

**Statement for the Record
Bureau of Reclamation
U.S. Department of the Interior
before the
Subcommittee on Water and Power
Committee on Natural Resources
U.S. House of Representatives
Bureau of Reclamation Surface Water Storage Streamlining Act**

September 10, 2014

Thank you for the opportunity to provide the views of the Department of the Interior (Department) on the Bureau of Reclamation Surface Water Storage Streamlining Act. This bill was presented to the Department just last week, and the Department has not had adequate time to conduct an in-depth analysis and develop detailed testimony. The Department has expressed concern to the Committee that short notice of hearings on new bills deprives the Department and the Administration the opportunity to provide testimony containing thorough analysis of the language. The comments below represent our initial review of the bill and, currently, the Department does not support the legislation as currently written.

The Department may provide additional views on this legislation after conducting further analysis.

In general, the legislation aims to expedite completion of new or expanded surface water storage, and creates financial consequences for federal agencies found to be out of compliance with the accelerated processes prescribed in the bill. The bill designates the Bureau of Reclamation (Reclamation) as the lead agency for its various deliverables in this area. The Department recognizes the sponsor's desire to reduce delays associated with large infrastructure projects. We are aware of, but do not agree with, the view that the water supply shortfalls common to western states can be remedied with a renewed emphasis on reducing analysis that may accompany the construction of any new reservoir or other major water project.

However, as the Department has stated in prior testimony on surface water storage before this Subcommittee, we are not aware of any Reclamation surface water storage projects that have been denied construction because of delays associated with project review or permitting, or shortcomings in communication among Reclamation or any other state or federal partners. There are more than two dozen authorized but unconstructed Reclamation projects, but none of those projects was denied construction because of the requirements of the National Environmental Policy Act (NEPA) or because it was 'overstudied.' Rather, as stated in February 2014 hearing on HR 3981, and in prior testimony at the Subcommittee's February 7, 2012 hearing on surface water storage, project economics and the pricing and repayment challenges within the potential markets where projects would be built are the primary reasons for many projects being identified

and/or authorized but not constructed. If nothing else, it appears that this bill would restrict the time available to establish the merits of a project and to consider the project's potential environmental effects. Constraining or circumventing project environmental reviews and permits impedes the opportunity to consider alternatives with less adverse impacts on communities and the environment which could make favorable recommendations for project construction less likely and increase the potential for delay as a result of litigation.

In addition, a brief review of the bill shows that it would impose a number of additional requirements on Reclamation and other federal agencies that would not provide a corresponding public benefit or increase the likelihood that high-quality, economically justified surface water storage projects would be identified, studied and constructed. These include a requirement that agencies already straining under tight budgets solicit additional proposals from the public and track submittals regardless of their inherent merit, feasibility or level of stakeholder support. Reclamation already has authority, through its Basin Study Program, to solicit and evaluate stakeholder-proposed alternatives to address water supply imbalances.

Reclamation has been working to achieve meaningful efficiencies in the implementation of its planning or resource management programs, particularly in the area of water transfers. For example, to expedite environmental reviews Reclamation already coordinates with stakeholders and cooperating agencies, consults with agencies and Tribes, employs programmatic environmental documentation in appropriate cases, and uses tiering and supplementation. The Council on Environmental Quality last month issued draft guidance designed to assist agencies with the effective use of programmatic NEPA reviews, not inconsistent with the goals of this legislation. Reclamation and the Department recognize the benefits to taxpayers and the nation of efficiently planned and executed water resource projects. Coordination, transparency, performance measurement and public input are goals we share with the sponsor of this bill, and we have a strong record fostering those goals in our programs.

The Department and Reclamation also recognize that significant effort went into developing this legislation. However, given the short time provided and based on an initial review of the bill, the Department does not support this bill as written.

Thank you for the opportunity to provide these initial comments. The Department may provide further comment on this bill as we conduct additional analysis.