

Our Legacy

Reclamation's mission is to manage, develop and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

The Great Plains Region:

is the largest of the regions,

covers nine states east of the Continental Divide,

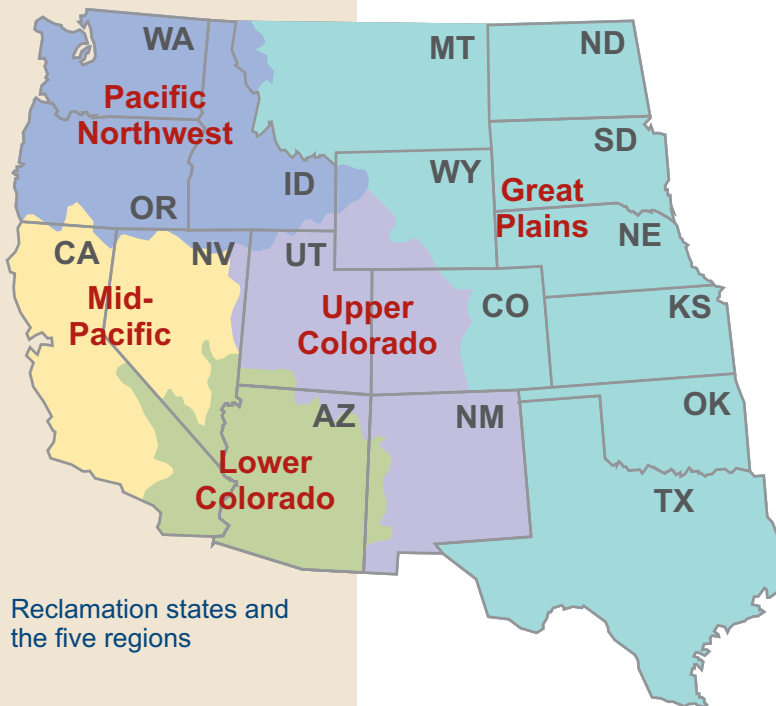
manages over 150 major water storage and delivery structures,

administers over 1000 water service contracts,

and operates 21 hydropower plants.

In the mid-nineteenth century there were few reliable water supplies in the western United States. While the completion of the transcontinental railroad in 1869 facilitated the settlement of the West, it did not govern the settlement. The availability of water did, and Mother Nature simply couldn't keep up with the demands of the great western migration.

At the turn of the century, national leaders realized that adequate and reliable water supplies were needed before the parched West could be "reclaimed" - that is, brought into agricultural production. The administration of President Theodore Roosevelt created the Reclamation Service as part of the U.S. Geological Survey. In 1907 the agency obtained "Bureau" status and in 1923 officially became the Bureau of Reclamation. June 17, 2002, marked the 100th anniversary of the creation of the agency.



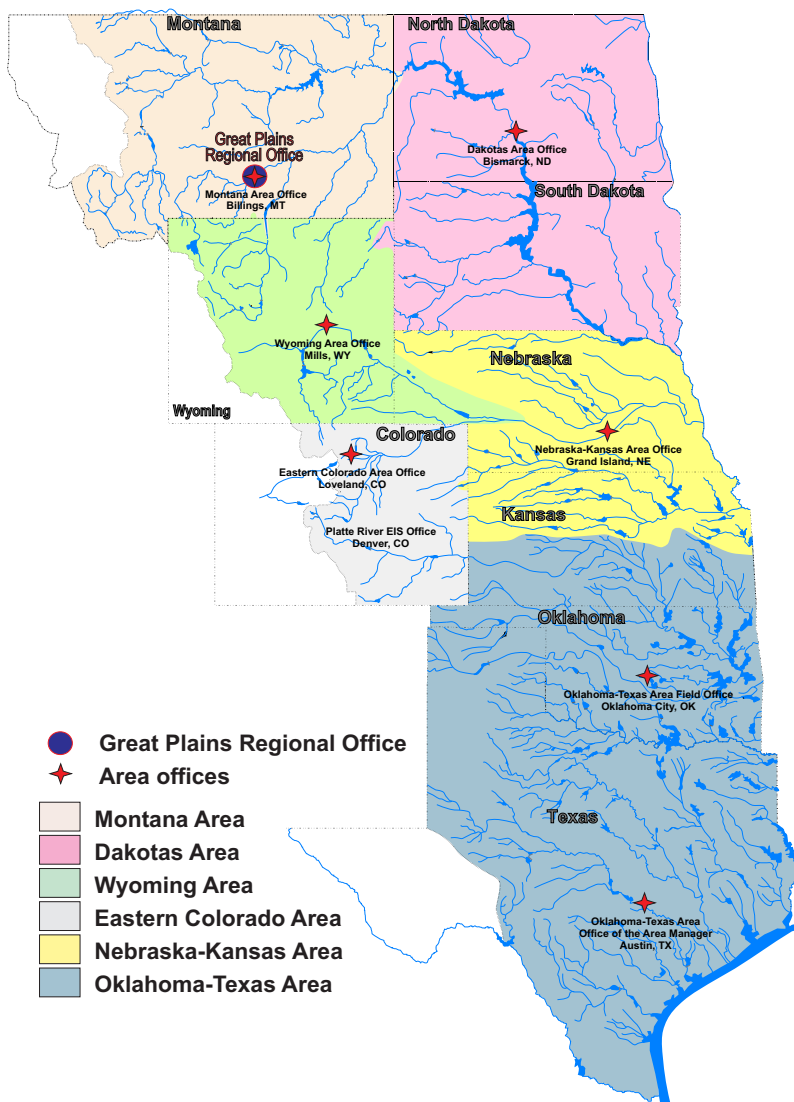
Reclamation states and the five regions

After constructing dams and reservoirs throughout the 17 western states, Reclamation's initial task of providing water to the arid West has proved a great start. Today, Reclamation is the nation's largest wholesale water supplier, administering 348 reservoirs with a total storage capacity of 245 million acre-feet (an acre-foot, 325,851 gallons of water, supplies enough water for a family of four for one year). Reclamation delivers 10 trillion gallons of water to about 28 million people and irrigates 10 million acres of farmland (about one-third of the irrigated acreage in the West).

Reclamation is also the fifth largest electric utility in the 17 western states. Reclamation's 58 hydroelectric powerplants provide an average of 60 billion kilowatt hours of energy each

year, generate nearly a billion dollars in power revenues, and serve six million homes. About 90 million visitors enjoy Reclamation's 300 recreation sites each year. From the small, remote reservoir providing a near-wilderness experience, to those that have highly developed facilities, Reclamation has something to offer everyone.

Many of the first projects built by Reclamation were in what is now the Great Plains Region. The region has its roots in three former Reclamation regions: the Upper Missouri Region headquartered in Billings, Montana; the Lower Missouri Region headquartered in Denver, Colorado; and the Southwest Region headquartered in Amarillo, Texas. In October 1985 the Upper and Lower Missouri regions were merged into the Missouri Basin Region with headquarters in Billings. In 1988 much of the Southwest Region was added to the Missouri Basin Region and the region's name was changed to the Great Plains Region. Geographically, it became the largest of the five Reclamation regions.



Great Plains Region is administered by

The Regional Office in Billings, Montana;

and six Area Offices:

Montana Area Office in Billings, Montana;

Dakotas Area Office in Bismarck, North Dakota;

Wyoming Area Office in Mills, Wyoming;

Nebraska-Kansas Office in Grand Island, Nebraska;

Eastern Colorado Area Office in Loveland, Colorado;

and Oklahoma-Texas Area Office in Austin, Texas.

What We Do

Reclamation Projects:

originally were authorized as "single purpose" or only for irrigation;

as the needs of the west grew so did the purposes of projects adding hydropower, flood control and municipal supplies to irrigation;

more contemporary needs added recreation, fish and wildlife benefits.

Today, our "multipurpose" projects encompass a wide range of water supply benefits based upon the unique needs of surrounding communities.

The Reclamation Act of 1902 directed the "construction and maintenance of irrigation works for the storage, diversion and development of water for reclamation of arid and semiarid lands" in the sixteen western states. Texas was later added as the 17th Reclamation state.

While providing water for irrigation was the primary purpose for the creation of the Bureau of Reclamation, other project purposes were added over time. Those are: flood control, hydropower, municipal and industrial water, recreation, and fish and wildlife management.

In the Great Plains Region there are 80 Reclamation reservoirs with an active capacity of 18 million acre-feet of water.

Irrigation

Soon after the passage of the Reclamation Act, the agency began planning, designing and building water storage and delivery facilities. The basic premise was that federal funds would be used to build the projects, but water users who

benefitted from them would repay the government certain costs of construction and annual operation and maintenance through long-term repayment contracts with the federal government. In the Great Plains Region reservoirs provide water to irrigate over two million acres of cropland on 14,000 farms, about one-fourth of the land area served by all Reclamation reservoirs in the West. The value of crops produced annually on those lands is about \$1 billion.



Irrigation in Nebraska.

Flood Control

At first Reclamation projects were not built for flood control, even though this was one of the many benefits provided by the water storage facilities. The Reclamation Project Act of 1939 expressly authorized that flood control could be included as a project purpose. Since flood control records were maintained, Reclamation facilities have prevented more than \$8 billion in flood damages in river basins throughout the West.

Hydropower

Although the earliest Reclamation hydroelectric plants went into operation in 1909, it was only in the 1930's that policy emerged to guide federal development of large hydroelectric projects. The Reclamation Project Act of 1939 provided authority to the Secretary of the Interior to contract for project power to operate irrigation systems and to allow power revenues to be used to help repay project costs.

Today, Reclamation is the nation's second largest hydroelectric power producer with 58 hydroelectric powerplants which generate over 42 billion kilowatt hours of hydroelectric energy every year, enough to meet the needs of 14 million people. The Great Plains Region manages 21 of those powerplants and they produce about 2.7 billion kilowatts each year, enough for about 275,000 households. Prior to 1978, Reclamation generated and marketed the federal power produced at its facilities. In 1978 the act creating the Department of Energy transferred the power marketing and transmission functions to newly established power marketing administrations. In the Great Plains Region power excess to project needs is marketed by the Western Area Power Administration.

Municipal and Industrial Water

The Town Sites Act of 1906 authorized Reclamation to sell water for municipal uses if it was surplus to project needs. The Reclamation Project Act of 1939 officially added municipal and industrial uses as an authorized purpose of Reclamation projects and allowed those uses to share in repaying the cost of building the projects. Municipal, industrial projects and rural water systems in the Great Plains Region serve over two million people. 300,000 acre-feet of water is delivered annually for municipal and industrial uses in the Region.

Recreation

Even in the early days of Reclamation when a new reservoir was filled, the public would soon arrive to use it for recreation. However, it wasn't until the Reclamation Project Act of 1939 that recreation was added as one of the recognized purposes of Reclamation projects.



Shoshone is the region's oldest powerplant placed in service in 1922. Original units in the foreground are no longer used and have been replaced by a new one in back.

In the Great Plains Region there are 81 recreation areas at Reclamation reservoirs which receive more than 14 million visits each year. Most of the recreation areas are managed by Reclamation partners such as the U.S. Forest Service or state game and parks agencies. A major goal of the agency's recreation effort is to develop partnerships with non-Federal entities such as states, tribes, and private interests, to share the cost of recreation projects.

Fish and Wildlife

For many years Reclamation projects were built after they were deemed to be feasible from an engineering standpoint and if project beneficiaries could help pay for them. With passage of the Fish and Wildlife Coordination Act of 1956, Reclamation projects had to be weighed against potential

impacts to fish and wildlife. Presently, our fish and wildlife activities involve evaluating the impacts of Reclamation project operations on fish and wildlife habitat, particularly threatened and endangered species.

We also provide funding and administrative support for fish and wildlife management in general. We also develop partnerships with non-Federal natural resource conservation groups, including states, tribes, and private interests, to share the cost of fish and wildlife projects and studies.



The Platte River Partnership affects water use in three states. Storage projects in Wyoming and Colorado control water supplies for threatened and endangered species in Nebraska.

Other Major Activities

Operation and Maintenance

The heart of the Reclamation program in the Great Plains Region is the day-to-day operation and maintenance of its many water storage and delivery facilities. They are operated to achieve the purposes outlined in authorizing legislation consistent with state water law and in accordance with other laws and treaties with Native American tribes.

It is Reclamation policy to transfer the responsibility for operating and maintaining single-purpose facilities to the entities that receive water from them. About 50 percent of the dams and associated facilities in the region are operated on a day-to-day basis by irrigation districts or municipalities. Reclamation maintains a partnership with these operating entities, providing oversight and periodically inspecting the facilities and reviewing operational

practices and procedures. Reclamation continues to operate and maintain the remaining 50 percent of facilities (multiple-purpose projects), working to assure they are efficient and safe.

Safety of Dams

Reclamation's Dam Safety Program is carried out under the authority of the Reclamation Safety of Dams Act of 1978, as amended. Program activities include annual on-site examinations of each dam, regular monitoring of the performance of the dam, and a comprehensive evaluation of the design, construction, and performance of the dam to state-of-the-art standards. The purpose of the Dam Safety program is to ensure that Reclamation structures do not present unacceptable risks to the public's safety, property and welfare. The agency implements remedial measures when dam safety issues are identified.

Rural Water

In recent years several bills were passed by Congress authorizing Reclamation to design and build a number of water systems that serve rural areas and small municipalities in Montana, North Dakota and South Dakota. These systems will eventually serve about a half million people, many of whom are on Indian reservations.

An analysis of these rural water projects by the Office of Management and Budget in 2003 concluded Reclamation does a competent job managing the projects Congress authorized it to build, but stronger controls over the projects were needed. In December 2006 Congress passed the Rural Water Supply Act of 2006 (P.L. 109-451), which directs the Secretary of the Interior to establish a rural water program in the Reclamation states. This program will provide criteria and guidelines which will allow Reclamation to be involved in identifying, screening, planning, designing and building projects.



The Mni Wiconi Rural Water System water treatment plant in South Dakota.

Water 2025

Water 2025 is a Department of the Interior challenge grant program that began in 2004. It seeks to lessen future conflict in Reclamation states over water supplies and water quality. In the Great Plains Region funding has been provided for water conservation activities including measurement devices and irrigation delivery system automation.

Native American Affairs

The Secretary of the Interior has special trust responsibilities toward American Indians and Alaska Natives. The Bureau of Reclamation assists Native American tribes to develop and manage their water resources. There are 65 federally recognized tribes in the Great Plains Region. Most of these tribes have a critical need to develop and manage their water, but they are hampered by both a lack of water and a lack of infrastructure.

The Region's Native American Affairs Program has two primary activities; support for Department of the Interior Indian water rights settlements and implementation teams and technical assistance and training for tribes in the Region. A wide range of technical assistance activities have been accomplished. The main activities are helping tribes assess their domestic water supply and treatment needs and then identifying potential solutions to meet those needs.

Planning

Reclamation's mission today emphasizes the optimum use of water resources rather than new construction. Reclamation is now more likely to be involved in studies which address the increasing competition for water and improving the efficient use of limited water supplies. The planning program is geared more to providing states, Tribes and other sponsors technical assistance and cost-shared studies which do not



Drilling in the Ogallala aquifer in Kansas to determine the groundwater supply.

necessarily lead to feasibility studies and Federal construction projects. The agency is well positioned to work with customers to provide one-stop services.

Water Conservation

The Water Conservation Field Services Program assists local water providers such as irrigation districts to encourage efficient water use. Area Office personnel work to help water users, including 1,000 water districts using Reclamation water, achieve their water management goals. The priorities are: 1) help water districts develop water conservation plans; 2) assist with the implementation of those plans; and 3) cooperative educational outreach.

Drought Assistance and Planning

The Reclamation States Emergency Drought Relief Act of 1991, as amended, authorized emergency drought funding and the development of drought contingency plans. Funding has been

made available on an “as needed” basis, depending upon climatological conditions. The law is divided into two major parts. Title I allows Reclamation to undertake activities to minimize or mitigate drought damages or losses in western states. Title II allows the agency to assist in the development, modification, or updating of cooperative drought contingency plans in all the states and with Indian Tribes. The law also allows the use of Reclamation facilities to store and convey non-project water to mitigate losses and damages resulting from drought. Non-project water may be stored and conveyed for use inside and outside of project service areas for municipal and industrial uses, agriculture, and fish and wildlife. Those entities that use the Reclamation facilities enter into contracts and pay appropriate operation and maintenance costs.

Water Quality

In 1972, Congress enacted the first comprehensive national clean water legislation. The Clean Water Act is the primary federal law that protects our nation’s waters, including lakes, rivers, aquifers and coastal areas. The Region's water quality work includes hydrologic and water quality evaluations associated with planning, design, and resource management. It also involves studying the availability and quality of surface and ground water, determining the suitability of water for irrigation, environmental, municipal, and other uses, and evaluating how management activities affect water quality.

Cultural Resources

The region's cultural resource program manages and protects cultural resources on Reclamation lands as well as on lands affected by Reclamation activities. Laws governing cultural resource activities are the National Historic Preservation Act, the Archaeological Resources Protection Act and other federal statutes, regulations and policies. Cultural resources include archaeological, historic, and architectural sites and traditional cultural properties.

Closely linked to the cultural resource program are the Native American Graves Protection and Repatriation Act (NAGPRA) and museum property programs. Reclamation has two basic categories of NAGPRA responsibilities: 1) inventory and repatriation of human remains and related items which were in Reclamation's collections prior to passage of NAGPRA in 1990, and 2) consultation with Tribes regarding human remains discovered on or excavated from Reclamation lands after 1990.

Reclamation's museum property consists of artifacts, artwork, documents and other historic items. The region has an estimated 4.2 million items of museum property. The majority is archeological in nature and housed in 25 non-federal repositories throughout the Region. Reclamation’s emphasis is assuring proper cataloging, management and accountability for its museum property.

Over 2.5 million dollars has been provided for drought relief activities in the Great Plains Region since 2002.

The Pick-Sloan Missouri Basin Program

Most of the water and power facilities in the northern half of the Great Plains Region were constructed under the Pick-Sloan Missouri Basin Program (Pick-Sloan) as authorized by the Flood Control Act of 1944. Pick-Sloan is one of the most extensive plans ever developed for management of an entire river basin.



The Great Plains Region states.

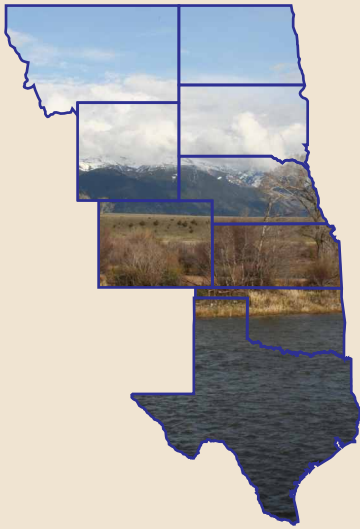
The development of Pick-Sloan has not been consistent with the original plan. Only a small fraction of the planned irrigation has been developed while hydropower production is more than double what was envisioned.

Pick-Sloan brought together a flood control and navigation plan for the basin which had been developed by the Army Corps of Engineers and an irrigation and hydroelectric plan prepared by the Bureau of Reclamation. The two plans together formed a comprehensive approach which addressed the full spectrum of multiple-purpose benefits including irrigation, hydroelectric power, flood control, navigation, sediment abatement, fish and wildlife enhancement and pollution control. Municipal and industrial water benefits were ultimately added to the program.

As originally envisioned, there were to be over 100 dams. Irrigation was to be provided to 4.8 million acres of farmland in six states. Seventeen hydroelectric facilities were envisioned. The Missouri River was estimated to be capable of handling barges which would carry 20 million tons of river freight each year. While considerable development has taken place under Pick-Sloan, much of that originally envisioned has never occurred.

To date only 518,356 acres have been developed for irrigation under Pick-Sloan mainly because much of the original acreage was later determined not to be suitable for irrigation and because social and economic conditions have changed dramatically since 1944. In addition, there have been increased legal and regulatory requirements which contributed to increased construction costs. Of the 17 Pick-Sloan powerplants originally identified, three have been built by Reclamation and three by the Corps of Engineers. Other powerplants have been developed as part of other multiple purpose projects which have been added to the Pick-Sloan Program. The actual total installed capacity of 2,535,000 kilowatts is more than double the planned capacity of 1,153,267 kilowatts. The Army Corps of Engineers estimates that since records were first kept, Pick-Sloan facilities have prevented more than \$3 billion of flood damages.

How We Do It

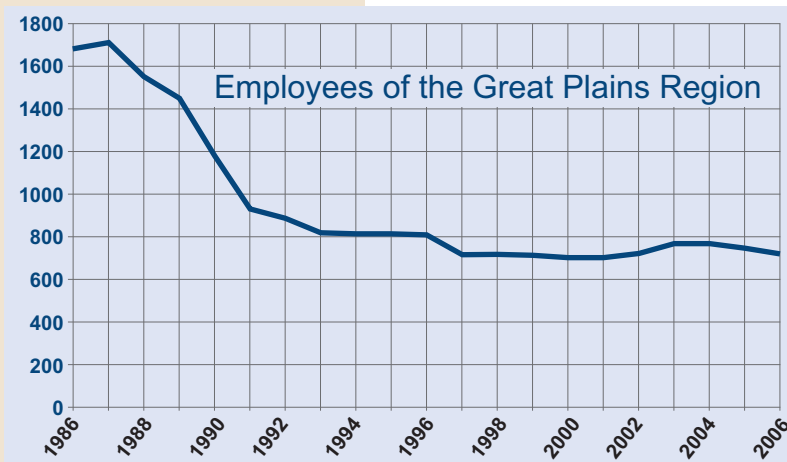


The Great Plains Region is managed from a regional office in Billings, Montana, and six area offices. The Regional Director in Billings is assisted in managing the region by a Deputy Regional Director, Assistant Regional Director, and six area managers. This group, along with the heads of Engineering and Infrastructure, Business Resources and Resource Services in the Regional Office, comprises the Regional Leadership Board which makes policy and budget decisions and sets the vision and goals for the region.

There were 723 employees in the region as of September 30, 2006.

The area managers are responsible for managing Reclamation programs and facilities in geographic areas that lie within one or more river drainages. The Montana Area Office, headquartered in Billings, Montana, manages facilities in the

upper Missouri River Basin within Montana. The Dakotas Area Office in Bismarck, North Dakota manages facilities of the upper Missouri River Basin in North Dakota and South Dakota as well as Keyhole Reservoir in eastern Wyoming. The Wyoming Area Office in Mills, Wyoming, is responsible for projects and programs in the Bighorn River drainage (in Wyoming) and North Platte



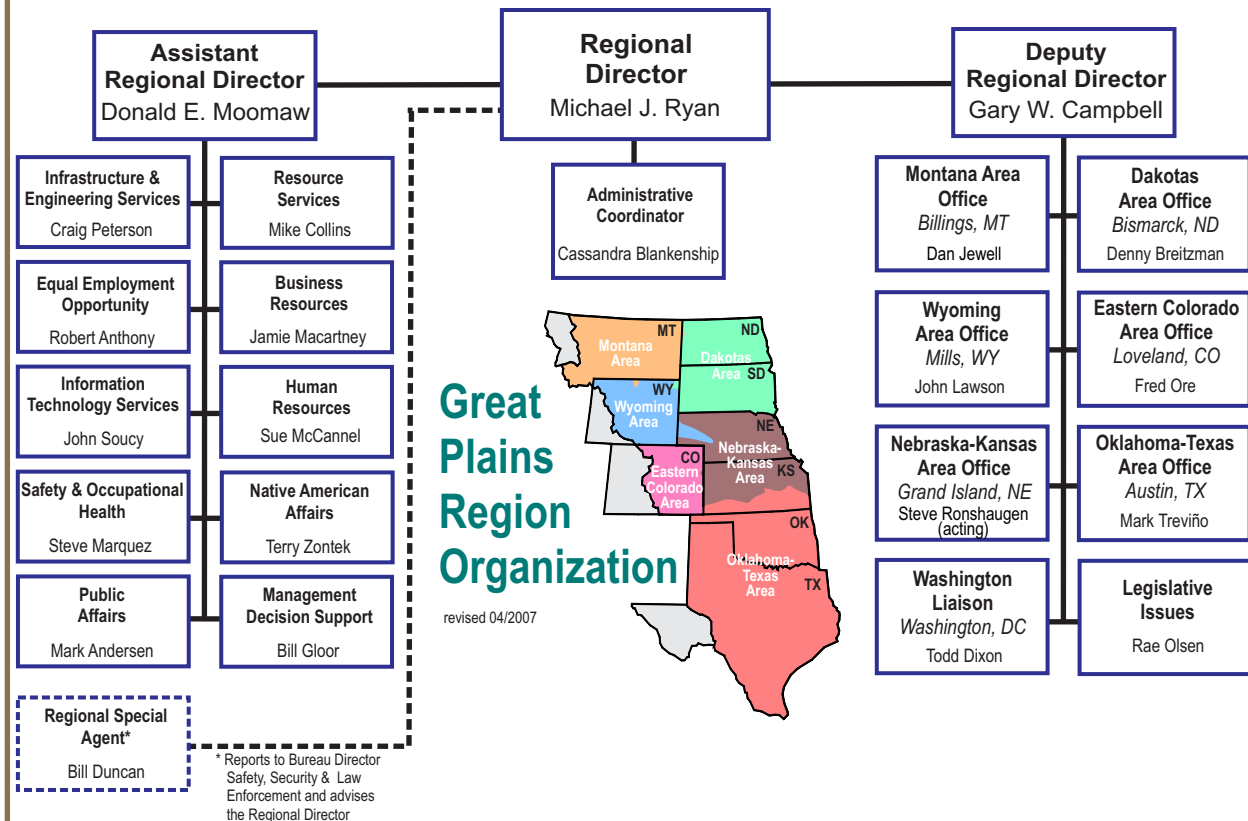
The number of regional staff by year since the Great Plains Region was founded.

River drainage (in Wyoming and Nebraska). The Eastern Colorado Area Office in Loveland, Colorado, manages Reclamation projects and facilities in the Upper Colorado River drainage and Fryingpan River drainage on the west slope of the Rockies which serve as source water for transmountain diversions to the East Slope of the Rockies in the South Platte and Arkansas River drainages. The Nebraska-Kansas Area Office manages facilities on tributaries of the Missouri River in both Nebraska and Kansas, as well as Bonny Dam and Reservoir in eastern Colorado. The Oklahoma-Texas Area Office is responsible for facilities and activities in the Arkansas River basin in Kansas, the Canadian River basin in Oklahoma and Texas, the tributaries of the Red River Basin in Oklahoma and the river basins of Texas which drain into the Gulf of Mexico.

An organizational chart for the region is on the next page.

RECLAMATION

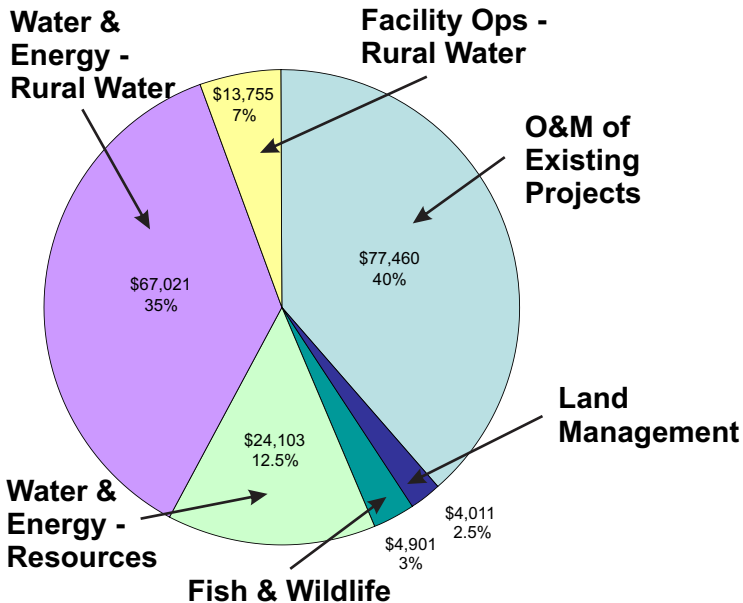
Managing Water in the West



Our Budget

Great Plains 2007 Budget by Purpose

In thousands



Budget Facts:

The vast majority (over 83 percent) of Great Plains funding in Fiscal Year 2007 goes to either rural water projects or the operation and maintenance of existing projects.

Rural water construction and operation and maintenance for rural water projects is 42 percent of Fiscal Year 2007 funding.

Water and Related Resources for Great Plains States

In Thousands

These figures represent only the Great Plains area east of the Continental Divide. AMOUNTS ARE ESTIMATES. APPROPRIATIONS ARE MADE BY ACTIVITY OR PROJECTS, NOT BY STATES OR CONGRESSIONAL DISTRICTS.

