAD. Which is why, of course, we are not putting a rulemaking in place for vessel strike rule on Rice's whale.

Mr. CARL. So, how many have we killed in the Gulf?

Dr. SPINRAD. Rice's whale, I am not aware of any mortalities.

Mr. CARL. So, no mortalities in the Gulf. You are talking about just the East Coast. So, you are talking about primarily the Bryde's whale. The Bryde's whale, correct?

Dr. SPINRAD. Rice's whale.

Mr. CARL. Bryde's?

Dr. SPINRAD. Rice's whale.

Mr. CARL. OK. Your picture right there, is that a Bryde's or a Rice's?

Dr. SPINRAD. That is a Rice's whale.

Mr. CARL. How do you tell the difference?

Dr. SPINRAD. I can't, but our experts can. We have experts.

Mr. CARL. Do you know how they tell the difference?

Dr. SPINRAD. They look at fluke markings. They look at size, they look at shape. They look at the same things you would use to identify basically any other marine mammal.

Mr. CARL. According to what I read, they crack the skull open, and that is how they figure it out.

Dr. SPINRAD. No, not for these. These were aerial surveys, sir, that were done without any harassment or impact on the animal.

Mr. CARL. All right. What I am saying is you have to crack the skull open to actually tell the difference between a Bryde's and a Rice's. You are trying to talk about two different whales. I don't think we are talking about two different whales.

So, the East Coast whale, well, let's call it the East Coast whale. Have we done any studies on these windmills to see how it affects these whales?

Dr. SPINRAD. We have looked at the acoustic signatures of the operations to put the wind turbines in the water, and we find no conclusive evidence of harassment, as defined by the Marine Mammal Protection Act, on the whales.

Mr. CARL. I mean, a fish that does all of its hunting and traveling based on acoustics, I don't see how that is possible. That is common sense. Obviously, I am not a scientist.

So, these three that were killed in the East Coast, these are—

Dr. SPINRAD. Right.

Mr. CARL. How many of those were dead strikes before they hit them? Do we know if the ship actually killed them, or were they dead, floating fish that they hit?

Dr. SPINRAD. Well, they were obviously struck, and the nature of the damage—

Mr. CARL. Well, that is obvious. They wouldn't be on the ship. But were they dead when they were hit?

Dr. SPINRAD. No, it is obvious on the whale.

Mr. CARL. OK, I get that. But were they dead when they were hit? Were they a floating fish when they were hit?

Dr. SPINRAD. Were they floating when they were hit?

Mr. CARL. Do you know?

Dr. SPINRAD. I cannot answer that. We were not present to see—

Mr. CARL. OK. So, we don't know if they were dead already from something else, and the ships had picked them up.



Dr. SPINRAD. The chances of that are pretty slim, based on the necropsies which indicate roughly time of death and where they were at the time.

Mr. CARL. OK, in the Gulf we are very concerned about this. And you show us pictures. Early on in this conversation, there were no pictures. You show us pictures. I find no reason to think you would be lying to us. OK, great. We have whales.

I have talked to an extensive amount of people that fish in the Gulf. No one has ever seen them. All the charters have never seen them. Now, that doesn't mean they don't exist, but the idea of trying to shut down traffic in that Gulf is going to affect me and my district tremendously, because we are a port city. And from a defense standpoint, we are working on naval ships, we are working on Coast Guard ships. We have oil platforms and gas, and so many things are going to depend on the moving of these ships in and out of the Gulf.

Please take into consideration who you are going to affect and what it is going to affect, because we have a 13 percent favorable rating in Congress. I promise you, in my district you have less. And those are the people that pay the bills. And when they turn on us, there is no stopping. We get blamed for everything that you do now, whether it is the fish count or whether it is talking about controlling the speed of their boat. But we have way too much government involved here.

I am like Westerman. I think we should look at the appropriations side. I think your Department is drunk on money, I think you are drunk on power, and I think we have to wheel it back.

With that, I yield my time back.

Mr. BENTZ. The Chair recognizes Congresswoman Hoyle for 5 minutes.

Mr. HUFFMAN. Mr. Chairman, could I briefly just request unanimous consent that Representative Kim Schrier of Washington be permitted to sit at the dais and participate in the hearing?

Mr. BENTZ. Without objection.

Mr. HUFFMAN. Thank you.

Ms. HOYLE. Thank you. My question is for Administrator Spinrad.

First of all, an aside, I know that the NOAA weather stations aren't part of this Committee's jurisdiction, but I would like to point out that you have a weather station in Portland, you have one in Medford. The Mid-Willamette Valley isn't covered, and we just had a devastating ice storm, and have a completely different weather system. So, we would love to work with you on making sure we cover that.

But a major focus of your Fiscal Year 2025 budget is NOAA's climate resilient portfolio and the investments necessary to provide those services. And we can argue about how we got here, but we have seen a lot of extreme climate events.

The Oregon coast relies on NOAA's high-quality science and data. NOAA needs people, ships, satellites, and airplanes to make that all happen. The city of Newport hosts many NOAA staff with collaboration with Oregon State University—go, Beavers—and I know you are familiar with this site. The state-of-the-art research facilities in Newport are an economic boost to that community, and

important to the entire coast and, I would say, to the entire country.

Unfortunately, the proposed Fiscal Year 2025 budget cuts to ocean research could have real impacts on NOAA's work in Oregon for ocean health. And, again, that research helps the entire country, and it impacts our commercial and sports fishing industries which are a critical part of our economy, as they rely on that data.

Could you talk about some of the ways that NOAA science is used in the Pacific Northwest, and what are you most worried about? Like, what should we most worry about if NOAA is not fully funded?

Dr. SPINRAD. Thank you for that question, and thank you for your comments about the work that we do out of Newport, and your support for those activities, as well.

In effect, NOAA's activities in the oceans take three flavors. One is fundamental research relevant to our mission. So, understanding, for example, how ocean conditions are changing. Is the ocean becoming more acidic? The second category would be our fisheries surveys and assessments of the biology of the ocean, if you will, for our responsibilities for fisheries management and ecosystem management. And the third is what we call our hydrographic charting. That is the mapping. If you are a boater, you use a navigational chart that comes from NOAA.

So, those are the basic categories of investment. And I would point out we conduct those kinds of activities with different kinds of vessels operating out of ports like Newport.

Ms. HOYLE. OK. Thank you. And, again, I very much appreciate your work. I would love to talk to you at another time on how we can manage to get weather station and tracking in the Mid-Willamette Valley.

I yield the rest of my time.

Mr. BENTZ. Congressman LaMalfa, you are recognized for 5 minutes.

Mr. LAMALFA. Thank you, Mr. Chairman.

Commissioner Touton, it is good to have you here today, as well as the rest of our panel. Let me direct this to you, going back to the Klamath River and the water shortages up there.

With the process of the dams being destroyed, Reclamation will not have the ability to borrow water from those reservoirs and do the water swapping that had been possible in the past with the lake, with the reservoirs, and for flow purposes. So, as you develop the new operations plan for the project, what do you intend to look at for the water borrowing to replace that if the dams are all destroyed?

Ms. TOUTON. First, Congressman LaMalfa, I just very much appreciate our continued dialogue here at the hearing, but also on all things easy but also hard.

When we look at the Klamath Project and our flexibility, first we need to be able to improve our modeling and forecasts so that the allocations are as sound as they possibly can be. We are also looking at Inflation Reduction Act funding for the Klamath Basin to be able to see what improvements we can make on infrastructure from our other basin funding.

Mr. LAMALFA. So, what my concern is, is that without that flexibility, as a new plan is developed for operations, then that means the only place they can really look is either take the water from the lake, which they don't want to do, or take it from agriculture, which has been done a lot lately.

Can you somehow promise to me that the solution won't be just buying out or taking water from agriculture as an additional long-term solution?

Ms. TOUTON. I think what I can commit to you, Congressman, is that we have to be able to look at a better way to operate the system so that there is reliability for our agricultural communities to continue to farm, as well as meeting our requirements for the ecosystem. And we have to find a path forward, and not just have one-off IOPs every year. And I think we are working toward that path.

Mr. LAMALFA. OK. It is my understanding you are not necessarily a biologist yourself.

Ms. TOUTON. I am an engineer, Congressman.

Mr. LAMALFA. So, the interim operation plan that you have been forced to use the last few years, let me rapid-fire these real quickly since we have limited time. Does the interim operating plan adjust the water temperature required for fish downstream of Lake Shasta, based on how good or bad the water year is? Are you allowed to adjust that temperature goal?

Ms. TOUTON. Are we looking at the Central Valley Project, Congressman?

Mr. LAMALFA. Yes.

Ms. TOUTON. So, in our operations plan there are thresholds of temperatures that we are looking to use. But more importantly, like Klamath in the Central Valley Project, we are looking to have a longer operations instead of again operating on 1-year ops every year.

Mr. LAMALFA. OK. So, there is a level of flexibility, I am gathering. Does IOP adjust the cold pool water that is to be maintained behind the lake based on how good or bad the water is?

Ms. TOUTON. Again, as part of the IOP, and this is something that we coordinate with Fish and NMFS, depending on what water year it is also helps to identify the cold water pool that is needed, and helps to lock in the operations for the water year.

Mr. LAMALFA. Well, my understanding is that it does depend on how good or bad the pool level is.

Ms. TOUTON. Yes, that is right.

Mr. LAMALFA. Does it adjust the amount of delta outflow based on population numbers of the fish in a water year?

Ms. TOUTON. I don't know that one, specifically, Congressman. I can follow up for the record.

Mr. LAMALFA. OK. Does the IOP require a certain amount of water carry over, based on a water year in the lake?

Ms. TOUTON. Within the IOP, there are targets in which we end the water year for specific storage, including within Shasta.

Mr. LAMALFA. OK. So, better water years typically result in better fish runs is a pretty safe conclusion, I would say.

Is there an ability to have the amount of take be adjustable based on the water year, the amount of fish take, whether we are talking salmon-type, et cetera?

Ms. TOUTON. I think there are a lot of factors in that. I would defer to my colleagues with the Fish and Wildlife Service.

Mr. LAMALFA. Well, I am going to have to answer it for you, because our experience on it is it is a hard number, and we have seen that in the Delta as we were trying to operate the pumps this year. Last year, we were able to fill San Luis Reservoir 100 percent. This year, there was a vast amount, like 95 percent, of cut-down in running the pumps, based on the idea of a hard take number.

And the fish that were taken there were in a high population year, a successful run of fish, of steelhead. Yet, they are not distinguishing between steelhead and raised rainbow. So, what we are getting is a distorted number of the types of fish being lumped into one, and they are not even marking the hatchery fish.

So, the fish that are rescued in their facility there and put back into the system are still counted as take, so we have an artificially high, a fake high number of take of fish that weren't actually taken and are of two different species being counted as one. So, that would be very problematic, because we didn't get to run the pumps this year, and we left half a million acre-feet out of San Luis Reservoir based on false data of what the fish take was having reached the level of take.

I have to stop there, and I wish there was more time.

Thank you, Mr. Chairman.

Mr. BENTZ. The Chair recognizes Mr. Mullin for 5 minutes, and then we will break for voting.

Mr. MULLIN. Thank you, Mr. Chair. I know we have votes looming.

Thank you all for your testimony. My question is for Dr. Spinrad.

Your agency in particular provides critical information about changes in climate, weather, and oceans. In this year's budget request, your agency has asked to reduce funding from programs such as NOAA research, while boosting funding for National Environmental Satellite Data and Information Service. Amidst these shifts, how is NOAA ensuring that fundamental questions about climate risk continue to be answered?

And how are you making sure that this information is available to leaders at state and local levels to inform decision-making?

Dr. SPINRAD. Thank you for your question focusing on what I would argue is one of our most important mission responsibilities, and that is giving American industry, individuals, communities what I call the environmental intelligence to make decisions, which means we have to sustain our ability to deliver in an operational way climate-related information.

We are going to do that by sustaining activities like the Climate Resilience Information Toolkit, the Climate Mapping for Resilience and Adaptation tools so your constituents can go look at a census tract level and determine are we going to see a tendency towards more heat days in the summers to come? Are we going to see more precipitation, more drought? Those tools will continue to be delivered.

Unfortunately, because of some of the cuts that we had to take associated with the Fiscal Responsibility Act, we have to diminish some of our investment and the research that supports those. But

I am confident in the years to come we will be able to embellish that part of it, as well.

Mr. MULLIN. Thank you for that. And then, finally, Director Williams, the Don Edwards National Wildlife Refuge is in my district. We received \$2 million out of the Bipartisan Infrastructure Law for ecosystem restoration and climate change resilience projects. But funding for the refuge system has been nearly stagnant since 2010.

So, under these budget constraints, can you just tell me about the regulatory efforts by Fish and Wildlife to protect the biological integrity of the national wildlife refuge ecosystems amidst the threats from climate change? If you could, just speak to that.

Ms. WILLIAMS. Thank you, Mr. Chair. And, Congressman Mullin, I know that the Secretary really very much appreciated getting to visit with you and go to the Don Edwards San Francisco Bay National Wildlife Refuge. And I think that visit highlighted, as you say, just what the Fish and Wildlife Service is able to do when we have had the investment from the Bipartisan Infrastructure Law, and it has allowed us to do ecosystem restoration projects like the one you mentioned, in light of climate change, in making that area more resilient. It helps with water quality, it helps with flooding, it helps with access for those who live in San Francisco to get out to this refuge.

And then, of course, it helps with the species, whether they are migrating through or that are resident species, plants, birds, and amphibians alike. So, I think that is an example of just what we can do when we have the investment.

Unfortunately, the Fish and Wildlife Service and the refuge system, as I testified earlier, our budget has been stretched so far I worry about it snapping. We have had to complex refuges. We don't have an employee on every refuge. I believe there are seven or eight states where we don't even have a Federal wildlife officer, and those officers respond to emergencies, they help with the safety of our visitors. Many of our visitor centers are run wholly by volunteers. Almost all of them are on limited hours of operation. Some of them don't have a staff person to even oversee the volunteers. And it goes on and on.

So, here is a gem of a system of public lands for people to hunt, fish, recreate, and enjoy, and also established to be this connected network. And our proposed rulemaking, our comment period just ended, is intended to allow us to do just that, and that is to focus on that connected network, biological integrity, ecological health of those refuges, and allow people to use them and enjoy them.

So, thank you for asking the question.

Mr. BENTZ. Thank you. Here is what we are going to do. Congresswoman Hageman is going to take over as Chair. I am leaving to go vote. I am not sure about everybody else. We will come back. She will complete her 5 minutes of questions, and then she will go to vote, and we will go into recess, and then be back here after votes, but roughly at about 5.

Ms. HAGEMAN [presiding]. Thank you, Mr. Chairman.

Director Williams, on March 30 of this year, the state of Wyoming filed a petition for judicial review in the Wyoming District Court that alleges that the Department of the Interior has

failed to meet the 12-month deadline for determining Wyoming's petition to delist the grizzly bear population in the Greater Yellowstone Ecosystem. Wyoming's petition to delist was submitted in January 2022. It has now been 2½ years. And it was submitted to the U.S. Fish and Wildlife Service requesting the agency to delist the GYE grizzly bear. This request came after the population was determined to be sufficiently recovered in the Yellowstone Ecosystem under the Endangered Species Act.

I spoke to you about this a year ago, and you emphasized that the Service needed to complete its scientific review, which was supposed to be done within a 12-month period. Here we are, one year later, and you have had plenty of time to finish the review, but we haven't heard from you yet. Director Williams, when will we see this review?

Ms. WILLIAMS. Congressman Hageman, I do not have a specific date for the review. We are working diligently on this.

Ms. HAGEMAN. Why is it taking so long?

Ms. WILLIAMS. It is taking long because, as you have noted, under the Endangered Species Act, in determining whether to list or delist a species, there is a five-factor analysis.

Ms. HAGEMAN. Well, I understand the five factors. I am very familiar with the five factors. In fact, that is part of what my confusion is, because the Greater Yellowstone grizzly population has been fully recovered for over two decades. And, in fact, according to the Fish and Wildlife Service, we have more than double the number of grizzly bears that are considered a recovered grizzly bear population.

And Wyoming's management plan has already been determined to be an adequate regulatory mechanism for protecting a recovered species. So, again, I am still confused as to why 2½ years later, after our petition was filed, we still do not have that review finalized.

Ms. WILLIAMS. Congresswoman Hageman, that determination, as you know, numbers are very important.

Ms. HAGEMAN. By the statute you have 12 months, right? You have 12 months to finish the review, correct?

Ms. WILLIAMS. That is correct.

Ms. HAGEMAN. And you have exceeded that by 2½ times, correct?

Ms. WILLIAMS. That is correct.

Ms. HAGEMAN. When will we see that review? What will you commit to here today?

Ms. WILLIAMS. I will commit to continuing to work on that review expeditiously, Congresswoman Hageman.

Ms. HAGEMAN. How much longer do you think you are going to need?

Ms. WILLIAMS. There are a number of other litigation and activities before the Fish and Wildlife Service regarding grizzly bears, including a petition, actually, a litigation and proposed settlement from Idaho.

Ms. HAGEMAN. After this hearing, could you provide me with a response, an actual response of when you estimate to have that review finalized? Will you provide that information in writing?

Ms. WILLIAMS. Yes, Congresswoman.

Ms. HAGEMAN. Thank you.

Administrator Spinrad, I want to ask you about a couple of letters that have been sent to you, one by Mike Lee on March 12 of this year and another one by me on April 19, that highlight NOAA's use of the Billions Project data set, which tracks the information related to climate and natural disasters that allegedly resulted in at least \$1 billion in damages since 1980. Have you reviewed either of those letters?

Dr. SPINRAD. We are reviewing those letters.

Ms. HAGEMAN. Have you personally reviewed either of those letters?

Dr. SPINRAD. I have read the letters, and my staff is working with me to provide responses.

Ms. HAGEMAN. When do you think you will have responses to those letters?

Dr. SPINRAD. I can't give you a specific date.

Ms. HAGEMAN. OK. Mr. Spinrad, as you know, the data used to monitor the billion-dollar disasters does not distinguish between climate and weather-related disasters and other disaster losses. In fact, the Billions Project does not utilize climate data at all, it simply highlights losses from disasters that allegedly caused over \$1 billion in economic impact and damages.

NOAA has reportedly failed to disclose its method for calculating disaster loss, as well as information pertaining to sources it uses to calculate losses related to climate change and using the Billions Project data.

On NOAA's Frequently Asked Questions page about the Billions Project, it claims that it uses "more than one dozen public and private-sector data sources to help capture the total direct costs, both insured and uninsured, of the weather and climate events." But the project does not identify these sources in relation to specific events. I want to make sure that we receive responses to our letters so that we can actually understand from NOAA what the data set is that you are using.

Does NOAA have its own method of calculating disaster losses?

Dr. SPINRAD. Yes, we look at the information that we get from the communities. We use our reassessments that we do after every weather event as part of that data set.

Ms. HAGEMAN. And you will provide that in response to my letter?

Dr. SPINRAD. We will, yes.

Ms. HAGEMAN. With unanimous consent, I would like to submit two documents for the record. One is a Protect the Public's Trust request for an investigation into apparent scientific integrity violations related to NOAA's billion-dollar disaster project, and the second one is Corrupted Climate Stations, which documents that 96 percent of the data that is being used by NOAA to calculate its so-called climate change and global warming are corrupted. I would like to submit both of those for the record.

[The information follows:]

**PROTECT the PUBLIC'S TRUST**

April 3, 2024

Roderick Anderson, Acting Inspector General  
 U.S. Department of Commerce  
 1401 Constitution Avenue, N.W.  
 Washington, DC 20230

Dr. Cynthia J. Decker, Science Integrity Officer  
 National Oceanic and Atmospheric Administration—Science Council  
 1315 East-West Highway  
 Silver Spring, MD 20910

Re: Request for Investigation into Apparent Scientific Integrity Violations Related to NOAA's "Billion Dollar Disaster" Project

Dear Mr. Anderson and Dr. Decker:

The American people deserve a government that meets the highest standards of conduct and integrity, particularly when it comes to the government's handling of priority issues like climate change. That is why it is so concerning that the National Oceanic and Atmospheric Administration ("NOAA") appears to have run the Billion-Dollar Weather and Climate Disasters tracking project (the "Billions Project" or the "Project") in a manner that violates fundamental principles of scientific integrity.

Protect the Public's Trust (PPT) is a nonpartisan organization dedicated to promoting ethics in government and restoring the public's trust in government officials. Sensational climate claims made without proper scientific basis and spread by government officials threaten the public's trust in its scientific officials and undermines the government's mission of stewarding the environment. It also poses the danger of policymakers basing consequential government policy on unscientific claims unsupported by evidence. For this reason, PPT requests that you investigate the apparent scientific integrity violations of NOAA's Billions Project and its misleading and inaccurate claims about the Project's dataset.

**Background**

The Billions Project is a tally of weather and climate disasters since 1980 that resulted in \$1 billion or more in losses.<sup>1</sup> The Project has had a big impact: it was highlighted by the U.S. government's U.S. Global Change Research Program as a "climate change indicator,"<sup>2</sup> and was cited as evidence that "extreme events are becoming more frequent and severe" in the Fifth U.S. National Climate Assessment.<sup>3</sup> The dataset's influence and reach is vast. Per Google scholar, it has been cited in almost 1,000 articles.<sup>4</sup>

Though cited as evidence of climate change effects, the Billions Project does not utilize climate data. The Project's dataset only collects and reports economic data about disaster losses. Because of this, it cannot distinguish the effect of climate change as a factor on disaster losses from the effect of human factors like increases in the vulnerability and exposure of people and wealth to disaster damages due to population and economic growth.

The Project's statistical practices have raised criticism that they lead to inaccurate reporting on disaster events since the Project's beginning. For example, while the Project adjusted the dollar amount of damages for events in the database for inflation, it only included events that crossed the billion-dollar threshold in the

<sup>1</sup>See NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters (2024). <https://www.ncei.noaa.gov/access/billions/>.

<sup>2</sup>*Human Consequences of Climate Change*, USDA Forest Service Office of Sustainability and Climate and the Environmental Protection Agency (March 30, 2023), <https://storymaps.arcgis.com/collections/ad628a4d3e7e4460b089d9fe96b2475d?item=6>.

<sup>3</sup>*Fifth National Climate Assessment: Climate Trends*, U.S. Global Change Research Program (November 2023), <https://nca2023.globalchange.gov/chapter/2/>.

<sup>4</sup>[https://scholar.google.com/scholar?hl=en&as\\_sdt=0%2C6&q=%22billion+dollar+disasters%22&btnG=](https://scholar.google.com/scholar?hl=en&as_sdt=0%2C6&q=%22billion+dollar+disasters%22&btnG=).



year they occurred.<sup>5,6</sup> This resulted in an apples-to-oranges comparison over time, as inflation effectively lowered the threshold for initial inclusion in the database over time. NOAA corrected this issue in 2012 and warned “[c]aution should be used in interpreting any trends based on this graphic for a variety of reasons.”<sup>7</sup>

Since that time, the Project has continued to engage in statistical practices that appear to lead to inaccurate reporting on disaster events, such as using undisclosed calculation methodologies for determining losses from individual disaster events that result in drastically higher loss estimates than those reported by other institutions at NOAA.<sup>8</sup>

In addition, the Project’s dataset itself is beset by numerous violations of the scientific integrity standards set by NOAA and the Biden Administration.

### **The Scientific Integrity Policies Regulating the Billions Project**

#### *NOAA’s Scientific Integrity Policies*

NOAA maintains strict and far-reaching scientific integrity policies to ensure it upholds the highest standards of quality in its scientific research and publications. The primary source of NOAA’s scientific integrity policies is NOAA Administrative Order 202-735D.3 (the “SI Order”), which went into effect on March 1, 2024.<sup>9</sup> NOAA’s stated intent behind the SI Order is “to strengthen universal confidence—from scientists to decision-makers to the general public—in the quality, validity, and reliability of NOAA science.”<sup>10</sup>

The SI Order applies broadly within NOAA. Section 2.01(a) of the SI Order applies its scientific integrity policies to “[a]ll NOAA employees, political and career . . . who engage in, supervise, or manage scientific activities, analyze and/or publicly communicate information resulting from scientific activities, or use scientific information or analyses in making bureau or office policy, management, or regulatory decisions, unless excepted under a collective bargaining agreement.”<sup>11</sup> Under this far reaching definition, the NOAA staff that produce, maintain, and communicate with the public about the Billions Project are covered by the SI Order’s policies.

The SI Order’s definition of forbidden “Scientific and Research Misconduct” is sweeping and total:<sup>12</sup>

Scientific and Research Misconduct—Scientific misconduct is a significant departure from the Code of Scientific Conduct or the Code of Ethics for Supervisors and Managers and may be committed intentionally, knowingly or recklessly. This type of misconduct includes, but is not limited to, fabrication, falsification, plagiarism and interference. Research misconduct is fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results. Research misconduct does not include honest error or differences of opinion, and may be committed intentionally, knowingly or recklessly.

Similarly, the SI Order forbids the “Suppression of Science,” which it defines in relevant part as the “deliberate . . . [d]istorting or selective releasing of scientific analysis, assessment, research, product, or data for public communication.”<sup>13</sup>

The SI Order defines “Scientific Integrity” as adherence to a core set of professional values that insulate science from scientific misconduct:<sup>14</sup>

Scientific Integrity—Scientific integrity is the adherence to professional practices, ethical behavior, and the principles of honesty and objectivity when conducting, managing, using the results of, and communicating about

<sup>5</sup>Jason Samenow, *2011 billion dollar weather disaster record: legit or bad economics*, The Washington Post (Jan. 12, 2012), [https://www.washingtonpost.com/blogs/capital-weather-gang/post/2011-billion-dollar-weather-disaster-record-legit-or-bad-economics/2012/01/12/gIQADoczP\\_blog.html](https://www.washingtonpost.com/blogs/capital-weather-gang/post/2011-billion-dollar-weather-disaster-record-legit-or-bad-economics/2012/01/12/gIQADoczP_blog.html).

<sup>6</sup>Roger Pielke, Jr., *Everything You Hear About Billion-Dollar Disasters Is Wrong*, Forbes (Nov. 7, 2019), <https://www.forbes.com/sites/rogerpielke/2019/11/07/everything-you-hear-about-billion-dollar-disasters-is-wrong/?sh=5f74db052fea>.

<sup>7</sup>Pielke, *supra* note 7.

<sup>8</sup>See *infra* at 7 (comparison of the Billions Project’s estimate of losses from Hurricane Idalia to the National Hurricane Center’s estimate of losses).

<sup>9</sup>NAO 202-735D-3: *Scientific Integrity*, NOAA (Mar. 1, 2024), <https://www.noaa.gov/organization/administration/nao-202-735d-2-scientific-integrity>.

<sup>10</sup>SI Order at 2.

<sup>11</sup>*Id.*

<sup>12</sup>*Id.* at 7.

<sup>13</sup>*Id.* at 8.

<sup>14</sup>*Id.* at 7.

science and scientific activities. Inclusivity, transparency, and protection from inappropriate influence are hallmarks of scientific integrity.

As used in these definitions, and throughout the SI Order, the terms “falsification” and “fabrication” have particular definitions:<sup>15</sup>

Falsification—Manipulating research materials, equipment, or processes, or changing or omitting data or results such that the research is not accurately represented in the research record.

Fabrication—Making up data or scientific results and recording or reporting them.

In addition to these standards of honesty, the SI Order’s Principles of Scientific Integrity require adherence to standards for ensuring NOAA’s scientific and research products can be reviewed and their methodologies analyzed.<sup>16</sup> These standards are “transparency” and “traceability.”<sup>17</sup>

Transparency—Transparency of scientific integrity should guide scientists to give visibility to their data and to describe their analyses, methods and how to interpret their results in ways that allow others to assess them.

Transparency ensures that all relevant data and information used to inform a decision made or action taken is visible, accessible,—and consumable by affected or interested parties, to the extent allowable by law. This includes, to the extent possible, providing the information necessary to interpret artificial intelligence and machine learning methodologies when used.

Traceability—The ability to verify sources, data, information, methodology, results, and assessments, research, analysis, conclusions or other evidence to establish the integrity of findings.

The SI Order’s Principles of Scientific Integrity further promote scientific openness by encouraging all covered individuals who “engage in science and the development of scientific products . . . to publish data and findings in transparent ways that enhance NOAA’s reputation for reliable science,” including by “communicating what is known about the provenance, validity, and accuracy of all data as well as the process of creating the data.”<sup>18</sup> The SI Order’s definition of “scientific products” is broad and encompasses communications about scientific research, like the Billions Project.<sup>19</sup>

Scientific Product—The results of scientific activities including the analysis, synthesis, compilation, or translation of scientific information and data into electronic and hardcopy formats for the use of NOAA, the Department of Commerce, or the Nation. These products include, but are not limited to, experimental and operational models, forecasts, graphics, and verbal and written communications of all kinds relating to scientific activities, including NOAA social media accounts.

Additionally, the SI Order’s Code of Scientific Conduct requires NOAA staff and partners to be “[a]ccountable in conducting research and interpretation of research results” by “[d]isclos[ing] all research methods used, available data, and final reports and publications consistent with applicable scientific standards, laws, and policy.”<sup>20</sup>

NOAA’s commitment to these principles is demonstrated by how seriously it takes potential scientific integrity violations. The SI Order’s Policy on Scientific Integrity strictly prohibits them and requires thorough investigation when they have been alleged.<sup>21</sup>

It is NOAA policy that:

.01 Research and Scientific Misconduct by any covered individual are prohibited.

. . .

<sup>15</sup> *Id.* at 4.

<sup>16</sup> *Id.* at 9.

<sup>17</sup> *Id.* at 8.

<sup>18</sup> *Id.* at 10.

<sup>19</sup> *Id.* at 8.

<sup>20</sup> *Id.* at 17.

<sup>21</sup> *Id.* at 8-9.

.02 All covered individuals comply with the requirements of, and adhere to, the principles of scientific integrity, integrity of science activities, Code of Scientific Conduct and Code of Ethics for Science Supervision and Management described in this NAO when performing their duties within and outside of NOAA.

. . .

.04 Under no circumstance may any covered individuals ask or direct Federal scientists or other NOAA employees to suppress or alter, or delay scientific data, findings, analysis, assessments, or research, including how they are used in communications of all kinds, both public and internal, and in congressional testimony.

.05 All allegations of scientific and research misconduct, and loss of scientific integrity brought against covered individuals will be thoroughly assessed to determine if they are credible.

.06 Credible allegations of fabrication, falsification, plagiarism, and interference with or undue influence on accurate public reporting of science will be examined using the process laid out in the Procedural Handbook to this NAO and may result in personnel actions, referral to the Inspector General's office, or NOAA's Acquisition and Grants Office.

The SI Order makes clear that NOAA considers all these policies necessary for its ability to fulfill its purpose: "Transparency, traceability, and integrity [including prohibitions against falsification and fabrication] at all levels are required for NOAA to achieve its strategic vision of 'healthy ecosystems, communities, and economies that are resilient in the face of change.'"<sup>22</sup> "These are the 'core values of [NOAA] and the reason for maintaining this Order.'"<sup>23</sup>

*The Biden Administration's Memorandum on Scientific Integrity*

In addition to the NOAA's scientific integrity policy, President Biden's Memorandum on Restoring Trust in Government Through Scientific Integrity and Evidence-Based Policymaking prohibits the influence of politics on science and requires government agencies to use well-established scientific processes:<sup>24</sup>

It is the policy of my Administration to make evidence-based decisions guided by the best available science and data. Scientific and technological information, data, and evidence are central to the development and iterative improvement of sound policies, and to the delivery of equitable programs, across every area of government. Scientific findings should never be distorted or influenced by political considerations. When scientific or technological information is considered in policy decisions, it should be subjected to well-established scientific processes, including peer review where feasible and appropriate, with appropriate protections for privacy.

**Analysis**

***The Billions Project appears to violate basic scientific integrity standards.***

Several potential violations have been identified and thoroughly analyzed by Professor Roger Pielke, Jr. in his forthcoming paper *Scientific Integrity and U.S. "Billion Dollar Disasters"* (the "Pielke Paper").<sup>25</sup> Professor Pielke identifies at least seven violations of scientific integrity within the Billions Project related to transparency and traceability. These errors also present concerns about falsification and fabrication because the discrepancies within the Project's dataset and its extreme departures from disaster loss estimates by other institutions are incapable of outside review and evaluation due to the opacity of the Project's baseline data and calculation methods. These errors are described below.

***1. The Billions Project does not identify its sources or methods for calculating disaster losses.***

NOAA's use of undisclosed non-traditional costs in its calculations can mislead and misinform the public about the relevant scale of the disaster losses reported in the Project's dataset.

<sup>22</sup> *Id.* at 7.

<sup>23</sup> *Id.*

<sup>24</sup> Memorandum on Restoring Trust in Government Through Scientific Integrity and Evidence-Based Policymaking, 86 Fed. Reg. 8845 (Jan. 27, 2021), <https://www.govinfo.gov/content/pkg/FR-2021-02-10/pdf/2021-02839.pdf>.

<sup>25</sup> A preprint of the Pielke Paper is available online: <https://osf.io/preprints/socarxiv/3vf7b>.

Though the Billions Project claims it uses “[m]ore than one dozen public and private sector data sources help capture the total, direct costs (both insured and uninsured) of the weather and climate events” it reports,<sup>26</sup> the Project does not 1) identify these sources in relation to specific events, 2) explain how the estimates are derived from their sources, or 3) provide the estimates themselves.

The absence of this information is not an idle concern, as it prevents meaningful review of the Project’s methods and calculations. For example, the NOAA employees who maintain the Billions Project have identified non-traditional cost considerations, like livestock feeding costs as a function of national feedstock trends, as a variable used in compiling the Billions Project’s dataset.<sup>27</sup> But conventional disaster accounting methods do not consider livestock feeding costs in their calculations.<sup>28</sup> Because the Billions Project’s sources, estimates, and calculation methods are neither transparent nor traceable, it is not clear why costs such as livestock feeding costs are part of its calculations or how many other non-traditional costs are used in NOAA’s calculations, how they are used, and how much they affect the total disaster losses reported in the Project.

This opacity precludes other scientists, or even members of the public, from scrutinizing NOAA’s decision-making and calculations in producing the Project’s dataset and from evaluating the utility of its loss estimates. Furthermore, because NOAA does not disclose all the costs it considers in calculating its estimates and their details, it is impossible for independent sources to protect against the falsification and fabrication of data.

2. *The Billions Project’s accounting method for disaster loss estimates are undisclosed and produce suspect results.*

Similarly, NOAA does not explain how it estimates the costs of disasters generally. This lack of transparency is particularly problematic given that NOAA’s cost estimates appear to deviate dramatically from conventional accounting practices for disaster loss estimates.

This is exemplified in its loss estimates for hurricanes. The historical practice of NOAA’s National Hurricane Center has been to double insured losses from hurricanes to estimate total direct losses.<sup>29</sup> But, for unexplained reasons, this is not the practice NOAA uses in the Billions Project, as demonstrated with its Hurricane Idalia estimates.

Hurricane Idalia hit Florida in September 2023. Initial catastrophe models estimated insured losses of \$2.5 to \$5 billion;<sup>30</sup> the Billions Project’s initial estimate was \$2.5 billion. But actual insured losses recorded after Idalia hit were far less: approximately \$310 million.<sup>31</sup> Under the National Hurricane Center’s method, the estimated total direct losses would be about \$620 million. But the Billions Project’s estimate increased after the insured losses from Idalia came in at 1/4th of the lowest initial estimate. The Project’s ultimate estimate was \$3.5 billion,<sup>32</sup> about six times higher than the National Hurricane Center’s method would indicate. NOAA provides no explanation for why it increased its loss estimate after Idalia turned out to be *less* destructive than initially anticipated, nor does NOAA provide any explanation for why there is a massive disjunction between the Idalia loss estimates for two of its projects.

The absence of transparency and traceability in the Billions Project’s estimate methodology raises direct concerns about potential falsification or fabrication of data: there is no indication why the Billions Project’s loss estimate for Hurricane Idalia so far exceeds what it “should” have been, nor whether these accounting discrepancies are pervasive throughout the Project’s dataset.

<sup>26</sup> FAQ: *Billion-Dollar Weather and Climate Disasters*, National Centers for Environmental Information, <https://www.ncei.noaa.gov/access/billions/faq>.

<sup>27</sup> Smith and Matthews, *Quantifying Uncertainty and Variable Sensitivity within the U.S. Billion-dollar Weather and Climate Disaster Cost Estimates*, Natural Hazards (2015), at 8. Available at <https://www.ncei.noaa.gov/monitoring-content/billions/docs/smith-and-matthews-2015.pdf>.

<sup>28</sup> Pielke Paper at 4.

<sup>29</sup> *Id.*

<sup>30</sup> RMS, *Verisk Weigh in With Insured-Loss Estimates in Low Billions of Dollars From Idalia*, Insurance Journal (Sept. 5, 2023), <https://www.insurancejournal.com/news/national/2023/09/05/738970.htm>.

<sup>31</sup> OIR *Hurricane Idalia Information*, Florida Office of Insurance Regulation (Updated November 16, 2023), <https://www.florir.com/home/idalia>.

<sup>32</sup> *Events*, National Centers for Environmental Information, [https://www.ncei.noaa.gov/access/billions/events/US/1980-2023?disasters\[\]=all-disasters](https://www.ncei.noaa.gov/access/billions/events/US/1980-2023?disasters[]=all-disasters).

3. *The Billions Project adds and removes disaster events from the dataset without acknowledgment or explanation.*

Because the Billions Project's dataset is "living" and new entries are added as disasters occur, it is expected for the dataset's count of disasters to increase over time. What is not expected is for disasters to be added *years* after they occur or for them to be removed from the dataset, and for it to do both without acknowledgment or explanation. Yet this occurs within the Project's dataset. Professor Pielke compared the version of the Project's dataset from late 2022 to an updated version published in mid-2023 and found that 10 new events were added and 3 were deleted in the mid-2023 version without any documentation or explanation reflecting these changes.<sup>33</sup> Professor Pielke further compared the mid-2023 version to a more recent version and found an additional 4 historical events were added.<sup>34</sup> While changes to the dataset to add or remove historical events may plausibly occur as a result of renewed research into the disaster records for particular years or as a result of clean up and re-evaluation of existing data, scientific integrity requires that such changes be documented with explanations of the analysis and decision-making behind them. Transparency and traceability require NOAA to disclose if it added historical events for reasons such as a change in its calculation methodology for disaster losses, or if it removed historical events because its calculations were incorrect, inflated, or based on an outmoded method.

Whatever the justification for NOAA's changes to the dataset, NOAA's scientific integrity principles require it to disclose that it changed its dataset and explain why. Instead, NOAA has provided no documentation, justification, or acknowledgment of these changes. In point of fact, Professor Pielke only discovered the discrepancy between these different versions of the dataset because he happened to download the publicly available version of the dataset at different times and realized they had different information for historical disasters.<sup>35</sup>

4. *The Billions Project adjusts its loss data beyond what inflation-adjustments require and does so for unexplained reasons.*

According to NOAA, the only annual adjustment to the Billions Project's dataset that it acknowledges is to account for inflation based on the Consumer Price Index ("CPI").<sup>36</sup> As inflation adjustments based on the CPI are uniform, NOAA's adjustments should be uniform as well. But this is not the case. From 2022 to 2023, adjustments to the loss data for historical disasters in the dataset were made individually, and multiple of the adjustments were beyond what would be reasonable for a CPI-based inflation adjustment.<sup>37</sup>

Most disasters were adjusted between 4.5% and 6%. But 9 events were adjusted between 6.6% and 145%, and one was reduced by about 75%.<sup>38</sup> NOAA provides no documentation or explanation for why its supposed inflation adjustment is not uniform and contains an increase of 145% to one event and a reduction of 75% to another. The opacity of NOAA's adjustment method, which must necessarily incorporate considerations beyond a CPI-based inflation adjustment, raises strong concerns about potential intentional data manipulation, if not outright falsification and fabrication, given the absence of a justification for its non-uniform cost adjustments and its massive increases in the cost of certain events.

5. *The Billions Project "scales up" loss data based on various factors without disclosing the methodology for its calculation or the baseline data.*

According to NOAA, it "scal[es] up insured loss data to account for uninsured and underinsured losses, which differ[] by peril, geography, and asset class;" NOAA refers to these adjustments as "key transformations."<sup>39</sup> But these "key transformations," which all serve to raise the losses reported in the dataset, lack any transparency or traceability. NOAA adjusts the loss totals up using these transformations without providing any details on 1) the methodology for these transformations or their basis, 2) the impact these transformations have on loss estimates, 3) how these transformations may change over time or within the dataset, or 4) the baseline data on disaster losses prior to any transformations.

<sup>33</sup> Pielke Paper at 5.

<sup>34</sup> *Id.*

<sup>35</sup> *Id.*

<sup>36</sup> *Id.*

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

<sup>39</sup> *Calculating the Cost of Weather and Climate Disasters*, National Centers for Environmental Information (Updated: Apr. 21, 2022), <https://www.ncei.noaa.gov/news/calculating-cost-weather-and-climate-disasters>.

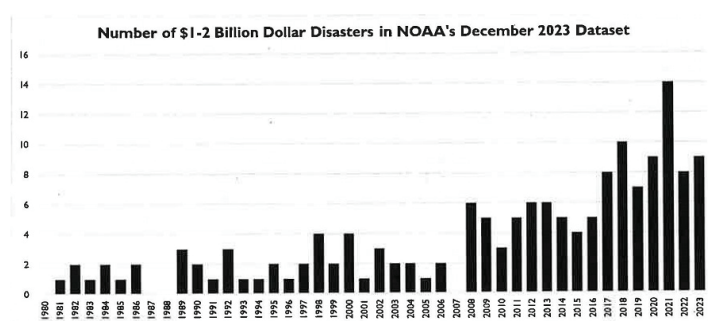
NOAA admits that the losses it reports are higher than the baseline data would indicate but provides no way for its manipulations of the data to be scrutinized, evaluated, or replicated.

Furthermore, these “key transformations” are not the only data manipulations. NOAA employees refer to an overall bias correction applied to the dataset in a 2015 paper,<sup>40</sup> and in another paper from 2013, NOAA employees refer to other data adjustments, such as adjustments based on U.S. flood insurance participation rates.<sup>41</sup> Like with the “key transformations,” NOAA fails to disclose either the methodologies or effects of these adjustments or the baseline data they were applied to.

NOAA’s approach to these key transformations violates its scientific integrity commitments. Not only does NOAA’s approach to these key transformations eschew transparency and traceability, it also raises concerns about the potential for purposeful data manipulation, if not outright falsification and fabrication of the data, given that NOAA is manipulating the Project’s loss data without disclosing any details.

6. *The Billions Project appears to use inconsistent calculation methods over time for unexplained reasons.*

Within the Billions Project’s time series, there is an implausible and unexplained spike in billion-dollar disasters reported starting in 2008, followed by a second spike starting in 2017. Prior to 2008, no year from 1980 to 2007 had more than four reported disasters. 2007 reported none. But starting in 2008, the number of yearly reported disasters spiked tremendously, as reflected in the chart below:<sup>42</sup>



As the chart shows, prior to 2008, only two years (1998 and 2000) had as many as four reported disasters. After the 2008 spike, only a single year had fewer than four disasters.

All other years but one (2015) reported more than four. Starting in 2017, there was a second spike and the number of yearly disasters increased precipitously. From 2017 to 2023, the average number of billion-dollar disasters each year was 9.2—more than 150% higher than the previous *record* for yearly disasters reported prior to 2017.

Because of their sudden and unexplained appearance in the data. These sharp increases in the number of reported yearly disasters suggest a change in disaster accounting methods. But because NOAA does not disclose either the methods or raw data used for producing its dataset, it is impossible to know the reasons for these jumps in the dataset or to evaluate the consistency and accuracy of NOAA’s calculations. The inability to investigate NOAA’s methodologies to understand the reasons for these implausible discontinuities demonstrates why transparency and traceability are such fundamental principles of scientific integrity. NOAA’s failure to abide by these principles leaves these discontinuities unexplained and raises the specter of intentional data manipulation, if not outright falsification and fabrication in the Project.

<sup>40</sup> Smith and Matthews at 4.

<sup>41</sup> Smith and Katz, *U.S. Billion-dollar Weather and Climate Disaster: Data Sources, Trends, Accuracy and Biases*, Natural Hazards (2013).

<sup>42</sup> The chart is taken from the Pielke Paper at 6.

7. *The Billions Project's loss estimates for hurricanes are substantially and unexplainedly higher than the estimates produced by NOAA's National Hurricane Center.*

Both the Billions Project and NOAA's National Hurricane Center maintain loss estimates for various hurricanes that have hit the United States. And both ostensibly use CPI-based adjustments for their loss data to account for inflation. But the Billions Project's loss data in almost all cases (with the exception of Hurricane Andrew from 1992) is substantially higher than the National Hurricane Center's.<sup>43</sup> This is reflected in the below table:<sup>44</sup>

Year	Hurricane	Official NHC Losses in Year of Event (current US Dollars)	NOAA BDD 2023	Official NHC losses adjusted for CPI to 2023	NOAA BDD as % of NHC CPI Adjustment
1983	Alicia	2.0	9.2	6.1	150.8%
1989	Hugo	7.0	22.1	17.2	128.5%
1992	Andrew	31.5	58.9	68.7	85.7%
1996	Fran	3.2	9.8	6.2	158.1%
1999	Floyd	4.5	11.9	8.2	145.1%
2004	Charley	14.0	25.9	22.7	114.1%
2005	Katrina	82.2	196.3	128.5	152.8%
2012	Sandy	60.3	86.5	80.0	108.1%
2017	Harvey	60.0	156.3	74.7	209.2%

There is no obvious pattern to the discrepancies between the National Hurricane Center's CPI-adjusted data and that of the Billions Project. Because NOAA neither documents nor releases the methodologies or baseline data it uses in its calculations, it is impossible to evaluate why there are such large differences between the two datasets. The absence of transparency and traceability in the Billions Project's methods raises the concern that the unexplained increases in the Project's reported losses compared to the National Hurricane Center's reported losses are the result intentional data manipulation, if not outright falsification and fabrication in the Project.

***NOAA misuses the Billions Project as evidence of increased disaster harms from climate change.***

Alongside the lack of transparency and traceability in the Billions Project's dataset and the attendant concerns about data falsification and fabrication, NOAA misuses the dataset as evidence of increased harms from climate change.

Due to its design limitations, the dataset cannot serve as evidence that climate change itself is responsible for any increase in losses from natural disasters over time. This is because the dataset bluntly reflects total economic losses from disasters and does not breakdown and separate-out the influence of the various factors that contribute disaster losses. Intensity of weather events alone is not the sole, or even primary, cause for total losses suffered because the vulnerability and exposure to harm of the people and assets from disaster damage are key factors affecting total losses. For example, a super storm hitting a barren wasteland with no population will cause significantly less (or no) loss compared to a smaller storm hitting Manhattan. Concentrations of people and wealth, and the relative vulnerability of both to disaster damage, are essential factors in disaster losses.

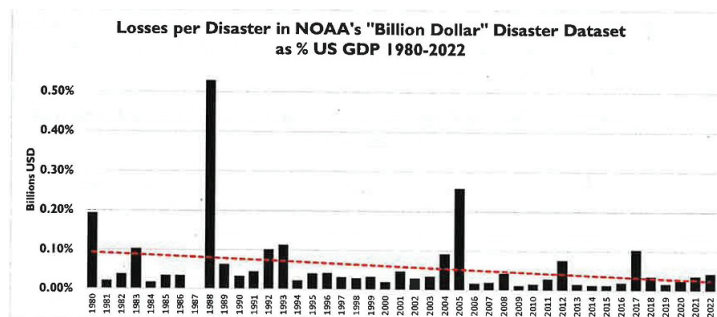
Because the Billions Project's dataset is solely derived from economic loss data, it does not (and cannot) conclusively disaggregate the effect of climate change on disaster losses over time from the effect of population growth and economic expansion. These human/economic factors alone can entirely explain an increase in losses from disasters: as the population and the economy grow, including in areas vulnerable to disasters, the potential damage from disasters increases simply because there is more wealth vulnerable to destruction. Without further data beyond mere economic loss, the Billions Project's dataset cannot detect the influence of climate change on disaster losses nor attribute any change in losses to climate change.

NOAA researchers admitted this limitation in a 2013 paper on the Billions Project: "the billion-dollar dataset is only adjusted for the CPI over time, not currently incorporating any changes in exposure (e.g., as reflect by shifts in wealth

<sup>43</sup> Pielke Paper at 6.

<sup>44</sup> *Id.*

or population).<sup>45</sup> Other researchers have attempted to “normalize” disaster data to account for changes in exposure and vulnerability.<sup>46</sup> A simple method used to normalize disaster losses over time is to use GDP as a proxy for increasing population and wealth and analyze disaster losses as a percentage of US GDP.<sup>47</sup> Professor Pielke provides a graph demonstrating how this analysis would apply to the Billions Project’s dataset:<sup>48</sup>



The graph reflects that losses from disasters are *down* as a proportion of GDP since 1980 according to the Project’s own dataset. This trend is reflected in other normalization analyses that use more sophisticated and detailed methods.<sup>49</sup> These analyses reflect that hurricane, flood, and tornado losses have all *decreased* as a proportion of GDP on climate time scales—as has the aggregate for disaster losses overall.<sup>50</sup>

NOAA’s failure to account for changes in exposure and vulnerability of people and assets to harm from disasters introduces a significant bias into the Billions Project and obscures that a significant portion (or all) of the increases in loss totals it reports over time are a result of population and economic growth, not climate trends. NOAA researchers acknowledged as much over a decade ago, stating that “the magnitude of such increasing trends [in disaster costs] is greatly diminished when applied to data normalized for exposure.”<sup>51</sup> Claims that the Billions Project provides evidence of increasing harms from climate change are therefore misleading and unscientific. Not only is it impossible for the Billions Project to provide such evidence because it does not normalize for increases in vulnerability and exposure, but such normalization analyses show that the relative harm of disasters has diminished over the lifetime of the Billions Project.

Despite these issues with the Billions Project and despite NOAA’s direct acknowledgment of the role vulnerability and exposure play in disaster losses, NOAA officials and staff have repeatedly made misleading and unscientific claims that the Billions Project indicates ever-worsening harms from climate change. In a statement to CBS News, a NOAA official responsible for the Project’s dataset claimed that “climate change is supercharging many of these extremes that can lead to billion-dollar disasters.”<sup>52</sup> And at a 2022 press conference where an update to the Project’s dataset was released, a NOAA administrator claimed that the dataset indicates that “climate change is creating more and more intense extreme events that cause significant damage.”<sup>53</sup>

<sup>45</sup> Smith and Katz at 24.

<sup>46</sup> Professor Pielke reviewed 54 papers on normalization in a 2020 paper. See Pielke, *Economic ‘normalization’ of disaster losses 1998-2020: a literature review and assessment*, Environmental Hazards Vol. 20, 2021.

<sup>47</sup> Pielke Paper at 8-9.

<sup>48</sup> *Id.* at 9.

<sup>49</sup> See *id.* at 10 (collecting six research papers reflecting the same downward trend in disaster costs relative to GDP).

<sup>50</sup> *Id.*

<sup>51</sup> Smith and Katz at 24.

<sup>52</sup> *18 extreme weather events caused \$165 billion in damage last year, NOAA says*, CBS News (Jan. 10, 2023), <https://www.cbsnews.com/news/noaa-billion-dollar-weather-disasters-2022-hurricane-ian-drought/>.

<sup>53</sup> Nathan Rott, *Extreme weather, fueled by climate change, cost the U.S. \$165 billion in 2022*, National Public Radio (Jan. 12, 2023), <https://www.npr.org/2023/01/12/1148633707/extreme-weather-fueled-by-climate-change-cost-the-u-s-165-billion-in-2022>.



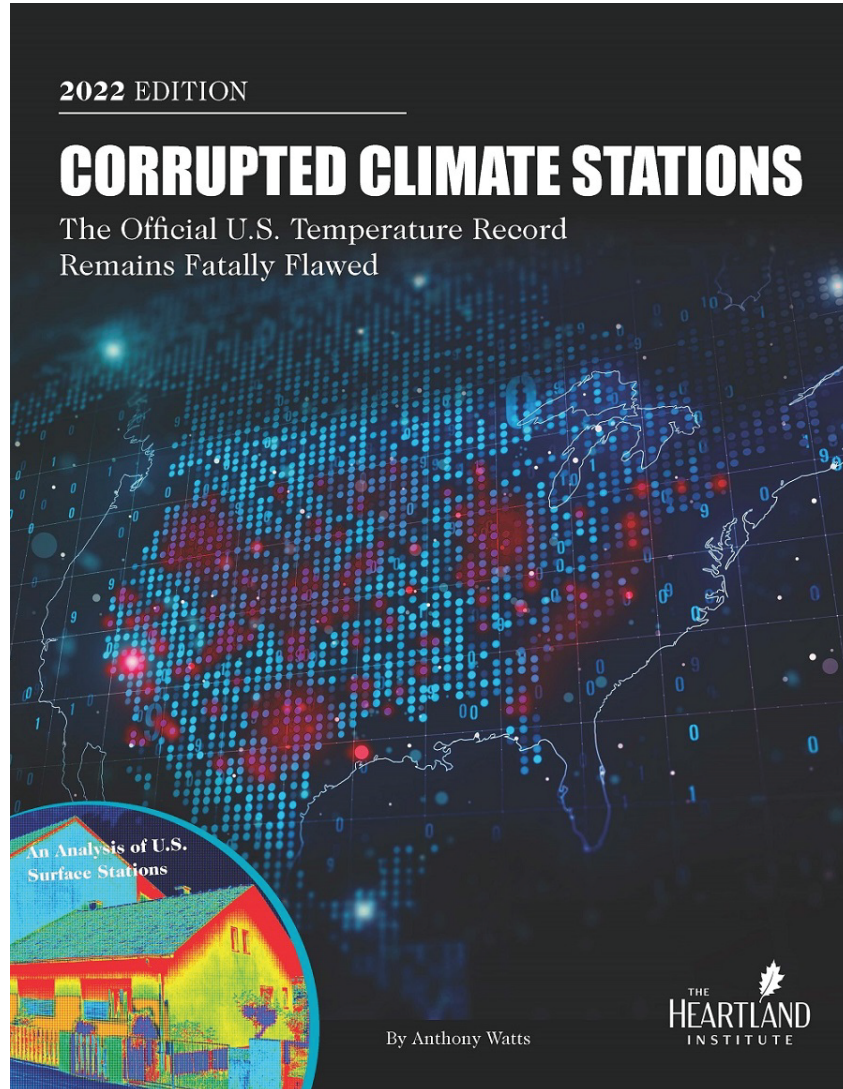
**Conclusion**

The American people deserve to have their tax dollars fund science that satisfies all the rigors of scientific integrity, to have their agencies abide by their own standards, and to have their government produce and rely on only the highest-quality scientific research. It is therefore imperative that the apparent scientific integrity issues in the Billions Project be addressed. The national conversation on climate change and disaster-response should not be tainted by inaccurate, misleading, and self-serving scientific analysis. Accordingly, we request an immediate investigation into NOAA's apparent violations of its scientific integrity principles in its operation and promotion of the Billions Project.

Sincerely,

MICHAEL CHAMBERLAIN,  
*Director*

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The full document is available for viewing at:

<https://docs.house.gov/meetings/II/II13/20240516/117321/HHRG-118-II13-20240516-SD005.pdf>

Ms. HAGEMAN. Thank you. With that, I yield back. I would now recognize Mr. Newhouse for his 5 minutes of questioning.

Mr. NEWHOUSE. Thank you, Madam Chair. Thank you for letting me be on the panel this afternoon. I am here to talk about a recent Fish and Wildlife Service final rule that has, I believe, the

potential to have grave consequences on my constituents and visitors to the northern part of my district.

Director Williams, you recently decided, I might add against the will of my constituents, to move forward with the introduction of grizzly bears into my district. Of the \$338.2 million requested in the budget for resource management to conserve, protect, and enhance listed and at-risk wildlife, fish, plants, and their habitats, can you tell me how much is currently allocated to finalize the grizzly bear plan?

Ms. WILLIAMS. Congressman, I do not have the exact number for that, but I would say that the U.S. Fish and Wildlife Service's role—

Mr. NEWHOUSE. Well, let me just say that, if you don't have the number, I would certainly like that. And it seems to me after reading through your testimony and listening to the comments, that this money would be much better used to "end the erosion," your words, of your on-the-ground conservation efforts, as described in your testimony.

So, I should ask you, why is it, after over a decade of public meetings, comment periods, two administrations, both Republican and Democrat, are you moving forward with this plan?

However, I can answer that for you. Your agency is bending to the extreme environmentalists who continually abuse the ESA against the will of private landowners.

Earlier this week, we had a conversation with Director Sams of the Park Service. He stated that the most pertinent reason for moving these bears is their cultural significance. So, would you think your agency should be making decisions on current species management because of cultural significance?

More directly, Director Williams, would you feel safe if a female grizzly bear made her way into your backyard in search of her cubs? That situation will soon be a reality for my constituents because of your agency's actions.

When we met last November, I remind you, you told me that this 10(j) proposal was needed to expand management options due to the fact, I underscore that word, the "fact," that the First Nations Tribes in British Columbia had plans to imminently move bears to the northern border of the North Cascades Ecosystem.

I would like to now enter into the record, if I could, Madam Chair, correspondence between my staff and the Canadian Government, specifically staff from the British Columbian Province. This correspondence states that there are no immediate plans to move bears into the Canadian side of the North Cascades Ecosystem. Now, I find that very interesting.

So, what is abundantly clear to me now is that your agency is relocating bears from other ecosystems, perhaps Yellowstone, to prevent delisting, in spite of population recovery metrics having been achieved as outlined per the ESA.

As a Representative of Washington's 4th Congressional District, I do listen to my constituents, unlike your agency. And in light of that, I will be introducing a resolution of disapproval under the Congressional Review Act to overturn the final 10(j) rule, and I will continue to fight for the farmers, the ranchers, and the rural communities near the North Cascades.

With that, Madam Chair, I yield back.

Ms. WILLIAMS. Madam Chair, Congressman, was there a question in that, and may I answer?

Ms. HAGEMAN. He yielded back. We are going to recess now until, I believe, around 5, according to the Chairman, as we need to go vote. Thank you.

[Recess.]

Mr. BENTZ [presiding]. The Committee will come to order. Thank you for your patience.

Mr. STAUBER, you are recognized for 5 minutes.

Mr. STAUBER. Thank you very much, Mr. Chair. I appreciate your affording me the opportunity to waive on to this Subcommittee.

Director Williams, it is good to see you. In advance, my condolences. I will be directing the bulk of my questions to you today, but it is not all bad, I promise. In all sincerity, I want to thank you and the Service for your recent decision this April against listing the lake sturgeon under the Endangered Species Act. The Service followed the facts, the data, and the science in making this determination. I truly want to recognize the Service not only for doing the right thing, but for the engagement with my staff, the career staff at the Minnesota Department of Natural Resources, and citizens across our great state.

As you recognized in your determination, the individual state wildlife managers across the upper Midwest and the public are doing a great job of ensuring the protection and proper management of the lake sturgeon. A failure to properly recognize this would have been devastating to northern Minnesota, as you know.

Respectfully, I wish this was the case with other species under scrutiny by the Fish and Wildlife Service, and I am sure you know where I am going to go. We are going to be talking about the gray wolf today.

Chairman Bentz just convened a Subcommittee hearing in northern Minnesota on this very issue less than 2 weeks ago. During that hearing, we heard from stakeholders from Oregon, Wisconsin, and Minnesota on the listing status of the gray wolf. Across the board, we heard loud and clear the gray wolf has recovered. Unfortunately, the Fish and Wildlife Service declined this Subcommittee's invitation to attend and participate in that hearing. Hopefully, you can provide answers to some of the questions we were looking for today.

During the hearing, we were reminded of the fact that at least half the gray wolves in the Lower 48 are present in Minnesota. And according to your agency and the Minnesota DNR's estimates, we have over 2,700 wolves in Minnesota today. And some think even more than that. When the gray wolf was listed under the ESA in 1978, a recovery goal of 1,250 to 1,400 wolves was set. It is clear we are far beyond that.

Director Williams, since the recovery goal has been met, why hasn't the U.S. Fish and Wildlife Service taken action to delist the gray wolf in Minnesota?

Ms. WILLIAMS. Mr. Chair, Congressman Stauber, I look forward to visiting with you more on this at some point. I have not had a

chance to sit down with you one-on-one and talk through wolves, and I would certainly look forward to that opportunity.

And I am sorry that we were not at that hearing. The Fish and Wildlife Service prides itself for showing up, and it was an issue of scheduling and preparing for this hearing. So, I am sorry that we weren't there for that.

There are numerous processes before the Fish and Wildlife Service regarding wolves right now. In fact, I keep a chart to keep track of each of them. The previous administration had a rule that the Fish and Wildlife Service promulgated to delist the Lower 48.

Mr. STAUBER. Under the past three administrations they have supported the delisting, because they have recovered. So, go on.

Ms. WILLIAMS. A district court overturned that decision. It is now in an appeal process.

I also would love to recognize that I have worked on wolves and wolf recovery for 30 years, from their first re-introduction to now, and very much—

Mr. STAUBER. Do you believe they have recovered? Do you believe your own U.S. Fish and Wildlife stats that the gray wolf has recovered?

Ms. WILLIAMS. I believe that they have met sufficient numbers. But as to all five factors of the ESA, I don't have an answer for you on that right now. But I would agree the numbers are there.

But I would also, just like with grizzly bears and Congressman Hageman, the analysis the Fish and Wildlife Service undertakes is not just focused on the numbers, but also the other five factors.

Mr. STAUBER. I will tell you that 2 weeks ago Congress actually started the legislating of delisting the gray wolf, and it was a bipartisan effort. Before that vote even passed, the Biden administration issued a Statement of Administrative Policy, or a SAP, noting that the President would veto this bill if it came to his desk.

Director Williams, was your office consulted on this before the SAP was issued?

Ms. WILLIAMS. Congressman, I am aware of what the SAP says, and what the explanation in the SAP is.

Mr. STAUBER. Was your office consulted on this before the SAP was issued?

Ms. WILLIAMS. I do not have an answer to that. I was not personally—

Mr. STAUBER. Did you or anybody in your office provide any recommendation to the White House on the SAP?

Ms. WILLIAMS. Not that I am aware of. I did not, Congressman.

Mr. STAUBER. So, here is the concern. The White House made a policy decision relating to wildlife management without consulting with the Federal Government's top official relating to wildlife management, and that is you and your staff. That is the frustrating thing. The White House put forth a SAP, Director, without your knowledge or without your input.

Ms. WILLIAMS. Congressman, I was aware of it, and I agree with the SAP for these reasons, that the Endangered Species Act is driven by the law and science, and the Fish and Wildlife Service would not support a congressional action to delist a species. We would like to see the process of the ESA play out.

Mr. STAUBER. Director, I understand the process. You can process things to death, so long as it never happens. But we had President Obama, his administration, President Biden, and President Trump's administration all supported the delisting.

I see my time is up. I would ask that you answer one question, and I will submit it to the Chair when I am done.

Thank you very much, and I yield back.

Mr. BENTZ. Mr. Moylan, you are recognized for 5 minutes.

Mr. MOYLAN. Thank you, Mr. Chairman, for allowing me to waive into the hearing to hear our Administrator Spinrad here.

And I do hear constantly from Guam's local agencies and fishermen that the foreign fishery vessels operate illegally in Guam's waters, and the IUU fishing is a matter of both economic and national security for Guam. It is no secret that there are a large number of PRC vessels fishing illegally in the Western Pacific. A 2021 report from the Office of Naval Intelligence confirms that China's distant water fishing fleets may also engage in security operations.

Mr. Chairman, I ask unanimous consent to enter into the record a 2021 ONR report titled, "Foreign Governments Use of Distant Water Fishing Fleets as Extensions of the Maritime Security Forces and Foreign Policies."

Mr. BENTZ. Without objection.

Mr. MOYLAN. Thank you, sir.

This report lays out the startling reality, yet in my meetings with NOAA officials they constantly underestimate, understate, or outright deny the problem with IUU fishing in the Western Pacific.

In fact, this report here has been updated about every 4 years, and initially you only see just a few dark blue spots. And then, within less than an 8-year period, now it is multiple, spread everywhere. Those are IUU fishings. In Guam, there is a small section there, if you can figure out where Asia is there, with China, and we are just a small dot in this dark blue circle, and it is really affecting the island.

So, the question for our NOAA Administrator Spinrad, sir, yes or no, please. Does NOAA believe that there is an IUU fishing problem in the Western Pacific?

Dr. SPINRAD. Yes.

Mr. MOYLAN. Thank you. And how many cases in the Pacific territories has NOAA's Office of Law Enforcement referred to NOAA's Special Counsel or Department of Justice for review and prosecution? Just a rough estimate.

Dr. SPINRAD. I am going to have to get back to you for the record with the specific numbers.

Mr. MOYLAN. OK. I can let you know, from our record, since 2015 there have been 0. And we cannot identify if there is really a problem unless we start seeing where it is.

And in the report, there are these dark blue circles everywhere, and it continues to grow. I bet you 4 years from now it is going to be all over the place. So, I think the IUU is a serious problem, and I would really, really appreciate the focus on this problem.

Mr. Administrator, what projections would the Pacific remote island areas add that are not already in place through the current cumbersome system of management?

Do we really need more red tape and regulations?

Dr. SPINRAD. Congressman, thank you for your attention to this particularly insidious problem, and I want to disabuse you of the sense that we don't care. In fact, I would emphasize the point that this is a very important issue for us for a variety of reasons, not the least of which is our responsibilities in the Department of Commerce for ensuring economic security, but food security, and addressing that our seafood enterprise or seafood economy is solid.

We have identified IUU fishing as a critical area for development of new tools and new capabilities. We are currently working on finding enhanced enforcement opportunities for Maritime Safe, the Port State Measures Act, and the Moratorium Protection Act, as well as doubling down on our seafood import monitoring program, especially the enforcement pieces, and especially, I would add, the unfair labor practices and forced labor activities associated with IUU fishing.

Mr. MOYLAN. It is important, the IUU, and we should be addressing it, but I don't think we should be addressing it by adding more sanctuaries in my area of Guam, in the Marianas Trench. We should be focused on the IUU. But I am glad to hear that.

Now, the Marine Conservation Plan and marine project areas. NOAA's Equity and Environmental Justice Strategy and the President's Environmental Justice for All Executive Order states that the underserved communities should not face disproportionate burdens or under-investment. Quite frankly, both burdens and the underinvestment are Guam's realities.

Basically, I know we are running short on time here, but let's see if we can get one question. You are asking for \$17 million in additional fundings for sanctuaries and marine project areas. Disproportionately, sanctuaries affect the fishing industries of the Pacific territories more than the mainland in the United States. With the Pacific Remote Islands Sanctuary, what economic impact do you see for the Pacific territories?

Dr. SPINRAD. We definitely understand the importance of the fisheries development projects in Guam. With respect to specifically the Marine Conservation Plan, I can assure you that we support the fisheries conservation and management objectives, and we look forward to exploring the ways in which we might be able to work closely with the territories on that plan.

Mr. MOYLAN. All right. I thank you, Mr. Chairman. I am out of time. Thank you very much.

Mr. BENTZ. The Chair recognizes Mr. Carter for 5 minutes.

Mr. CARTER. Thank you, Mr. Chairman, and thank you for allowing me to waive on to this Committee.

Although I am not a member of the Committee, I am a member of the Western Caucus. In fact, I like to take the title of being the most eastern-most member of the Western Caucus. I have the honor and privilege of representing the entire coast of Georgia, including an area known as Okefenokee Swamp, an area that is very important to us and that we are very proud of, and that we do a lot to protect.

I have heard about the hardships that have been communicated by my Western colleagues about dealing with the permitting of

Federal Government and the over-reach into their natural resources, especially when it comes to mining. And now this all-of-the-government approach that this Administration seems to be using, it seems to be causing problems and stepping all over states' rights.

Director Williams, your agency keeps trying to create Federal hooks to assert jurisdiction over certain areas, including in my district in Okefenokee Swamp, to stop all kinds of important development projects.

Please, let me preface this by saying I am not taking up for the project. I am not entering an opinion one way or the other. My concern here is the Federal Government and their role in this, and why they are inserting themselves into this when it is obviously, and has been stated to be, a state project and under state permitting.

There is a mining project right outside the Okefenokee Wildlife Refuge. It is not within the refuge, it is outside. I want to make sure that we understand that. It is not under Fish and Wildlife jurisdiction. But over the last year, your agency has tried to insert itself into the state process, even though there isn't a Federal nexus. Even the Corps of Engineers has said that there is no Federal Clean Water Act jurisdiction where they wanted to mine in this district.

Then Interior Secretary Haaland wrote an unsolicited letter, unsolicited, to Georgia Governor Brian Kemp, not to allow the mine to proceed. That, to me, is over-reach of the Secretary's authority, and without legal basis.

Now, the Fish and Wildlife Service last month has sent out a what I would consider to be propaganda document that is disguised as a fact sheet opposing this project. And Mr. Chairman, I would like to enter this into the record, if I could. It reads to be intervention. It looks to be intervention. It smells like intervention. I would submit to you it is intervention on behalf of the Federal Government, and I would like to submit this into the record, if I could.

Mr. BENTZ. Without objection.

[The information follows:]





# Frequently Asked Questions Okefenokee National Wildlife Refuge and Twin Pines Mine



Top: Changes in hydrology could result in increased occurrences of wildfires in the Okefenokee Swamp.



Bottom Left: The Okefenokee Swamp is important for carbon storage in that there is as much as 120,000,000 metric tons of carbon underneath the swamp's shallow tannin-stained waters. Right: The Okefenokee Swamp has been designated as a National Natural Landmark by the Secretary of the Interior and is a Wetland of International Importance by the Ramsar Convention on Wetlands.

### Does the U.S. Fish and Wildlife Service oppose Twin Pines Mine?

The U.S. Fish and Wildlife Service does not agree with the conclusion that the mine will not harm the refuge. Based on independent evaluation, there is currently not enough information to properly evaluate the effects of withdrawing 1.44 million gallons of water per day from the Floridian aquifer. Permitting mining nearby may lead to irreversible damage to the refuge, a National Natural Landmark as designated by the Secretary of the Interior and an internationally recognized RAMSAR Wetland of International Importance.

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As we consider actions that could alter the water levels and ecosystem balance of the Okefenokee Swamp, we need better information before taking a risk that could impact such an important national treasure.

### Are there potential impacts on the refuge from the mine that the Service is concerned about?

The Service is concerned with mining-induced changes to surface and groundwater that could result in groundwater levels in Okefenokee

opposes the proposed Twin Pines Minerals LLC, mining project and reclamation activities adjacent to the Okefenokee National Wildlife Refuge. Based on independent evaluations, there is currently not enough information to properly evaluate the effects of withdrawing 1.44 million gallons of water per day from the Floridian aquifer. The modeling and hydrogeologic characterization presented by the consultant for Twin Pines Minerals LLC is inadequate to assess this important question.

Mining expansion northward along Trail Ridge presents a real threat to the swamp's ecosystems. The further north that mining expands up Trail Ridge, the closer it approaches the Okefenokee swamp. Trail Ridge acts as an earthen dam blocking the swamp from draining to the east. Mining Trail Ridge poses a risk to this dam, which is part of an ancient and delicate ecosystem.

### Does the Service agree with Twin Pines and Georgia's Environmental Protection Department's conclusion that the mine

The Service is concerned with mining-induced changes to surface and groundwater that could result in groundwater levels in Okefenokee

We believe reduced water availability negatively impact habitat for federal and at-risk fish and wildlife

Changes to water levels could result in changes to fire regimes and reduce the capacity of the swamp to retain carbon through drying out. This drying could, in turn, increase the threat of catastrophic fire and the release of additional carbon through burning.

Wildfires in and around the Okefenokee swamp occur on a regular basis. Increased drought would threaten the health of commercial timberlands immediately surrounding Okefenokee

We are urging the State of Georgia to refrain from issuing any final permits until our concerns are adequately addressed and additional data on the Floridan aquifer below the swamp can be obtained.

**Is the Service concerned that the mining could expand beyond Twin Pines' 582-acre demonstration mine in the future?**

Yes. While the proposed mine is 2.9 miles away from the edge of the swamp, if Twin Pines Minerals expand their mining activities northward into the remaining acres of their property as originally planned, the mine footprint will be within 400 feet of the swamp.

As the ridge acts as an earthen dam blocking the swamp from draining to the east, this potential expansion northward along Trail Ridge presents a real threat to the swamp's water levels and ecosystem balance.

**Is the Service concerned that the mine could harm the refuge's bid for World Heritage listing?**

Yes. Okefenokee National Wildlife Refuge has exceptional ecological values, which are considered for this designation. Location of a mine next to the refuge could reduce the refuge's likelihood of being inscribed as a World Heritage Site.

**What is the significance of the refuge from an ecological and climate change perspective?**

The swamp has been designated as a National Natural Landmark by the Secretary of the Interior; and as a Wetland of International Importance by the Ramsar Convention on Wetlands.

The name Okefenokee is derived from an ancient Creek/Muscogee word, *O-h-gual-fen-ogah*, which means "trembling waters in a low place." The ecology of the Okefenokee Swamp sustained the lives of ancient peoples who depended on it for food, shelter, and community. And centuries later, this is still the case for people who call the Okefenokee region home.

The astounding thing about the Okefenokee is that the hydrology of the swamp is still intact, meaning that the ecosystem that you see there today is essentially the same as it would have been when the first people beheld its dark, flowing waters. The geological feature that allowed the swamp to form in the first place, and still allows it to exist, is the ancient barrier island known

as Trail Ridge, which supports the integrity of the Okefenokee swamp. Trail Ridge was likely used as a travel corridor by the Muscogee Creek Nation's ancestors, and burial mounds have been documented along portions of the feature.

The Okefenokee is important because it is a gigantic carbon storehouse. Because the waters of the Okefenokee are shallow and warm and therefore have low oxygen, vegetation that falls into the water does not completely decompose.

That vegetation then piles on top of itself and forms thick mats of peat that store amazing amounts of carbon. It has been estimated that there is as much as 120,000,000 metric tons of carbon. That's more than all the carbon stored in the plants growing in the Okefenokee!

Extensive peat beds store notable amounts of carbon and preserves the historic record of regional terrestrial and freshwater ecosystems over the past several millennia. With less than 1% of the refuge's peatland disturbed by man, it is the largest remaining intact planar peat bed on the North American Coastal Plain and within the Northern Hemisphere's subtropical zone.

In addition, the refuge's uplands represent the southern yellow pine savannas that once were the most extensive "forest" type in the United States. With only 4% of the original range of longleaf pine remaining today, restoration efforts on the refuge contribute to the longleaf pine initiative across the Southeast.

The Okefenokee Swamp is the largest precipitation-based freshwater wetland ecosystem in the United States and one of the world's largest naturally driven freshwater ecosystems in the highly populated temperate/subtropical climate zone.

The refuge represents the 36th recognized global biodiversity hotspot, the North American Coastal Plain, by providing quality freshwater wetland and upland habitats that support 14% of the flora species and 29% of the fauna species found in this hotspot.

North American Coastal Plain has a significant number of endemics, and many are represented within Okefenokee National Wildlife Refuge. The refuge is world renowned for its herpetofauna and supports 25% of the reptile species and 32% of the amphibian species that are considered endemic to the North American Coastal Plain.

Twelve percent of the endemic bird species utilize Okefenokee National Wildlife Refuge including the endangered Red-cockaded Woodpecker and threatened Wood Stork. Nine percent of the endemic fish species prosper within the refuge's acidic, tannin waters. The expanse of Okefenokee National Wildlife Refuge also supports a large population of Florida black bears and in the past was considered for the re-introduction of Florida panthers, two large mammal species endemic to the North American Coastal Plain.

More than 850 plant species have been identified on the refuge, which includes 18 carnivorous plant species, with the giant Okefenokee pitcher plant (*Sarracenia minor* var. *okefenokeensis*) endemic to the Okefenokee Swamp. There is also numerous 500+ year old pond cypress trees scattered over approximately 2,000 acres of the swamp.

The refuge is located within the Southeast United States Conifer Savannas Terrestrial ecoregion where only 1-4% of the habitat remains unaltered. Floral species richness within this habitat is "unparalleled outside of [the] tropics," especially regarding rare, endemic, and carnivorous species.

**Where can more information be found on the Twin Pines Mining Project and the permit process?**

The decision to issue final permits for Twin Pines Mine is with the Georgia Environmental Protection Division (GAEPD).  
<https://epd.georgia.gov/twin-pines>

Mr. CARTER. My question, Director Williams, is this: Why don't you trust the state to do their job? Why has the Federal Government entered into this?

Ms. WILLIAMS. Mr. Chair and Congressman Carter, thank you for this question, and our shared interest in the Okefenokee Swamp and the National Wildlife Refuge.

A year ago, I went and camped in the wilderness. I think many people don't realize there is a wilderness.

Mr. CARTER. We are not talking about the wilderness. We are talking outside of the swamp. We are talking outside of that.

Ms. WILLIAMS. Congressman, the Fish and Wildlife Service provided comments to the state permit application, as we do when we are adjacent landowners. In this instance, the Fish and Wildlife Service commented on the proposal. In working in close contact with the state of Georgia, both the Commission and the agency, we commented because the proposed action has the potential to negatively impact the National Wildlife Refuge and the water rights.

Mr. CARTER. When you send the Governor a letter asking him to oppose it and to stop the project.

Ms. WILLIAMS. I am sorry, Congressman, I am not following your question.

I have been paying very close attention to this matter. And as I said, I have been working with our regional director in the state of Georgia.

Mr. CARTER. You are saying for the record that you are opposing this project, and that you are spending Federal taxpayers' money to put out propaganda like this opposing the project.

Ms. WILLIAMS. Congressman, I am not aware.

Mr. CARTER. That is outside of the refuge.

Ms. WILLIAMS. I am not aware of the flier. The Fish and Wildlife Service does oppose an activity that negatively impacts the water rights and the refuge that is the only one of its kind, as you know, in this country.

Mr. CARTER. I understand that.

Ms. WILLIAMS. So, where the impacts—

Mr. CARTER. And again, I am not questioning whether the mine should go forward or not. That is up to the state of Georgia. My point here is that the Fish and Wildlife has inserted themselves into something that even the Army Corps of Engineers said they had no right to do.

And I am wondering to myself, why the Secretary sends a letter to the Governor telling him to oppose this project? Why don't we trust the state?

Can you give me an example of other projects that you are opposing that are outside of your jurisdiction?

Ms. WILLIAMS. Congressman, we are not at all saying we don't trust the state. The states often do invite us to comment on the impacts of a proposal before them. And in this instance, I would argue that the state of Georgia, the agency reviewing this, wants to know and is looking at the potential impacts of the proposed mine or not.

Mr. CARTER. And with all due respect, Director, I would submit to you that the state of Georgia is perfectly capable of making these types of decisions, and without the intervention and without propaganda being sent by the Fish and Wildlife. And you are intervening in an area that is obviously outside of your jurisdiction.

Thank you, Mr. Chairman, for allowing me to waive on to this.

And thank you, Director Williams, for your answers.

Ms. WILLIAMS. Thank you.

Mr. BENTZ. The Chair recognizes himself for 5 minutes.

Commissioner Touton, I want to thank you for your efforts in the Klamath, a hugely challenging situation. Your phrase, or I think the phrase was, "We have to find a way to help provide certainty," an admirable goal. I look forward to working with you on that, and

we have been working on that. And you might share with us later, off camera here, so to speak, when and what you have in mind in that regard.

Ms. TOUTON. I am happy to follow up, Mr. Chair.

Mr. BENTZ. I can't think of anything much more important to the farmers in that space than certainty, which they certainly have not had to this point.

Director Williams, I want to thank you also for the work on the wolf. I just want you to say, for purposes of the record today, that the wolf is not endangered.

[Pause.]

Mr. BENTZ. I am listening.

Ms. WILLIAMS. Chairman, you are asking for me to say that the wolf is not endangered?

Mr. BENTZ. Your agency has already said it. It actually said the wolf is, as things currently stand, good for another 100 years. So, can you say, as the Director, the wolf is not endangered?

Ms. WILLIAMS. Congressman, I cannot say a hypothetical.

Mr. BENTZ. All right, fine. You can't say it. Just say no. Say you can't say it. Apparently, the wolf is endangered in your mind, even though your agency says otherwise.

Ms. WILLIAMS. Congressman, the Fish and Wildlife Service just issued a finding that the northern Rocky Mountain wolf population is not threatened or endangered.

Mr. BENTZ. Thank you, that is good. I want to shift now to Secretary Spinrad.

Mr. Secretary, you have a considerable amount of money in your budget for studies, all kinds of different labels on those studies. But my question is, how much of your focus is on the salmon that emerged from the Snake and Columbia Rivers and go into the ocean? How much of your budget is focused on figuring out what is going on in the ocean with those salmon and steelhead emerging from the Columbia River? And the Snake River?

Dr. SPINRAD. Thank you for the question, Chair.

There are dedicated investments that we make for very specific studies. And there are, in fact, eight specific salmon studies in the ocean.

Mr. BENTZ. So, what I need to have you do is get those to this Committee. I absolutely need those studies. And I want to see what your agency is doing to help offset, if you will, the three-quarters of a billion dollars that the ratepayers of the Northwest are investing in the in-stream portion of that system every year.

And I want to see what you are doing in your agency to go into the ocean and figure out what is going on with the half of the fish that get to Bonneville, but only one comes back on the example of, like, 100 fish starting in Idaho. So, I need to have those studies.

And more to the point, I kind of want to see what their results are, so we don't have this ongoing maybe it is going to work out, maybe it isn't.

Dr. SPINRAD. Can I just correct that there are actually nine studies, and we will get those to you.

Mr. BENTZ. Say that again.

Dr. SPINRAD. There are actually nine specific studies. We will get those to you.

Mr. BENTZ. Yes. I also want you to show me the type of analysis you are doing in selecting the scientists to do the studies. I want to see the science, how you do it, because I think there is discrimination going on in who you hire, how you hire them. I want to see what you are doing when it comes to employing.

Dr. SPINRAD. Those are in combination with our academic partners, I would point out, as well. We can certainly get you that information.

Mr. BENTZ. I want to read this number to you here, and ask this question. The question is lack of regulatory authority. Neither the ESA nor the MMPA provides NMFS with the authority to impose broad rules to regulate a societal activity like boating that has a very low probability of occurring. The probability of a vessel in a 35- to 65-foot class size class striking a right whale is less than 1 in 1 million. Do you agree or disagree?

Dr. SPINRAD. I actually disagree with that fact, based on what we have seen this year.

Mr. BENTZ. What is your opinion? What is the probability?

Dr. SPINRAD. That there is a higher probability. We have had three strikes this year, and we know that some of those strikes are from smaller vessels.

Mr. BENTZ. Well, you had three strikes. What is the probability of that happening?

Dr. SPINRAD. I don't have that number.

Mr. BENTZ. I suppose if there were three ships out there, it would be 100 percent. But there are thousands of ships out there. So, again, I need this number from you so we can kind of get a grasp on the regulatory authority situation.

I want to shift again, sticking with NMFS, to the outcome of the so-called "friendly lawsuit." We call it a "friendly lawsuit" back in my law practice when the so-called mediation was worked out in determining what to do with the Snake River dams.

Is it your opinion that those four lower Snake River dams should come out? Is it your agency's opinion that they should come out?

Dr. SPINRAD. It is our agency's view that we can identify what the impacts are on the salmon population. We don't express an opinion on whether the dams should go in or go out, and that authority actually resides with Congress.

Mr. BENTZ. I would be probably hugely interested in knowing where the "healthy and abundant" standard came from that appears in the mediation documents. It certainly isn't the ESA standard.

Can you share with us where that standard came from that is now working its way into the documentation, the mediation documents about where everybody wants to end up?

And I want you also to say that this is what the ratepayers of the Northwest are now going to be asked to pay for, this so-called healthy and abundant standard.

Dr. SPINRAD. We can certainly get back to you for the record on where the standard comes from, and the background on that.

Mr. BENTZ. I know where the standard came from. It came from a document that was called, "The Columbia Basin Restoration Initiative."

Dr. SPINRAD. Yes.

Mr. BENTZ. It is not a rulemaking exercise.

My time is up. I want to thank all of you for being here. I want to thank you for coming back after we came off the Floor from voting. Thank you all for your patience.

And the members of the Committee may have some additional questions for the witnesses, and we will ask you to respond to these in writing. Under Committee Rule 3, members of the Committee must submit questions to the Subcommittee Clerk by 5 p.m. Eastern Time on Tuesday, May 21. The hearing record will be held open for 10 business days for these responses.

I also ask unanimous consent to enter into the record a letter received by the Committee from the Santa Ynez Band of Chumash Indians.

Without objection, so ordered.

[The information follows:]

**SANTA YNEZ BAND OF CHUMASH INDIANS**  
**Santa Ynez, CA**

John Armor, Director  
Office of National Marine Sanctuaries  
National Oceanic and Atmospheric Administration  
1305 East-West Hwy  
Silver Spring, MD 20910

Dear Director Armor:

We, the Santa Ynez Band of the Chumash Indians and the International Connectivity Coalition (ICC), write to express our unified support for the designation of the Chumash Heritage National Marine Sanctuary. We ask that this designation allow for the maintenance and expansion of submarine communication cables within the Sanctuary boundaries to ensure that Indian Country and other underserved communities across the nation can have access to expanded, affordable and reliable internet in the years to come.

For generations, indigenous communities have been subjected to a communications gap compared to other parts of the United States. Even today, this gap is pervasive. According to the Federal Reserve Bank of Minneapolis:

- Households in tribal communities are 21 percent less likely to have access to the internet than neighboring non-tribal communities;
- Download speeds in tribal communities are 66 percent slower than download speeds in neighboring non-tribal communities; and
- Upload speeds in tribal communities are 78 percent slower than download speeds in neighboring non-tribal communities.

Reliable access to and expansion of subsea cables and the corresponding investment in internet infrastructure along the California Central Coast will play a significant role in helping address these shortcomings over time.

Importantly, we believe that submarine cables and conservation can co-exist within the boundaries of the proposed sanctuary. The existing regulatory structure relies on layers of environmental reviews and permitting from multiple federal agencies—including the USACE, NOAA and the FWS—as well as rigorous analysis and permitting by the State of California’s Lands Commission and Coastal Commission. This regulatory structure has allowed for a dramatic expansion in connectivity in recent years while ensuring that subsea and coastal resources receive the protection they deserve. Consequently, provided this existing process is followed after a Sanctuary declaration, we believe this level of review should negate the need for further permitting, including utilization of NOAA’s Special Use Permits.

Since these subsea cables will be leveraged to expand the capacity of the U.S. telecommunications to grow in a way that allows for increased connectivity in Indian Country and in other underserved communities, we respectfully urge the current regulatory and permitting processes be deemed adequate for managing submarine cable activities within the sanctuary boundaries.

The Santa Ynez Band of the Chumash Tribe and the ICC are committed to advancing technological development while respecting and preserving cultural heritage and environmental integrity. The cooperative approach between these entities exemplifies a balanced path forward, where technological advancement and environmental conservation go hand in hand. We look forward to working with NOAA to ensure these shared goals are met within the boundaries of a future Chumash Heritage National Marine Sanctuary.

Sincerely,

Kenneth Kahn, Chairman  
Santa Ynez Band of Chumash  
Indians

Elaine Albrich, on behalf of the  
International Connectivity Coalition

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Mr. BENTZ. If there is no further business before the Committee, the Subcommittee stands adjourned.

[Whereupon, at 5:38 p.m., the Subcommittee was adjourned.]

[ADDITIONAL MATERIALS SUBMITTED FOR THE RECORD]

**Submission for the Record by Rep. Bentz****STATE OF OREGON**

Committee on Natural Resources  
1324 Longworth House Office Building  
Washington, DC 20515

Subject: Federal Delisting of Grey Wolves

We are writing to express our support for the delisting of the grey wolf (*Canis lupus*) in America, echoing sentiments shared by many who have witnessed the remarkable recovery of this iconic species since its initial listing under the Endangered Species Act (ESA) in 1973.

Since the enactment of the ESA, wolves have experienced a remarkable resurgence, expanding exponentially in numbers and range across the United States. This resurgence is a testament to the effectiveness of the ESA in providing crucial protections and fostering the recovery of imperiled species. The successful reintroduction of an experimental population into Yellowstone National Park and Central Idaho in the mid-1990s marked a turning point, leading to a resurgence that has seen wolves reclaim territory in adjoining states and even establish stable populations in Oregon and Washington. The wolf populations in California and Nevada have also been dispersing.

The states empowered by the ESA and guided by their respective wolf management plans, have played a pivotal role in safeguarding and managing wolf populations. Oregon and Washington have demonstrated exemplary commitment to wolf conservation and management, despite three-fourths of their states being under ESA jurisdiction. Both states have implemented robust management and protection measures, leading to the stabilization of wolf populations, and prompting efforts to delist wolves as endangered species.

On November 9th, 2015, Oregon voted to the delist wolves in Oregon thus marking a significant milestone in recognizing the success of state-led conservation efforts. Subsequent legislative actions regarding that decision were made and was affirmed by the Oregon State Legislature and Oregon State Governor in HB 4040 (2016) which underscored the commitment of the state to assume greater responsibility for the management and protection of wolves.

It is evident that the ESA has fulfilled its mandate in facilitating the recovery of the grey wolf, paving the way for successful state-led conservation efforts. Now with stable wolf populations and comprehensive management plans in place, it is time to transition authority and responsibility for wolf management solely to the states. By delisting the grey wolf we can acknowledge the achievements of both the ESA and state conservation efforts while ensuring the continued conservation and sustainable management of this iconic species.

Considering these developments, I urge you to consider the overwhelming evidence supporting the delisting of the grey wolf and to prioritize the transfer of authority to state agencies for the management and protection of this species. We must recognize the recovery of the grey wolf population in the lower 48 otherwise Federal ESA recovery loses its legitimacy.

Respectfully,

*Bobby Levy*  
House District 58

*Tim Knopp*  
Senate District 27

*Bill Hansell*  
Senate District 29

*Boomer Wright*  
House District 9

*David Brock Smith*  
Senate District 1

*Court Boice*  
House District 1

*Lynn Findley*  
Senate District 30

*Jeff Helfrich*  
House District 52



*Mark Owens*  
House District 60

*Cyrus Javadi*  
House District 32

*Emily McIntire*  
House District 56

*Anna Scharf*  
House District 23

*E. Werner Reschke*  
House District 55

*Christina Witham*  
Baker County Commissioner

*Shane Alderson*  
Baker County Commissioner

*Bruce Nichols*  
Baker County Commissioner

*Todd Nash*  
Wallowa County Commissioner

*Susan Roberts*  
Wallowa County Commissioner

*John Hillock*  
Wallowa County Commissioner

*Paul Anderes*  
Union County Commissioner

*Matt Scarfo*  
Union County Commissioner

*Donna Beverage*  
Union County Commissioner

*Rick Lewis*  
House District 18

*Christine Goodwin*  
House District 4

*Virgle Osborne*  
House District 2

*Ed Diehl*  
House District 17

*Dwayne Yunker*  
House District 3

*Vicki Breese-Iverson*  
House District 5

*Dan Dorran*  
Umatilla County Commissioner

*John Shafer*  
Umatilla County Commissioner

*Cindy Timmons*  
Umatilla County Commissioner

*Derrick DeGroot*  
Klamath County Commissioner

*Patti Adair*  
Deschutes County Commissioner

*John Rowell*  
Grant County Commissioner

*Roy Drago Jr.*  
Morrow County Commissioner

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**Submission for the Record by Rep. Westerman**

May 6, 2024

Hon. Martha Williams, Director  
 U.S. Fish and Wildlife Service  
 1849 C Street, N.W.  
 Washington, DC 20240

Dear Director Williams:

The undersigned organizations, which represent millions of America's hunters, anglers, recreational shooters, wildlife scientists, and other conservation professionals, write regarding the recently proposed rule and policy updates known as the National Wildlife Refuge System (NWRS) biological integrity, diversity, and environmental health (BIDEH) proposal (Docket Number: FWS-HQ-NWRS-2022-0106).

Specifically, we write to express our significant concerns and disagreement with the BIDEH proposal given its marked and consequential change in direction on the management of the NWRS. We strongly urge the rescission of the BIDEH draft policy and manual chapter to initiate a new, more thoughtful, inclusive discussion about the management objectives and conservation challenges of the NWRS.

On February 26, 2024, many of the undersigned sent a letter to the U.S. Fish and Wildlife Service (FWS) requesting the 30-day comment period be extended by 60 days given that the original comment period was insufficient to conduct a thorough review of the extensive proposal. Additionally, the letter requested that a meeting with the Director be provided to discuss this proposal. We would like to thank FWS for delivering on this request by providing an extension of the comment period until May 6, 2024, as well as for speaking to many of the undersigned during the North American Wildlife and Natural Resources Conference in late March.

However, after more deliberative review, subsequent briefings, and Congressional testimony from FWS, we write today to request FWS terminate the BIDEH proposal, and then engage partners in a more transparent, inclusive, and thoughtful discussion about the needs, objectives, and real solutions for the conservation challenges facing the NWRS. A rescission of the proposal will provide the opportunity for a meaningful discussion regarding the scientific data indicating the need for this policy and impacts of a change to the current BIDEH policy to the management of individual refuges across the country.

The undersigned appreciated the opportunity to hear from the Director as well as senior FWS and NWRS staff in March, however, despite this engagement, we do not feel our voices are truly being heard, and that there appears to be a significant divergence between what we read in the proposed rule and what we are hearing from briefings from USFWS Refuge staff in terms of the implication of the rule. We believe that the current proposal in its entirety is too far adrift to be improved, and unfortunately, the proposal is far-reaching, too vague, and in conflict with many refuge purposes to simply be amended or altered.

In conclusion, we strongly urge FWS to entirely rescind the current proposal and initiate a new, more inclusive approach as recommended above. As you know, many of the partners below are strong advocates for the NWRS and move forward to address the real pressing needs of the System most notably addressing the challenges of staffing shortages, reduced operational capacity and failing infrastructure. We thank you for your consideration of this request.

Sincerely,

American Woodcock Society	National Shooting Sports Foundation
Archery Trade Association	National Trappers Association
Backcountry Hunters & Anglers	National Wild Turkey Federation
Boone and Crockett Club	Pheasants Forever
California Waterfowl Association	Professional Outfitters and Guides of America

Congressional Sportsmen's Foundation	Quail Forever
Conservation Force	Rocky Mountain Elk Foundation
Council to Advance Hunting and the Shooting Sports	Ruffed Grouse Society
Delta Waterfowl	Safari Club International
Ducks Unlimited	Sportsmen's Alliance
Houston Safari Club	Theodore Roosevelt Conservation Partnership
Izaak Walton League of America	Whitetails Unlimited
Masters of Foxhounds Association	Wild Sheep Foundation
National Deer Association	Wildlife Mississippi
National Rifle Association	

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**Submission for the Record by Rep. Newhouse**

**From:** [Wenham, Logan WLR:EX](#)  
**To:** [Yantis, Noah](#)  
**Cc:** [MacArthur, Christopher](#); [McLaurin, Josie](#); [Psyllakis, Jennifer WLR:EX](#); [Elliott, Richard WLR:EX](#)  
**Subject:** RE: Introduction/BC tribal question  
**Date:** Wednesday, May 15, 2024 7:05:13 PM  
**Attachments:** [image001.png](#)  
[image002.png](#)  
[image003.png](#)  
[image004.png](#)  
[image005.png](#)

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Hi Noah:

Thanks for your email and nice to hear from you.

Yes, BC Government staff are in regular contact with U.S. counterparts on the North Cascades but there are no immediate plans in B.C. to move bears into the Canadian side of the North Cascades ecosystem, nor to provide bears to U.S. efforts at this time. The only change I'm aware of is the decision on the environmental impact statement and the 10(j) in the U.S.

As before we continue to work with First Nations on our side of the border in a collaborative way, but I am similarly not aware of any direct action underway on the part of the Okanagan Nation Alliance (or any other Nation) to imminently move a bear.

So, no significant news north of the border at this time.

Kind regards,

Logan Wenham  
Executive Director, Wildlife Branch  
Resource Stewardship Division  
Ministry of Water, Land and Resource Stewardship  
Phone: 778-698-9221

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**From:** Yantis, Noah <Noah.Yantis@mail.house.gov>  
**Sent:** Tuesday, May 14, 2024 12:55 PM  
**To:** Wenham, Logan WLR:EX <Logan.Wenham@gov.bc.ca>  
**Cc:** MacArthur, Christopher <Christopher.MacArthur@mail.house.gov>; McLaurin, Josie <Josie.McLaurin@mail.house.gov>; Psyllakis, Jennifer WLR:EX <Jennifer.Psullakis@gov.bc.ca>; Elliott, Richard WLR:EX <Richard.Elliott@gov.bc.ca>  
**Subject:** RE: Introduction/BC tribal question

Some people who received this message don't often get email from [noah.yantis@mail.house.gov](mailto:noah.yantis@mail.house.gov). [Learn why this is important](#)

**[EXTERNAL]** This email came from an external source. Only open attachments or links that you are expecting from a known sender.

Hi Logan:

It has been a few months since we emailed on the U.S. National Park Service and Fish and Wildlife Service proposed, now finalized, environmental impact statement and accompanying section 10(j) rule to relocate grizzly bears to the North Cascades Ecosystem. Administration officials are still claiming that First Nation tribes are imminently planning to move culturally significant grizzly bears into the Canadian portion of the NCE and use this as justification for the 10(j) rule.

Can you provide an update to if First Nation tribes have changed course since our last correspondence?

Additionally, can you confirm that the National Park Service and/or Fish and Wildlife Service has been in communication with your ministry about the relocation of grizzly bears into the NCE?

Any insight you have here is greatly appreciated.

Thanks,  
Noah



**Noah Yantis**  
Executive Director  
Congressional Western Caucus  
[noah.yantis@mail.house.gov](mailto:noah.yantis@mail.house.gov)  
Cell: (217) 853-7826



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**From:** Wenham, Logan FOR:EX <[Logan.Wenham@gov.bc.ca](mailto:Logan.Wenham@gov.bc.ca)>  
**Sent:** Thursday, October 12, 2023 12:00 PM  
**To:** Yantis, Noah <[Noah.Yantis@mail.house.gov](mailto:Noah.Yantis@mail.house.gov)>  
**Cc:** MacArthur, Christopher <[Chris.MacArthur@mail.house.gov](mailto:Chris.MacArthur@mail.house.gov)>; McLaurin, Josie <[Josie.McLaurin@mail.house.gov](mailto:Josie.McLaurin@mail.house.gov)>; Psyllakis, Jennifer WLR:EX <[Jennifer.Psullakis@gov.bc.ca](mailto:Jennifer.Psullakis@gov.bc.ca)>; Elliott, Richard FOR:EX <[Richard.Elliott@gov.bc.ca](mailto:Richard.Elliott@gov.bc.ca)>  
**Subject:** RE: Introduction/BC tribal question

Hi Noah:

Regrettably both myself and Executive Director of Species at Risk and Recovery Jennifer Psyllakis (cced), are in a session and will not be able to speak prior to your deadline. Richard Elliott is on annual leave and I am acting in his absence. I can provide a few high level notes in the absence of a call.

Translocation is an identified recovery action for the north Cascade population unit but there are no imminent plans or translocations underway in B.C.. Among several conditions we have discussed coordinating with states and USFWS as a priority. This is happening at a technical level through established inter-government committees.

An ESA 10 J rule is one factor that has been raised as being an important enabling condition.

We are collaborating with First Nations on this work in recent years who are very supportive of recovery. I am not aware of any direct action underway on the part of the Okanagan Nation Alliance to imminently move a bear separate from this collaborative work.

Given the nature of my role in today's seminar I will not be immediately available throughout today, but hope this is helpful.

Logan Wenham  
Director of Fish and Wildlife  
Integrated Resource Operations Division  
Ministry of Forests  
Phone: 778-698-9221

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**From:** Yantis, Noah <[Noah.Yantis@mail.house.gov](mailto:Noah.Yantis@mail.house.gov)>  
**Sent:** Thursday, October 12, 2023 6:33 AM  
**To:** Wenham, Logan FOR:EX <[Logan.Wenham@gov.bc.ca](mailto:Logan.Wenham@gov.bc.ca)>; Elliott, Richard FOR:EX <[Richard.Elliott@gov.bc.ca](mailto:Richard.Elliott@gov.bc.ca)>  
**Cc:** MacArthur, Christopher <[Chris.MacArthur@mail.house.gov](mailto:Chris.MacArthur@mail.house.gov)>; McLaurin, Josie <[Josie.McLaurin@mail.house.gov](mailto:Josie.McLaurin@mail.house.gov)>  
**Subject:** Introduction/BC tribal question  
**Importance:** High

**EXTERNAL** This email came from an external source. Only open attachments or links that you are expecting from a known sender.

Logan and Richard:

My name is Noah Yantis and I'm the Executive Director of the Congressional Western Caucus under Rep. Dan Newhouse (WA-04). I'm reaching out because we are currently trying to stop a proposal by the US Fish and Wildlife Service under 10(j) of the Endangered Species Act that would move grizzly bears into the North Cascades Ecosystem (map attached).

On a call with Fish and Wildlife Service today, it was brought up that the First Nations of Canada, including the Okanagan Nation Alliance, are in the process of relocating grizzlies into the British Columbia portion of North Cascades. Our fear with this move is these grizzlies would cross the border south into the US, into Rep. Newhouse's district, and pose an immediate danger to livestock and small communities.

Rep. Newhouse is meeting with the Director of the Fish and Wildlife Service today. We anticipate her to defend the agency's 10(j) proposal by pointing to First Nations relocating grizzlies. If either of you are available for a call before 12:30pm ET, I would greatly appreciate it.

Thanks,  
Noah



**Noah Yantis**  
Executive Director  
Congressional Western Caucus  
[noah.yantis@mail.house.gov](mailto:noah.yantis@mail.house.gov)  
Cell: (217) 853-7826

