

Department of the Interior Highlights of Congressional Action  
on the  
Fiscal Year 2007 Energy and Water Development Appropriations Bill

On May 19, 2006, the House Appropriations Committee filed its report on H.R. 5427, the 2007 Energy and Water Development Appropriations Bill. The bill is expected to be considered on the House floor during the week of May 22, 2006.

Overall, the Committee provides a total of \$30 billion in budget authority for the U.S. Army Corps of Engineers – Civil, the Department of the Interior including the Bureau of Reclamation and the Central Utah Project, the Department of Energy, and several independent agencies. The bill is \$172 million below 2006 enacted and \$546 million above the President's 2007 request.

**Bureau of Reclamation**

The House bill funds Reclamation at \$900.8 million, which is \$120.0 million below 2006 enacted and \$17.2 million above the President's request. The \$120.0 million reduction from 2006 enacted includes the President's request to cancel \$88.0 million in unobligated balances for At-risk Desert Terminal Lakes. When this cancellation of balances is factored out, the House bill funds Reclamation at \$988.8, which is \$32.0 million below the 2006 enacted level and \$17.2 million above the President's request.

***Water & Related Resources Account:*** Funds provided for Water and Related Resources (W&RR), Reclamation's primary operating account, total \$849.1 million, which is \$25.6 million below 2006 enacted and \$15.7 million above the 2007 request. The discretionary funding level for the W&RR account is \$761.1 million after cancellation of the \$88.0 million in unobligated balances for Desert Terminal Lakes.

The House bill, consistent with 2006 enacted, does not provide for underfinancing – an undistributed reduction for unanticipated slippage in project construction. The House report restates W&RR reprogramming guidelines. Also, compared with prior years, there is significantly less report language directing the use of project funds.

**Animas LaPlata:** The bill funds Animas LaPlata at the President's request of \$57.4 million, which is \$2.0 million above the 2006 enacted level of \$55.4 million.

**Central Valley Project:** The bill funds the Central Valley Project (CVP) at the request level of \$120.2 million, which is \$7.9 million below 2006 enacted. The bill provides \$1.0 million for an assessment of the feasibility of relocating the Highway 49 bridge at the Auburn-South Unit of the CVP. It also provides \$1.3 million for the El Dorado Temperature Control Device.

**Klamath:** The bill funds Klamath at the request level of \$24.8 million, which is \$3.9 million above 2006 enacted.

Middle Rio Grande: The bill funds the Middle Rio Grande at the request level of \$23.8 million, which is \$4.0 million below 2006 enacted.

Rural Water: The bill funds Rural Water projects at \$79.0 million, which is \$4.1 million below 2006 enacted levels and \$10.3 million over the President's 2007 budget.

- Mni Wiconi is funded at the request level of \$32.2.
- Garrison (rural water component) is funded at \$11.5 million, which is \$1.0 million above the request level.
- Fort Peck/Dry Prairie is funded at \$6.0 million, which is \$1.0 million above the request.
- Lewis & Clark is funded at \$22.0 million, which is \$1.0 million above the request.
- North Central Montana is funded at \$5.5 million - the 2007 request included no funding.
- Perkins County is funded at \$1.3 million – the 2007 request included no funding.
- Jicarilla Apache is funded at \$500,000 – the 2007 request included no funding.

Safety of Dams: The bill funds the Safety of Dams Program at the request level of \$69.0 million, which is \$7.7 million above 2006 enacted.

Salton Sea: The bill funds the Salton Sea at \$2.2 million, which is \$2.5 million below 2006 enacted and \$1.5 million over the 2007 request. The bill provides \$1.5 million for the restoration efforts at the Alamo and New Rivers and other authorized pilot projects.

Science and Technology: The bill funds the Science and Technology Program at the request level of \$8.5 million, which is \$7.6 million below 2006 enacted. In 2006 enacted, the S&T Program included \$7.0 million for completion of the construction of the Tularosa Basin Desalination facility in New Mexico.

Site Security: The House bill funds Site Security at the President's request of \$39.6 million, which is also equal to the 2006 enacted level. The Committee recognizes that the costs for additional guards and surveillance to ensure the security of a project are reimbursable O&M costs, and directs the Department to work closely with power customers, water users and other customers to ensure these requirements are adequately communicated and justified to those parties who share in the costs.

Title XVI: Title XVI – Water Reclamation & Reuse projects are funded at \$12.6 million, which is \$13.2 million below 2006 enacted and \$2.5 million above the President's 2007 request. The additional funding is for Watsonville Area Water Recycling (\$1.0 million).

Water 2025: The report states that the Committee is supportive of the Water 2025 Program but does not fund the Program, citing a lack of authorizing language; \$14.5 million was requested in the 2007 President's budget.

Water Resource Investigations/ Studies: The bill funds Water Resource Investigations/ Studies at \$34.1 million, which is an increase of \$7.6 million above 2006 enacted and \$13.3 million above the President's 2007 request.

The bill funds the San Gabriel Basin Restoration project at \$10.0 million – the 2007 request included no funds. It provides \$1.0 million for the Sacramento River Diversion Study. Within the Southern California Investigations Program, \$250,000 is provided for the Los Angeles Basin Watershed Water Supply Augmentation Study; \$500,000 for the Upper Mohave River Well Field and Water Supply Project; and \$300,000 to assist the Lake Arrowhead Community Services District to develop a groundwater management plan.

Yakima River Basin: The House bill funds Yakima River Basin projects (Yakima Project, Yakima Basin Enhancements, and Yakima River Basin Water Storage) at \$21.1 million, which is \$3.7 million above 2006 enacted and \$500,000 above the 2007 request level.

The \$500,000 increase in funding is for Yakima River Basin Water Storage that was not funded in the 2007 request.

Other Projects: The Committee funds the following projects at the 2007 President's request level:

- Central Arizona Project: \$27.2 million
- Colorado – Big Thompson: \$15.2 million
- Colorado River Salinity Control: \$22.7 million (includes Yuma Desalting Plant)
- Colorado River Storage Project: \$10.2 million
- Columbia Basin: \$10.2 million
- Columbia/Snake Salmon Recovery: \$17.3 million
- Fryingpan-Arkansas: \$7.1 million
- Lower Colorado River Operation: \$17.0 million
- Native American Programs: \$16.6 million
- Pick Sloan Missouri Basin: \$41.9 million
- Yuma Area Project: \$22.7 million

**CALFED:** The bill funds the California Bay-Delta Restoration Program (CALFED) at \$40.1 million, which is \$3.5 million above 2006 enacted and \$1.5 million above the 2007 request. The House report states that the budget documentation was extremely limited in justifying the various levels of funding for each program/project under the CALFED Program. Therefore, the Committee has redirected the funding to higher priority projects that will produce increased sources of water for the State of California (otherwise know as “firm yield” projects), improve drinking water quality, and improve water delivery flexibility.

Funding is eliminated for the intertie project between the State Water Project California Aqueduct and the CVP Delta Mendota Canal because of pending legal action.

The report states that all funds provided under the CALFED Bay-Delta Program are to be considered non-reimbursable. The report also states that the Committee is aware that Reclamation is not providing all funds to project cooperators as outlined in the 2006 bill and insists that Reclamation provide the funds listed in the 2007 report.

The Committee again urges the Administration to fund all Program elements at the fully authorized levels in future budget requests and include all cooperating agency budgets related to CALFED Bay-Delta Program activities under this account.

The Committee also believes that, because Reclamation relies on the Delta to move water from north to south, it should share in the responsibility of maintaining and strengthening delta levees. The bill provides \$6.0 million to be transferred to the Corps of Engineers to begin implementation of the Delta Levee Stability High Priority, Priority Group "A" projects as identified in the draft 180-day report to Congress dated March 2006.

<b>CALFED Program/Project</b> (\$000's)	<b>2007 Request</b>	<b>2007 House Bill</b>	<b>Difference</b>
Environmental Water Account	10,890	6,000	-4,890
Water Use Efficiency	247	2,850	+2,603
Water Quality	2,970	5,990	+3,020
Storage	11,385	11,385	0
Conveyance	5,198	3,415	-1,783
Ecosystem Restoration	1,980	1,000	-980
Science	2,970	2,970	0
Planning & Mgmt	2,970	500	-2,470
Delta Levees	0	6,000	+6,000
<b>Totals</b>	<b>38,610</b>	<b>40,110</b>	<b>+1,500</b>

*Other Accounts:* The bill funds the Central Valley Project Restoration Fund at the 2007 request level of \$41.5 million and, consistent with the President's request, provides no funding for the Loan Program. It also funds the Policy and Administration account at the President's request of \$58.1 million.

### **Central Utah Project Completion Act**

The House bill funds the Central Utah Project at the 2007 request level of \$40.2 million that is \$6.1 million above 2006 enacted.

The House bill includes \$6.9 million in funding for the Western Area Power Administration to transfer to the Utah Reclamation, Mitigation and Conservation Commission.

### **Bill/Report Language**

In addition to that not already described, the bill includes the following:

*Five-year budget planning:* In 2006, the Committee directed the Department of Interior to submit with its 2007 budget request a detailed five-year plan for each of the major budget components including W&RR, CALFED, and the CVP Restoration Fund accounts.

The Department has informed the Committee that it will be unable to provide a five-year plan this fiscal year and hopes to make the initial submission with the 2008 budget

request. The report reiterates the 2006 instructions: The program plans shall clearly state the assumptions and priorities behind the choices it will make between competing agency programs; and shall include a copy of the guidance provided to the program offices to guide their submission into the five-year plan. The plan is to include both fiscally constrained and unconstrained data.

***Denver Technical Service Center:*** The Committee is aware of the National Research Council's recommendation that the Bureau reevaluate the competencies that exist at the TSC in light of current challenges faced by the Bureau. Depending upon the timeliness and thoroughness of this evaluation, the Committee will entertain an outside evaluation of the TSC's current staffing and core competencies.