

Statement of Jennifer Gimbel
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Department of the Interior
Before The Subcommittee on Energy
And Water Development
Committee on Appropriations
United States Senate
On the President's Fiscal Year 2016 Budget
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Chairman Alexander, Ranking Member Feinstein and members of this Subcommittee, I am pleased to appear before you today to discuss the President's FY 2016 budget for the Department of the Interior's Bureau of Reclamation and Central Utah Project Completion Act. I would like to thank the members of this subcommittee for your efforts to enact a FY 2015 appropriation, and for your ongoing support for our initiatives.

The 2016 budget request is \$13.2 billion for the Department of the Interior. The Secretary will testify later this month before various Congressional committees on the Department's request. I am here today to discuss the President's FY 2016 budgets for the Bureau of Reclamation and the Central Utah Project Completion Act, which is a Department of the Interior program that reports to the Office of Water and Science. My office is also responsible for the United States Geological Survey, which is funded by the Interior and Environment Subcommittee. As in the past, we are thankful to the subcommittee for your continued support of these programs.

Introduction

The Department of the Interior's mission affects the lives of all Americans. Interior has stewardship of 20 percent of the Nation's lands, oversees the responsible development of 21 percent of U.S. energy supplies, is the largest supplier and manager of water in the 17 western States, maintains relationships with 566 federally recognized Tribes, and provides services to more than two million American Indian and Alaska Native peoples. This budget enables the Department to carry out its important missions in resource stewardship, balanced development of energy and mineral resources, water management and conservation, providing opportunities to youth and veterans, resilience in the face of a changing climate, advancement of self-determination and stronger communities for tribal Nations, and fulfilling commitments to Insular communities. The Interior Department's FY 2016 budget maintains core capabilities to meet these responsibilities and proposes investments in key priorities.

Ensuring Healthy Watersheds and Sustainable, Secure Water Supplies

The 2016 budget addresses the Nation's water challenges through investments in water conservation, sustainability, and infrastructure critical to the arid Western United States and its fragile ecosystems.

Drought

Ongoing and multi-year droughts in California and across other Western States are resulting in water shortages impacting agriculture, municipalities and ecosystem functions and underscoring the importance of improving the resilience of communities to the effects of climate change. In 2014, Reclamation awarded \$17.8 million in WaterSMART water and energy efficiency grants and \$20.0 million in Title XVI Water Reclamation and Reuse projects that contribute significantly to drought response and resilience. In November 2014, Reclamation awarded \$9.2 million for 131 research projects within five research priority areas. The research projects are leveraged with partners providing \$3.8 million in non-Federal cost sharing.

The Departments of the Interior, Agriculture, and Commerce are continuing their work with the State of California to accelerate water transfers and exchanges, provide operational flexibility to store and convey water, expedite environmental review and compliance actions, and to pursue new or fast-track existing projects that might help stretch California's water supplies. In December 2014, Reclamation and partner agencies developed a draft *Interagency 2015 Drought Strategy for the Central Valley Project (CVP) and State Water Project (SWP)* which outlines a preliminary framework for the Drought Contingency Plan for Operations of the CVP and SWP, the Drought Contingency Biological Monitoring Plan, and other Drought-Related Measures.

The U.S. Geological Survey is providing California managers and residents with timely and meaningful data to help decision making and planning for the State's water resources as drought affects stream flow across the State, reducing reservoir replenishment, and increasing groundwater depletion. In December 2014, the USGS released an interactive California Drought visualization website to provide the public with atlas-like, State-wide coverage of the drought and a timeline of its impacts on water resources.

In the Colorado River Basin, Reclamation is working with the seven Basin States to craft new strategies to ensure critical infrastructure, such as the Hoover and Glen Canyon Dams, continues to operate as intended and to assist agricultural and municipal users in addressing current and future water challenges. In July 2014, Reclamation and municipal water providers in Arizona, California, Nevada, and Colorado signed a landmark water conservation agreement called the Colorado River System Conservation Program to address the long-term imbalance on the Colorado River caused by years of drought conditions.

In the Klamath River Basin, Interior is working with other Federal agencies, Oregon, California, Tribes and local stakeholders to implement authorized actions designed to alleviate the impacts of drought by reducing water demand in conjunction with activities that improve habitat, and restore fisheries.

WaterSMART

The budget includes \$89.0 million for WaterSMART programs in Reclamation and the U.S. Geological Survey, a \$22.1 million increase from 2015, to assist communities in stretching water supplies and improving water management. This funding supports the Department's goal to increase by 975,000 acre-feet, the available water supply for agricultural, municipal, industrial, and environmental uses in the Western United States through water-conservation programs by the end of fiscal year 2016. The budget includes \$5.2 million for Reclamation's Basin Studies program. The WaterSMART program's Basin Study component leverages funding and technical expertise from the Bureau of Reclamation in a collaborative effort with knowledgeable State and local water practitioners. Basin Studies aim to identify practical, implementable solutions to existing or anticipated water shortages and to support related efforts to ensure sustainable water supplies. The Basin Studies conducted to date advanced the state of knowledge about the dynamics of each particular watershed and generated a collective expertise to formulate constructive actions to address imbalances.

In addition to \$1.1 billion requested for the Bureau of Reclamation within the jurisdiction of the Energy and Water Subcommittee, the budget also requests over \$220 million for the U.S. Geological Survey's water programs to provide scientific monitoring, research, and tools to support water management across the Nation. USGS research conducted under the Department's WaterSMART program includes characterizing long-term trends in streamflow, assessing groundwater availability, quantifying water losses to the atmosphere, estimating water use requirements, and developing tools to understand the ecological impacts of changes in water availability.

Powering Our Future

To encourage resource stewardship and development objectives, Interior is shifting from a reactive, project by project resource planning approach to more predictably and effectively managing its lands and resources. Interior's focus on powering America's energy future supports an all-inclusive approach including conventional and renewable resources on the Nation's public lands.

Hydropower

Hydropower is a very clean and efficient way to produce energy and is a renewable resource. Each kilowatt-hour of hydroelectricity is produced at an efficiency of more than twice that of any other energy source. Further, hydropower is very flexible and reliable when compared to other forms of generation. Reclamation maintains 475 dams and over 8,000 miles of canals and owns 76 hydropower plants, 53 of which are operated and maintained by Reclamation. On an annual basis, these plants produce more than 40 billion kilowatt hours of electricity, enough to meet the entire electricity needs of over 3.5 million households.

The Department signed a Memorandum of Understanding (MOU) with the Department of Energy and U.S. Army Corps of Engineers in 2010 to increase collaboration among those agencies and strengthen the long-term relationship among them to prioritize the generation and development of sustainable hydropower. This Administration is committed to increasing the generation of environmentally sustainable, cost-effective hydropower on existing dams and conduits for our national electricity supplies as efficiently as possible. Activities under this MOU have been ongoing, and have resulted in accomplishments such as assessments of potential conventional and pumped-storage hydropower resources on Federal and non-Federal lands and facilities; a collaborative basin-scale pilot project in the Deschutes Basin (Oregon) and the Bighorn Basin (Wyoming and Montana); and grant opportunities for research and development of new technologies.

Reclamation is supporting non-Federal development of hydropower through Lease of Power Privilege (LOPP), and updated the LOPP Directive and Standard in 2014 to incorporate the Bureau of Reclamation Small Conduit Hydropower Development and Rural Jobs Act (PL 113-24) of 2013. As a result of Reclamation's focus on non-Federal hydropower development and the implementation of PL 113-24, there are now 9 LOPP hydropower projects online with 19 additional projects moving through the process. The LOPP process allows new hydropower development while preserving, maintaining, and sometimes enhancing environmental protections to ensure that any new projects will be developed in an ecologically sensitive and environmentally sustainable manner.

Additionally, Reclamation is working with Federal and non-federal partners to restore species in ecosystems that were damaged by past Federal multipurpose dam construction. For example, the budget includes \$18 million for restoration of endangered salmon on the Columbia and Snake Rivers to ensure that the Federal Columbia River Power System can meet Endangered Species Act requirements and Reclamation's Pacific Northwest Region can continue to generate approximately 23.7 million MWh of electricity (net) per year.

To further support the Powering Our Future initiative, the 2016 Reclamation budget includes \$1.3 million to implement an automated data collection and archival system to aid in hydropower benchmarking, performance testing and strategic decision making; investigate Reclamation's capability to integrate large amounts of energy generated by renewable resources such as wind and solar into the electric grid; and work with Tribes to assist them in developing renewable energy sources. These important projects will assist in the production of cleaner, more efficient, ecologically sensitive, renewable energy.

Strengthening Tribal Nations - Indian Water Settlements

The Department's programs maintain strong and meaningful relationships with native and insular communities, strengthen the government-to-government relationships with federally recognized Tribes, promote efficient and effective governance, and advance self-governance and self-determination. The 2016 budget makes significant new investments to improve Interior's capacity to work with and support Tribes in the resolution of their water rights claims and develop sustainable water sharing agreements and management activities.

Interior's investments in Indian Water Settlements total \$244.5 million in Reclamation and Indian Affairs for technical and legal support and for authorized water settlements, an increase of \$73 million over 2015. This includes \$40.8 million for Interior-wide technical and legal support, and \$203.7 million for settlement implementation, of which \$136.0 million is funded by the Bureau of Reclamation. In 2016, Interior will complete the funding requirements for the Taos Pueblo Indian Water Rights Settlement Act.

Engaging the Next Generation

By September 30, 2017, the Department of the Interior will provide 100,000 work and training opportunities over four fiscal years, 2014 through 2017, for individuals ages 15 to 35 to support the mission of the Department. To meet the Secretary's challenge to Engage the Next Generation, Reclamation will strive to expand youth programs and partnerships to accomplish high priority projects, promote quality participant experiences, and provide pathways to careers for young people through temporary positions with the bureau, as conservation interns, or as part of conservation work crews in conjunction with partnering organizations.

Central Utah Project

The Central Utah Project Completion Act (CUPCA), Titles II - VI of P.L. 102-575, provides for completion of the Central Utah Project (CUP) by the Central Utah Water Conservancy District (District). The Act also authorizes funding for fish, wildlife, and recreation mitigation and conservation; established an account in the Treasury for deposit of these funds and other

contributions; established the Utah Reclamation Mitigation and Conservation Commission to coordinate mitigation and conservation activities; and provides for the Ute Indian Rights Settlement.

The 2016 budget for the Department of the Interior's CUPCA program is \$7.3 million. Of this amount, \$6.3 million will be expended from this account and \$1.0 million will be transferred to the Utah Reclamation Mitigation and Conservation Account for use by the Utah Reclamation Mitigation and Conservation Commission. The 2016 budget provides funding to continue the partnership with the Central Utah Water Conservancy District in the ongoing construction of the Utah Lake System facilities. The 2016 budget will also continue Interior's required program oversight activities and endangered species recovery program implementation through the Department's CUPCA Office.

Conclusion

Thank you for the opportunity to testify on behalf of the President's 2016 budget for the Department of the Interior and the Bureau of Reclamation. We have the opportunity to positively impact our nation's future for all generations through wise investments, collaboration, and new and innovative ideas to meet the future needs for the growth and prosperity of our nation.

I look forward to working with the committee to implement this budget. This concludes my testimony and I am happy to answer questions.