

**REVIEW OF FISCAL YEAR 2024 BUDGET REQUEST:
AGENCY PERSPECTIVES (PART 1)**

(118-22)

HEARING
BEFORE THE
SUBCOMMITTEE ON
WATER RESOURCES AND ENVIRONMENT
OF THE
COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE
HOUSE OF REPRESENTATIVES
ONE HUNDRED EIGHTEENTH CONGRESS

FIRST SESSION

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JUNE 20, 2023

SUMMARY OF SUBJECT MATTER

TO: Members, Subcommittee on Water Resources and Environment
FROM: Staff, Subcommittee on Water Resources and Environment
RE: Subcommittee Hearing on “*Review of Fiscal Year 2024 Budget Request: Agency Perspectives (Part I)*”

I. PURPOSE

The Subcommittee on Water Resources and Environment of the Committee on Transportation and Infrastructure will meet on Thursday, June 22, 2023, at 10:00 a.m. ET in 2167 of the Rayburn House Office Building to receive testimony on “*Review of Fiscal Year 2024 Budget Request: Agency Perspectives (Part I)*.” The Subcommittee will hold a second hearing on Thursday, July 13, 2023, at 2:00 p.m. ET to continue to receive testimony from the remaining Federal agencies under the jurisdiction of the Subcommittee related to the President’s Fiscal Year (FY) 2024 Budget Request. The purpose of these hearings is to provide Members with an opportunity to review the FY 2024 budget request, as well as the Administration’s program priorities within the jurisdiction of the Subcommittee.

At the first hearing, the Subcommittee will receive testimony from the United States Army Corps of Engineers (Corps), Tennessee Valley Authority (TVA), and Great Lakes St. Lawrence Seaway Development Corporation (GLS). At the second hearing, the Subcommittee will receive testimony from the United States Environmental Protection Agency (EPA), International Boundary and Water Commission, United States Section (IBWC), Agency for Toxic Substances and Disease Registry (ATSDR), National Oceanic and Atmospheric Administration (NOAA), and Natural Resources Conservation Service (NRCS).

II. ENVIRONMENTAL PROTECTION AGENCY (EPA)

The Subcommittee’s jurisdiction over EPA includes programs aimed at protecting the Nation’s water quality pursuant to the Clean Water Act.¹ The EPA, through its own programs and in partnership with states and tribes, seeks to improve water quality nationwide through investment in wastewater infrastructure, water quality standards, permitting programs, water quality monitoring, wetlands protection, and research, among other activities.² The EPA’s Office of Water manages the EPA’s water quality protection programs. The Subcommittee also holds jurisdiction over

¹ H. COMM. ON TRANSP. & INFRASTRUCTURE, JURISDICTION AND ACTIVITIES OF THE SUBCOMM. ON WATER RES. AND ENVIRONMENT, 118TH CONG., (2023) (on file with Comm.) [hereinafter JURISDICTION AND ACTIVITIES REPORT].

² *Id.*

the Superfund and brownfields programs, which are managed by EPA's Office of Land and Emergency Management (OLEM).³

SUMMARY OF FY 2024 BUDGET REQUEST

The Administration's FY 2024 budget request for EPA totals \$12.083 billion, a 19.1 percent increase from the FY 2023 enacted level of \$10.149 billion.⁴ The EPA will receive an additional \$11.608 billion dollars in emergency supplemental funding in FY 2024 through the Infrastructure Investment and Jobs Act (IIJA), with the majority of these funds distributed as capitalization grants to states for local water infrastructure related programs.⁵

Program	FY 2023 Enacted (millions of dollars)	FY 2024 President's (millions of dollars)	President's Budget Over the FY 2023 Enacted Level	
			Millions of Dollars	Percent
Science and Technology	802.3	967.8	165.6	20.6%
Environmental Programs and Management	3,286.3	4,511.0	1,224.7	37.3%
<i>Geographic Programs</i>	<i>681.7</i>	<i>682.1</i>	<i>0.3</i>	<i>0.0%</i>
<i>National Estuary Program</i>	<i>40.0</i>	<i>32.5</i>	<i>-7.5</i>	<i>-18.7%</i>
State and Tribal Assistance Grants †	4,493.7	5,855.6	1,361.9	30.3%
<i>Clean Water SRF</i>	<i>1,638.9</i>	<i>1,638.9</i>	<i>0.0</i>	<i>0.0%</i>
<i>Drinking Water SRF</i> ‡	<i>1,126.1</i>	<i>1,126.1</i>	<i>0.0</i>	<i>0.0%</i>
WIFIA	75.6	80.4	4.8	6.3%
Hazardous Substance Superfund	1,282.7	355.9	-926.8	-72.3%
EPA OIG	44.0	64.5	20.5	46.6%
Other *	164.0	248.0	83.9	51.2%
Total	\$10,148.7	\$12,083.3	\$1,934.5	19.1%

Italics denote subsections of larger programs

† The State and Tribal Assistance Grants program includes several grant programs other than the SRFs.

‡ Drinking Water SRF is outside of the Subcommittee's jurisdiction and falls under the jurisdiction of the Committee on Energy and Commerce.

* Includes appropriations to the following accounts: Buildings and Facilities; Leaking Underground Storage Tank (LUST) program; and Inland Oil Spill program.

Clean Water State Revolving Fund (CWSRF): The FY 2024 budget request proposes \$1.639 billion in Federal capitalization grants for the CWSRF, which is equal to the FY 2023 enacted level.⁶ The CWSRF is the primary Federal program for funding wastewater infrastructure projects and activities throughout the Nation.⁷ CWSRF funds are used to provide low-cost financing for state clean water infrastructure programs, which in turn fund locally developed wastewater infrastructure projects and activities.⁸ The CWSRF and Drinking Water SRF are funded under the State and Tribal Assistance Grants (STAG) account; which provides categorical grants to states and tribes as part of the cooperative partnership between the Federal government, states, and tribes.

IIJA appropriated \$2.403 billion for the CWSRF program for FY 2024, supplementing regular appropriations.⁹ Additionally, IIJA appropriated \$225 million that same year for CWSRF to specifically address emerging contaminants.¹⁰ IIJA also reserved a portion of these funds to be distributed as grants to economically disadvantaged communities.¹¹

Water Infrastructure Finance and Innovation Act Program (WIFIA): Originally authorized by the Water Resources Reform and Development Act (WRRDA) of 2014 (P.L. 113–121), the WIFIA program provides low-interest loans or loan guarantees to eligible entities for a wide range of Nationally and regionally significant water

³ *Id.*

⁴ EPA, FY 2024 JUSTIFICATION OF APPROPRIATION ESTIMATES (2023), available at <https://www.epa.gov/system/files/documents/2023-03/fy-2024-congressional-justification-all-tabs.pdf> [hereinafter EPA BUDGET JUSTIFICATION].

⁵ IIJA, Pub. L. No. 117–58, Div. J, Title VI, 135 Stat. 1396 [hereinafter IIJA]; see also Appendix I.

⁶ EPA BUDGET JUSTIFICATION, *supra* note 4, at 1314; the FY 24 authorization for the CWSRF is \$3 billion (see section 607 of the Federal Water Pollution Control Act (33 U.S.C. 1387)).

⁷ *Id.*

⁸ *Id.*

⁹ IIJA, *supra* note 5; see also Appendix I.

¹⁰ *Id.*

¹¹ *Id.*

and wastewater projects.¹² The FY 2024 budget requests \$80.4 million for the WIFIA program, a 6.3 percent increase from the FY 2023 enacted level of \$75.6 million.¹³

Environmental Programs and Management (EPM): This account provides funds for internal programmatic activities. The FY 2024 budget requests \$4.511 billion for EPM. This represents a 37.3 percent increase from the FY 2023 enacted level.¹⁴ IJA also appropriated \$387 million in supplemental funding to this account for FY 2024.¹⁵

Included in the EPM account, the FY 2024 budget requests \$32.5 million for the National Estuary Program.¹⁶ This represents a decrease of 18.7 percent from the FY 2023 enacted level of \$40 million.¹⁷

Geographic (Regional) Programs: EPA's Geographic Programs provide an opportunity to target regionally specific water quality issues and to work closely with state and local partners. The President's FY 2024 budget requests \$682.1 million for geographic programs, an increase from the FY 2023 enacted level of \$681.7 million.¹⁸

The FY 2024 request specifically includes: \$368.2 million for the Great Lakes Restoration Initiative (GLRI), \$92.1 million for the Chesapeake Bay Program, \$25.6 million for the Gulf of Mexico, \$25 million for Lake Champlain, \$40 million for Long Island Sound, \$8.5 million for South Florida, \$54.5 million for San Francisco Bay, \$54 million for Puget Sound, \$7 million for Southern New England Estuary, \$2.2 million for Lake Pontchartrain, and \$5 million for other activities.¹⁹

Additionally, IJA appropriated \$343.4 million in supplemental funding in FY 2024 EPA's Geographic Programs.²⁰ This includes \$200 million for the GLRI, \$47.6 million for Chesapeake Bay, \$10.6 million for the Gulf of Mexico, \$8 million for Lake Champlain, \$21.2 million for Long Island Sound, \$3.2 million for South Florida, \$4.8 million for San Francisco Bay, \$17.8 million for Puget Sound, \$15.8 million for the Columbia River Basin, \$10.6 million for Lake Pontchartrain, and \$800,000 for other activities including the Pacific Northwest.²¹

Superfund Program: The Superfund program was established by the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (P.L. 96-510) in 1980, and is run by EPA's Office of Land and Emergency Management (OLEM).²² The Superfund program is the Federal program established to clean up the Nation's worst uncontrolled and/or abandoned hazardous waste sites.²³ The Superfund program is also available to respond to emergency situations involving the release of hazardous substances.²⁴ EPA addresses the highest-priority sites by listing them on the Superfund National Priorities List (NPL).²⁵ CERCLA requires responsible parties to pay for the hazardous waste cleanups or response costs, and provides for the Superfund Trust Fund to pay for remedial cleanups in cases where responsible parties cannot be found or otherwise held accountable.²⁶

In the 117th Congress, three excise taxes were reinstated to pay into the Superfund. IJA reinstated the Chemicals Superfund Tax and Hazardous Substances Tax, while the Inflation Reduction Act (IRA) (P.L. 117-169) reinstated a tax on crude oil and petroleum products.²⁷ The Consolidated Appropriations Act of 2023 (P.L. 117-328) included language allowing tax receipts collected in the Superfund Trust Fund from the prior fiscal year to be available to implement CERCLA without further Congressional appropriation and be designated as emergency funding.²⁸ This budgetary treatment prevents the collection and spending of these receipts from counting toward the Appropriations Committee's allocation or top-line funding level. There-

¹² WRRDA 2014, Pub. L. No. 113-121, Title V, 128 Stat. 1322.

¹³ EPA BUDGET JUSTIFICATION, *supra* note 4, at 955.

¹⁴ *Id.* at 1311.

¹⁵ IJA, *supra* note 5. *See also* Appendix I.

¹⁶ EPA BUDGET JUSTIFICATION, *supra* note 4, at 1310.

¹⁷ *Id.*

¹⁸ *Id.* at 1308.

¹⁹ *Id.*

²⁰ IJA, *supra* note 5; *see also* Appendix I.

²¹ *Id.*

²² JURISDICTION AND ACTIVITIES REPORT, *supra* note 1.

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.*

²⁶ CERCLA, 42 U.S.C. 103 [hereinafter CERCLA].

²⁷ IJA, *supra* note 5 § 80201; IRA, Pub. L. No. 117-169 § 13601, 136 Stat. 1981.

²⁸ Consolidated Appropriations Act of 2023, Pub. L. No. 117-328 §443 [hereinafter Consolidated Appropriations Act of 2023].

fore, these receipts are not included in the table summarizing EPA's enacted and requested funding.

The President's budget requests \$355.9 million in Superfund appropriations, a decrease of 72.3 percent from the FY 2023 enacted level.²⁹ However, the United States Treasury Department forecasts collecting a total of \$2.544 billion in Superfund taxes in FY 2023 that will be available for use in FY 2024.³⁰ These funds are covered by the budgetary treatment change in the Consolidated Appropriations Act of 2023 and are not included in the table of enacted and requested EPA funding. Using these estimates, EPA's total budgetary authority for Superfund as proposed by the President's budget would be \$2.9 billion, a 71.0 percent increase from the FY 2023 enacted level.

Brownfields: Brownfields are properties for which the expansion, redevelopment, or reuse may be complicated by the presence or potential presence of a hazardous substance, pollutant or contaminant.³¹ Examples of these sites include former industrial properties, gas stations, or dry cleaners.³² EPA's OLEM manages the brownfields program.³³ The Small Business Liability Relief and Brownfields Revitalization Act (P.L. 107-118) authorized funding for EPA to award brownfields assessment, cleanup and revolving loan fund grants, and provided limited Superfund liability protections for certain innocent landowners and bona fide prospective purchasers.³⁴

The FY 2024 budget request proposes \$216.6 million in funding for EPA's brownfields program.³⁵ This includes \$131.0 million in site assessment and clean up grants (STAG account), \$47.0 million for authorized state brownfields programs (STAG account), and \$38.6 million for EPA's management of the Brownfields program (EPM account).³⁶ This represents an increase of \$43.2 million over the FY 2023 enacted levels in total.³⁷ IIJA also appropriated \$300 million in supplemental funding for brownfields for FY 2024.

III. U.S. ARMY CORPS OF ENGINEERS (CORPS)

The Corps studies, constructs, operates and maintains water resources development projects for the Nation, usually through cost-shared partnership with non-Federal sponsors.³⁸ Authorized mission activities include navigation, flood damage reduction, hurricane and storm damage reduction, shoreline protection, hydropower, water supply, recreation, environmental infrastructure, environmental restoration, enhancement and protection, fish and wildlife mitigation, and disaster response and recovery.³⁹ The water resources development programs and projects of the Corps provide for continued economic growth, job creation, and economic stability while protecting human lives and property, ensuring reliable waterborne transportation of goods, and restoring valuable natural resources.

SUMMARY OF FY 2024 BUDGET REQUEST

The Administration's FY 2024 budget request for the Corps totals \$7.413 billion, a decrease of 10.8 percent from the FY 2023 enacted level of \$8.310 billion.⁴⁰ IIJA also provided the Corps with supplemental appropriations of \$1 billion for Operation and Maintenance (O&M) and \$50 million for Construction in FY 2024.⁴¹

²⁹ EPA BUDGET JUSTIFICATION, *supra* note 4, at 1313.

³⁰ *Id.* at 652.

³¹ JURISDICTION AND ACTIVITIES REPORT, *supra* note 1.

³² *Id.*

³³ *Id.*

³⁴ Small Business Liability Relief and Brownfields Revitalization Act, Pub. L. No. 107-118, 115 Stat. 2356.

³⁵ EPA BUDGET JUSTIFICATION, *supra* note 4, at 1308, 1314, 1316.

³⁶ *Id.*

³⁷ *Id.*

³⁸ JURISDICTION AND ACTIVITIES REPORT, *supra* note 1

³⁹ *Id.*

⁴⁰ DEPT OF THE ARMY OFFICE, ASS'T SEC'Y OF THE ARMY (CIVIL WORKS), FY 2024 CIVIL WORKS BUDGET OF THE UNITED STATES ARMY CORPS OF ENGINEERS (March 2023), available at <https://usace.contentdm.oclc.org/utills/getfile/collection/p16021coll6/id/2317> [hereinafter ARMY CORPS CIVIL WORKS FY 2024 BUDGET]; see also WHITE HOUSE, CORPS OF ENGINEERS—CIVIL WORKS APPROPRIATIONS, available at https://www.whitehouse.gov/wp-content/uploads/2023/03/coe_fy2024.pdf [hereinafter ARMY CORPS CIVIL WORKS FY 2023 APPROPRIATIONS] (describing the FY 2023 Enacted Levels).

⁴¹ IIJA, *supra* note 5, Div. J, Title III; see also Appendix I.

Program	FY 2023 Enacted (millions of dollars)	FY 2024 President's (millions of dollars)	President's Budget Over the FY 2023 Enacted Level	
			Millions of Dollars	Percent
Investigations	172.5	129.8	-42.7	-24.7%
Construction	1,808.8	2,014.6	205.8	11.4%
Operation and Maintenance (O&M)	5,078.5	2,629.9	-2,448.6	-48.2%
HMTF †	N/A	1,726.0	1,726.0	N/A
Regulatory Program	218.0	221.0	3.0	1.4%
Expenses	215.0	212.0	-3.0	-1.4%
Office of ASA-CW	5.0	6.0	1.0	20.0%
Mississippi River and Tributaries (MR&T)	370.0	226.5	-143.5	-38.8%
FUSRAP	400.0	200.0	-200.0	-50.0%
Flood Control and Coastal Emergencies (FCCE)	35.0	40.0	5.0	14.3%
WIFIA	7.2	7.2	0.0	0.0%
Total	\$8,310.0	\$7,413.0	-\$897.0	-10.8%

† The President's budget proposes to execute these appropriations within HMTF rather than transfer and execute them in Construction, O&M and MR&T accounts. Congress typically specifies that a portion of the appropriations provided to the Construction, O&M and MR&T accounts be derived from the HMTF.

*Sources of Appropriations for FY 2024 Budget Request:*⁴²

- General Fund \$5.624 billion
- Harbor Maintenance Trust Fund \$1.726 billion
- Special Recreation User Fees \$62.6 million

Investigations: The Investigations program funds studies to determine the need, feasibility, and economic and environmental benefits of potential water resources projects.⁴³ This account also funds the restudy of authorized projects, miscellaneous investigations, and plans and specifications of projects prior to construction.⁴⁴ The FY 2024 budget request proposes \$129.8 million for the Investigations program.⁴⁵

Requested funding for Investigations includes \$35.5 million for technical and planning assistance programs that will help local communities, including disadvantaged communities, identify and address their risks associated with climate change.⁴⁶ The budget also requests funding to continue studies intended to investigate climate resilience along the Great Lakes coast and in Central and Southern Florida.⁴⁷

The FY 2024 budget proposes funding to initiate five new studies: Klamath Basin, CA (aquatic ecosystem restoration); Southeast Michigan (flood and storm damage reduction); Tittabawassee River, Chippewa River, Pine River and Tobacco River, MI (flood and storm damage reduction); Fox Point Hurricane Barrier, RI (flood and storm damage reduction); Morgantown, WV Lock and Dam Automation (flood and storm damage reduction).⁴⁸ The budget request also proposes funding to complete three ongoing studies: Guadalupe River, CA (General Reevaluation Report) (flood and storm damage reduction); St. Augustine Back Bay, FL (flood and storm damage reduction); Columbia and Lower Willamette Rivers below Vancouver, WA and Portland, OR (dredged material management plan).⁴⁹

Construction: The FY 2024 budget uses performance guidelines to steer allocation of construction funds, giving priority to projects with the highest economic, environmental, and safety returns.⁵⁰ The FY 2024 budget requests \$2.015 billion in funding for the Construction program, a level which would ensure momentum on critical infrastructure projects across the Nation.⁵¹

The FY 2024 proposal includes \$415 million for the South Florida Ecosystem Restoration Plan (Everglades) program, \$66.7 million for Columbia River Fish Mitiga-

⁴² ARMY CORPS CIVIL WORKS FY 2024 BUDGET, *supra* note 40, at 4.

⁴³ *Id.* at 2.

⁴⁴ *Id.*

⁴⁵ *Id.* at 2.

⁴⁶ *Id.*

⁴⁷ *Id.*

⁴⁸ *Id.* at 7.

⁴⁹ *Id.* at 8.

⁵⁰ *Id.* at 2.

⁵¹ *Id.*; ARMY CORPS CIVIL WORKS FY 2023 APPROPRIATIONS, *supra* note 40.

tion, and \$655 million for a dam safety project at Prado Dam, CA.⁵² It also includes \$350 million for replacement of the Cape Cod Canal Bridges and a legislative proposal to transfer these funds to the Commonwealth of Massachusetts to design and construct the replacement bridges.⁵³

The budget request also includes \$235 million for a “Project Cost Increase Reserve” to help complete authorized projects that have experienced cost increases after beginning construction (e.g., Sault Ste. Marie, MI Replacement Lock project).⁵⁴

Operation and Maintenance (O&M): The FY 2024 budget request uses performance guidelines to steer allocation of O&M funds, reflecting a risk-informed approach which considers project and project component conditions and consequences in the event of possible failure of a Corps project.⁵⁵ The budget requests \$2.630 billion in funding for the O&M program.⁵⁶

The budget request also includes \$64 million for O&M activities focused on climate change and/or sustainability at Corps-owned projects, \$51 million to mitigate for adverse impacts from existing Corps-owned projects, and \$26 million to install refueling infrastructure for zero-emission vehicles at Corps-owned projects.⁵⁷

The budget request does not propose allocating funds directly from the Inland Waterways Trust Fund (IWTF); however, it proposes \$997 million for maintenance and navigation improvement on the inland waterways, giving preference to the waterways with the most commercial traffic.⁵⁸

Harbor Maintenance Trust Fund (HMTF): The FY 2024 proposal includes \$1.726 billion from the HMTF for eligible projects, emphasizing O&M, notably dredging, of completed projects.⁵⁹ The proposal also includes \$985 million for O&M of the Nation’s top 50 coastal ports, which handle about 90 percent of the waterborne cargo that is shipped to or from the United States.⁶⁰ The budget includes \$272 million for O&M of Great Lakes projects, \$58 million for projects that support Native American tribe access to legally recognized historical fishing areas, \$15 million for construction projects that accommodate disposal of dredged material from coastal navigation projects, and \$21.2 million for mitigation of adverse impacts from navigation projects.⁶¹ The budget proposes to execute the appropriations to Construction, O&M, and MR&T within the HMTF rather than to transfer and execute them within the respective accounts.

Mississippi River and Tributaries (MR&T): The MR&T program focuses on ongoing work in the lower Mississippi River valley and its tributaries, emphasizing the 1,600 miles of levees and related features on the main stem of the Mississippi and in the Atchafalaya Basin.⁶² The budget requests \$226.5 million for the MR&T program.

Regulatory Program: The budget requests \$221 million for the Corps Regulatory Program, including its work administering Clean Water Act permitting authorities.⁶³

Flood Control and Coastal Emergencies (FCCE): The budget requests \$40 million, a 14.3 percent increase from the FY 2023 enacted level, for preparedness and training to enable Corps staff to respond to communities during floods, hurricanes, and other natural disasters.⁶⁴

Formerly Utilized Sites Remedial Action Program (FUSRAP): The budget requests \$200 million for cleanup of sites contaminated by the Nation’s early atomic weapons development program.⁶⁵ This is a 50 percent decrease from the FY 2023 enacted level of \$400 million.⁶⁶

WIFIA: The budget requests \$7.2 million for WIFIA, including \$5 million for administrative expenses and \$2.2 million for credit subsidy costs related to non-Federal dam safety projects.⁶⁷ This program is separate and unique from EPA’s WIFIA program.

⁵² *Id.*

⁵³ *Id.*

⁵⁴ *Id.*

⁵⁵ ARMY CORPS CIVIL WORKS FY 2024 BUDGET, *supra* note 40, at 2.

⁵⁶ *Id.*

⁵⁷ *Id.*

⁵⁸ ARMY CORPS CIVIL WORKS FY 2024 BUDGET, *supra* note 40, at 2.

⁵⁹ ARMY CORPS CIVIL WORKS FY 2024 BUDGET, *supra* note 40, at 3.

⁶⁰ *Id.*

⁶¹ *Id.*

⁶² *Id.*

⁶³ *Id.*

⁶⁴ *Id.*; *see also* ARMY CORPS CIVIL WORKS FY 2023 APPROPRIATIONS, *supra* note 40.

⁶⁵ *Id.*

⁶⁶ *See* ARMY CORPS CIVIL WORKS FY 2023 APPROPRIATIONS, *supra* note 40.

⁶⁷ ARMY CORPS CIVIL WORKS FY 2024 BUDGET, *supra* note 40, at 3.

Expenses: The budget requests \$212 million for the Expenses account, which funds the Civil Works program responsibilities of Corps headquarters and division offices, along with other operational costs.⁶⁸ This represents a 1.4 percent decrease from the FY 2023 enacted level of \$215 million.⁶⁹

Office of the Assistant Secretary of the Army for Civil Works (ASA-CW): The budget proposes \$6 million, an increase of \$1 million over FY 2023 levels, for the Office of the ASA-CW, which is responsible for policy direction and oversight of the Civil Works program.⁷⁰

IIJA FUNDING

IIJA provided \$1.050 billion for the Corps in FY 2024, including \$1 billion for O&M and \$50 million for Construction.⁷¹ However, IIJA provided more than \$16 billion in supplemental funding to the Corps the previous two fiscal years, which the Corps has allocated to projects and studies in periodic spend plans. This funding is available until expended. The Corps is not scheduled to receive any supplemental IIJA funds after FY 2024.⁷²

IV. NATURAL RESOURCES CONSERVATION SERVICE (NRCS)

NRCS is authorized to give technical and financial help to local organizations planning and carrying out watershed projects for flood protection, agricultural water management, recreation, municipal and industrial water supply, and wildlife enhancement.⁷³

SUMMARY OF FY 2024 BUDGET REQUEST

The FY 2024 budget requests a total of \$185 million in funding for NRCS watershed programs in the Subcommittee’s jurisdiction.⁷⁴ This represents a 140.3 percent increase in funding from the FY 2023 enacted level of \$77 million.⁷⁵

Program	FY 2023 Enacted (millions of dollars)	FY 2024 President’s (millions of dollars)	President’s Budget Over the FY 2023 Enacted Level	
			Millions of Dollars	Percent
Watershed and Flood Prevention Operations	75.0	175.0	100.0	133.3%
Emergency Watershed Protection Program †	0.0	0.0	0.0	N/A
Watershed Rehabilitation Program	2.0	10.0	8.0	400.0%
Total	\$77.0	\$185.0	\$108.0	140.3%

† This program received emergency funding in FY 2023

The FY 2024 budget reflects \$47 million in mandatory funding for the Watershed Protection and Flood Program, which was created in the Agriculture Improvement Act of 2018 (Farm Bill) (P.L. 115–334), consistent with the FY 2023 enacted level.⁷⁶

The Subcommittee has jurisdiction over Watershed and Flood Prevention Operations activities authorized in the Flood Control Act of 1944 (P.L. 78–534) and the Watershed and Flood Prevention Act of 1954 (P.L. 83–566).⁷⁷ This program directs NRCS to work with localities to plan and install flood prevention improvements and share the cost with a non-Federal sponsor for these activities.⁷⁸ The small watershed operations program provides technical and financial assistance for water conservation projects and sediment and erosion damage reduction projects. The FY 2024 budget request proposes funding for this program at a level of \$175 million,

⁶⁸ *Id.*

⁶⁹ *Id.*; ARMY CORPS CIVIL WORKS FY 2023 APPROPRIATIONS, *supra* note 40.

⁷⁰ *Id.*

⁷¹ IIJA, *supra* note 5, Div. J, Title III; *see also* Appendix I.

⁷² *Id.*

⁷³ *See* JURISDICTION AND ACTIVITIES REPORT, *supra* note 1.

⁷⁴ UNITED STATES DEPT OF AGRICULTURE, FY 2024 BUDGET SUMMARY at 32 (2023), *available at* <https://www.usda.gov/sites/default/files/documents/2024-usda-budget-summary.pdf> [hereinafter USDA FY 2024 BUDGET SUMMARY].

⁷⁵ *See id.*

⁷⁶ *Id.*; Agriculture Improvement Act of 2018, Pub. L. 115–334 § 2401, 132 Stat. 4570.

⁷⁷ *See* JURISDICTION AND ACTIVITIES REPORT, *supra* note 1; *see also* Fact Sheet, UNITED STATES DEPT OF AGRICULTURE, WATERSHED PROTECTION AND FLOOD PREVENTION OPERATIONS PROGRAM, *available at* https://www.nrcs.usda.gov/sites/default/files/2022-08/NRCS_Watershed_FloodPrev_Fact%20Sheet-2021.pdf.

⁷⁸ *Id.*

which would be an increase of \$100 million from the FY 2023 enacted level of \$75 million.⁷⁹

The Watershed Rehabilitation Program provides financial and technical assistance for the rehabilitation of Federally constructed flood prevention dams that have reached the end of their design lives or no longer meet Federal or state safety criteria or performance standards.⁸⁰ The budget proposal requests \$10 million for FY 2024, an increase of \$8 million above the FY 2023 enacted level.⁸¹

The FY 2024 budget does not request additional funding the Emergency Watershed Protection Program.⁸² However, this program received \$925 million in emergency funding in FY 2023 in the Consolidated Appropriations Act of 2023 (P.L. 117–328).⁸³

IIJA does not provide any funding in FY 2024 for these programs.⁸⁴ However, in FY 2022 IIJA appropriated \$500 million for Watershed and Flood Prevention Operations, \$118 million for the Watershed Rehabilitation Program, and \$300 million for the Emergency Watershed Protection Program.⁸⁵

V. NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION (NOAA)

The Subcommittee holds jurisdiction over various NOAA programs and activities, including responsibilities under the Clean Water Act, Coastal Zone Management Act Reauthorization Amendments (P.L. 101–508), Marine Protection Research and Sanctuaries Act (P.L. 100–688), Superfund, Oil Pollution Act (P.L. 101–380), Nonindigenous Aquatic Nuisance Prevention and Control Act (P.L. 104–332), Harmful Algal Bloom and Hypoxia Research and Control Act (P.L. 105–383), Estuary Habitat Restoration and Partnership Act of 2000 (P.L. 105–457), and Save Our Seas 2.0 Act (P.L. 116–224).⁸⁶ The Subcommittee’s jurisdictional interest in the National Ocean Service (NOS) includes coastal water pollution and natural resource damages.⁸⁷

SUMMARY OF FY 2024 BUDGET REQUEST

The FY 2024 budget requests \$687.7 million for the NOS, and \$786.3 million for the Office of Oceanic and Atmospheric Research (OAR).⁸⁸ This represents a 5.9 percent decrease from the FY 2023 level for NOS, and a 0.5 percent increase from the FY 2023 level for OAR.⁸⁹

Program	FY 2023 Enacted (millions of dollars)	FY 2024 President's (millions of dollars)	President's Budget Over the FY 2023 Enacted Level	
			Millions of Dollars	Percent
National Ocean Service (NOS)	731.1	687.7	-43.4	-5.9%
ORF [†]	717.1	679.2	-37.9	-5.3%
PAC [†]	14.0	8.5	-5.5	-39.3%
Office of Oceanic and Atmospheric Research (OAR) ...	782.1	786.3	4.1	0.5%
Total	\$1,513.2	\$1,474.0	-\$39.2	-2.6%

[†] The National Ocean Service (NOS) and Office of Oceanic and Atmospheric Research (OAR) programs receive funding from the Operations, Research, and Facilities (ORF) and Procurement, Acquisition, and Construction (PAC) accounts in annual appropriations bills.

This table represents only discretionary requested funding. Additional mandatory funding for these programs comes from the Damage Assessment and Restoration Revolving Fund, Sanctuaries Asset Forfeiture Fund, and Gulf Coast Ecosystem Restoration Fund.

NOS programs provide scientific, technical, and management expertise to promote safe navigation, protect and restore coastal and marine resources, and manage and

⁷⁹ See USDA FY 2024 BUDGET SUMMARY, *supra* note 74.

⁸⁰ See JURISDICTION AND ACTIVITIES REPORT, *supra* note 1.

⁸¹ See USDA FY 2024 BUDGET SUMMARY, *supra* note 74.

⁸² *Id.*

⁸³ Consolidated Appropriations Act of 2023, *supra* note 28, Div. N.

⁸⁴ See IIJA, *supra* note 5.

⁸⁵ *Id.* at Div. J, Title I; see also Appendix I.

⁸⁶ See JURISDICTION AND ACTIVITIES REPORT, *supra* note 1.

⁸⁷ *Id.*

⁸⁸ NOAA, BUDGET ESTIMATES FISCAL YEAR 2024 (2023), Exhibit 4B, available at https://www.noaa.gov/sites/default/files/2023-04/NOAA_FY24_CJ.pdf [hereinafter NOAA FY 2024 BUDGET ESTIMATES].

⁸⁹ *Id.*

preserve coastal and ocean environments.⁹⁰ While many NOS programs are outside the Subcommittee’s jurisdiction, the National Coastal Zone Management (CZM), which is within in the Subcommittee’s jurisdiction, is housed in NOS.⁹¹ OAR provides research and technology development necessary to improve NOAA climate, weather, and coastal, Great Lakes and ocean services.⁹²

Notable programs of interest to the Subcommittee and their FY 2024 budget request include: \$78.5 million for Coastal Zone Management Grants (a decrease from \$81.5 million in FY 2023); \$22.5 million for National Centers for Coastal Ocean Science (NCCOS) Competitive Research Funding Grants (relatively equal to FY 2023 levels); \$80.7 million for the National Sea Grant College Program (an increase from \$80.0 million in FY 2023); and \$33.7 million for the Coral Reef Program (an increase from \$33.5 million in FY 2023).⁹³

NOS and OAR programs receive funding from the Operations Research, and Facilities (ORF) and Procurement, Acquisition, and Construction (PAC) accounts in annual appropriations bills. IIJA appropriates \$516 million in supplemental funding to the ORF account in FY 2024, however, it is unclear how much of this supplemental funding will go towards programs within the Subcommittee’s jurisdiction.⁹⁴ IIJA appropriates funds to the ORF account each year from FYs 2022–2026 but appropriated \$180 million in supplemental funds to the PAC account only for FY 2022.⁹⁵

VI. GREAT LAKES ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION (GLS)

The St. Lawrence Seaway is a 328 nautical-mile deep-draft waterway between the Port of Montreal and Lake Erie.⁹⁶ It connects the Great Lakes to the Atlantic Ocean via the lower St. Lawrence River.⁹⁷ The Seaway consists of a network of fifteen locks, thirteen of which belong to Canada and two of which belong to the United States, and connecting channels located in the two countries.⁹⁸ The United States section of the Seaway is operated by GLS, which is part of the United States Department of Transportation.

SUMMARY OF FY 2024 BUDGET REQUEST

The FY 2024 budget requests \$40.3 million for GLS, a 4.6 percent increase over the FY 2023 enacted level.⁹⁹

Program	FY 2023 Enacted (millions of dollars)	FY 2024 President’s (millions of dollars)	President’s Budget Over the Enacted Level in FY 2023	
			Millions of Dollars	Percent
Operations and Maintenance	23.7	24.0	0.3	1.2%
Seaway Infrastructure	14.8	16.3	1.5	10.1%
Total	\$38.5	\$40.3	\$1.8	4.6%

Operational, maintenance and capital asset renewal needs for the United States portion of the St. Lawrence Seaway are derived from appropriations from the HMTF and revenues from other sources.¹⁰⁰ The \$40.3 million request funds Operations and Maintenance at \$24.0 million and Seaway infrastructure investment at a level of

⁹⁰ See JURISDICTION AND ACTIVITIES REPORT, *supra* note 1.

⁹¹ *Id.*

⁹² *Id.*

⁹³ See NOAA FY 2024 BUDGET ESTIMATES, *supra* note 88.

⁹⁴ See IIJA, *supra* note 5, Div. J, Title II, 135 Stat. 1355; *see also* Appendix I.

⁹⁵ *Id.*

⁹⁶ GREAT LAKES ST. LAWRENCE SEAWAY SYSTEM, *The Seaway Story*, available at <https://greatlakes-seaway.com/en/the-seaway/>.

⁹⁷ *Id.*

⁹⁸ See JURISDICTION AND ACTIVITIES REPORT, *supra* note 1.

⁹⁹ See UNITED STATES DEP’T OF TRANSP., BUDGET ESTIMATES FISCAL YEAR 2024, GREAT LAKES ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION, Exhibit II-1, available at https://www.transportation.gov/sites/dot.gov/files/2023-03/GLS_FY_2024_President_Budget_508.pdf [hereinafter GLS FISCAL YEAR 2024 BUDGET ESTIMATES].

¹⁰⁰ *Id.* at 1.

\$16.3 million.¹⁰¹ This represents a 1.2 percent increase for Operations and Maintenance and a 10.2 percent increase for infrastructure investment compared to FY 2023 enacted levels.¹⁰²

VII. TENNESSEE VALLEY AUTHORITY (TVA)

TVA is the Nation’s largest government-owned wholesale power producer and was established in 1933 by the Tennessee Valley Authority Act (16 U.S.C. 831).¹⁰³ TVA supplies power to ten million people over an 80,000 square mile service area covering Tennessee along with parts of Mississippi, Alabama, Georgia, North Carolina, Virginia and Kentucky.¹⁰⁴ Additionally, TVA’s non-power program responsibilities include economic development and the management of land and water resources throughout the Tennessee Valley.¹⁰⁵

Initially, Federal appropriations funded all TVA operations. However, direct Federal funding for the TVA power program ended in 1959, and appropriations for TVA’s environmental and economic development activities were phased out by 1999.¹⁰⁶ TVA receives no Federal appropriations but operates and maintains its assets through commercial and residential rates, and the authority to issue Federally secured bonds.¹⁰⁷

VIII. INTERNATIONAL BOUNDARY AND WATER COMMISSION (IBWC)

First established in 1889, the IBWC is responsible for implementing the various boundary and water treaties between the United States and Mexico and settling issues that arise along the border.¹⁰⁸ The IBWC is an international body, composed of a United States sector and Mexico sector, each headed by an Engineer-Commissioner appointed by the respective President.¹⁰⁹ The United States Section of the IBWC is overseen by the United States Department of State.¹¹⁰

SUMMARY OF FY 2024 BUDGET REQUEST

Program	FY 2023 Enacted (millions of dollars)	FY 2024 President’s (millions of dollars)	President’s Budget Over the Enacted Level in FY 2023	
			Millions of Dollars	Percent
Salaries and Expenses	57.9	64.8	6.9	11.8%
Construction	53.0	40.0	-13.0	-24.5%
Total	\$111.0	\$104.8	-\$6.1	-5.5%

The FY 2024 budget request for the IBWC totals \$104.8 million, representing a 5.5 percent decrease in funding from the FY 2023 enacted levels.¹¹¹ This total includes \$64.8 million for salaries and expenses, an 11.8 percent increase from FY 2023, and \$40.0 million for construction, a 24.5 percent decrease from FY 2023.¹¹²

IX. AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY (ATSDR)

The ATSDR is housed under the Center for Disease Control and Prevention (CDC) and is the Nation’s public health agency for chemical safety.¹¹³ ATSDR was created by CERCLA to assess the presence and nature of health hazards at Superfund sites and was formally organized in 1986.¹¹⁴ Under its CERCLA mandate, ATSDR’s work falls into four functional areas: (1) protecting the public from hazardous exposures,

¹⁰¹ *Id.* at Exhibit II-1.

¹⁰² *Id.*

¹⁰³ Tennessee Valley Authority Act, 16 U.S.C. 831.

¹⁰⁴ TENNESSEE VALLEY AUTHORITY, *About TVA*, available at <https://www.tva.com/about-tva>.

¹⁰⁵ *Id.*

¹⁰⁶ See JURISDICTION AND ACTIVITIES REPORT, *supra* note 1.

¹⁰⁷ *Id.*

¹⁰⁸ *Id.*

¹⁰⁹ *Id.*

¹¹⁰ *Id.*

¹¹¹ See UNITED STATES DEP’T OF STATE, CONGRESSIONAL BUDGET JUSTIFICATION DEP’T OF STATE, FOREIGN OPERATIONS, AND RELATED PROGRAMS FISCAL YEAR 2024, at 80, available at https://www.usaid.gov/sites/default/files/2023-03/FY%202024%20CBJ%20FINAL_3.9.23_0.pdf.

¹¹² *Id.*

¹¹³ See JURISDICTION AND ACTIVITIES REPORT, *supra* note 1.

¹¹⁴ CERCLA, *supra* note 26, § 9601.

(2) increasing knowledge of toxic substances, (3) educating health care providers and the public, and (4) maintaining health registries.

SUMMARY OF FY 2024 BUDGET REQUEST

	FY 2023 Enacted (millions of dollars)	FY 2024 President's (millions of dollars)	President's Budget Over the Enacted Level in FY 2023	
			Millions of Dollars	Percent
Total	\$85.0	\$86.0	\$1.0	1.2%

The FY 2024 budget request for ATSDR totals \$86.0 million, up \$1.0 million from the FY 2023 enacted level.¹¹⁵

X. WITNESSES

- *The Honorable Michael L. Connor*, Assistant Secretary of the Army for Civil Works, Department of the Army
- *Major General William (Butch) H. Graham*, Deputy Chief of Engineers and Deputy Commanding General, United States Army Corps of Engineers
- *Mr. Jeff Lyash*, President and Chief Executive Officer, Tennessee Valley Authority
- *Mr. Adam Tindall-Schlicht*, Administrator, Great Lakes St. Lawrence Seaway Development Corporation

¹¹⁵ UNITED STATES DEP'T OF HEALTH AND HUMAN SERVICES, FISCAL YEAR 2024 AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY JUSTIFICATION OF ESTIMATES, at 8, available at <https://www.cdc.gov/budget/documents/fy2024/FY-2024-ATSDR-congressional-justification.pdf>.

APPENDIX I: IJJA FUNDING IN THE SUBCOMMITTEE’S JURISDICTION
(FY 2022–2026)¹¹⁶

Program	Agency	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	5-Year Total
(Millions of dollars)							
Watershed and Flood Prevention Operations	NRCS ...	500	0	0	0	0	500
Watershed Rehabilitation Program	NRCS ...	118	0	0	0	0	118
Emergency Watershed Protection Program	NRCS ...	300	0	0	0	0	300
Operations, Research, and Facilities (ORF) †	NOAA ...	557	516	516	516	507	2,611
Procurement, Acquisition, and Construction (PAC) †	NOAA ...	180	0	0	0	0	180
<i>Wildlife Infrastructure</i> ‡		50	0	0	0	0	50
<i>Weather and Climate Modeling</i> ‡		80	0	0	0	0	80
<i>Coastal, Ocean, and Great Lakes</i>		50	0	0	0	0	50
Investigations	Corps ..	120	30	0	0	0	150
Mississippi River and Tributaries	Corps ..	808	0	0	0	0	808
Operation and Maintenance	Corps ..	2,000	1,000	1,000	0	0	4,000
Regulatory Program	Corps ..	160	0	0	0	0	160
Flood Control and Coastal Emergencies	Corps ..	251	0	0	0	0	251
Expenses	Corps ..	40	0	0	0	0	40
WIFIA	Corps ..	75	0	0	0	0	75
Construction	Corps ..	11,515	50	50	0	0	11,615
State and Tribal Assistance Grants	EPA	10,144	10,819	11,221	11,621	11,621	55,426
<i>Clean Water State Revolving Funds</i>		1,902	2,202	2,403	2,603	2,603	11,713
<i>Drinking Water State Revolving Funds</i> ‡		1,902	2,202	2,403	2,603	2,603	11,713
<i>Drinking Water State Revolving Funds, Lead Service Lines</i> ‡		3,000	3,000	3,000	3,000	3,000	15,000
<i>Clean Water State Revolving Funds, Groundwater</i>		100	225	225	225	225	1,000
<i>Drinking Water State Revolving Funds, PFAS</i> ‡ ...		800	800	800	800	800	4,000
<i>Emerging Contaminants, Sec. 1459A Safe Drinking Water Act</i> ‡		1,000	1,000	1,000	1,000	1,000	5,000
<i>Underground Injection Control Grants</i> ‡		50	0	0	0	0	50
<i>Brownfields</i>		300	300	300	300	300	1,500
<i>Sec. 6605, Pollution Prevention Act</i> ‡		20	20	20	20	20	100
<i>Save Our Seas 2.0 Act</i>		55	55	55	55	55	275
<i>Grants to Improve Material Recycling</i> ‡		15	15	15	15	15	75
<i>Clean School Bus Program</i> ‡		1,000	1,000	1,000	1,000	1,000	5,000
Environmental Programs and Management	EPA	412	387	387	387	387	1,959
<i>Geographic Programs</i>		343	343	343	343	343	1,715
<i>National Estuary Program Grants</i>		26	26	26	26	26	132
<i>Gulf Hypoxia Action Plan</i>		12	12	12	12	12	60
<i>Class VI Wells Permitting</i>		5	5	5	5	5	25
<i>Battery Recycling and Labeling</i>		25	0	0	0	0	25
Hazardous Substance Superfund *	EPA	3,500	0	0	0	0	3,500
Office of Inspector General **	EPA	65	49	51	52	52	269
Total		30,680	12,801	13,173	12,523	12,515	81,693

Italics denote subsections of larger programs
 † NOAA’s National Ocean Service (NOS) and Office of Oceanic and Atmospheric Research (OAR) receive funding from ORF and PAC accounts. NOAA’s FY 2024 Congressional Justification excludes the IJJA advance appropriations in its budgetary tables. It is unclear in NOAA’s budget documents how much IJJA funding went to NOS or OAR. These funding totals reflect the total appropriations to these two major accounts. It is unclear how much of this funding is for programs not within the jurisdiction of the T&I Committee.
 ‡ Denotes programs outside of Subcommittee jurisdiction.
 * Includes specified appropriation and does not reflect transfer to Inspector General.
 ** Estimate provided by the Congressional Budget Office. This total does not directly flow into the totals. Pre-transfer amounts are included in original appropriations for State and Tribal Assistance Grants, Environmental Programs and Management, and the Hazardous Substance Superfund. These pretransfer amounts are reflected in the totals to prevent double counting.

¹¹⁶This chart reflects a summary of IJJA funding as compiled by H. Comm. on Transp. and Infrastructure staff.

**REVIEW OF FISCAL YEAR 2024 BUDGET
REQUEST: AGENCY PERSPECTIVES (PART 1)**

THURSDAY, JUNE 22, 2023

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON WATER RESOURCES AND
ENVIRONMENT,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC.

The subcommittee met, pursuant to call, at 10:02 a.m. in room 2167 Rayburn House Office Building, Hon. David Rouzer (Chairman of the subcommittee) presiding.

Mr. ROUZER. The Subcommittee on Water Resources and Environment will come to order.

I note that our clock up there was about 2 minutes slow. I was going by it, and not by my trusty iPhone here.

I ask unanimous consent that the chairman be authorized to declare a recess at any time during today's hearing.

Without objection, so ordered.

I also ask unanimous consent that Members not on the subcommittee be permitted to sit with the subcommittee at today's hearing and ask questions.

Without objection, so ordered.

As a reminder, if Members wish to insert a document into the record, please also email that document to DocumentsTI@mail.house.gov. That's DocumentsTI@mail.house.gov.

I now recognize myself for 5 minutes for the purposes of an opening statement.

**OPENING STATEMENT OF HON. DAVID ROUZER OF NORTH
CAROLINA, CHAIRMAN, SUBCOMMITTEE ON WATER RE-
SOURCE AND ENVIRONMENT**

Mr. ROUZER. Today's hearing is part 1 of 2 in a series of hearings this subcommittee will hold on the President's fiscal year 2024 budget proposal. We will hear from the remaining agencies under this subcommittee's jurisdiction in part 2, but today, we are pleased to have with us the United States Army Corps of Engineers and the Assistant Secretary of the Army for Civil Works, the Tennessee Valley Authority, and the Great Lakes St. Lawrence Seaway Development Corporation.

I appreciate that we have both Major General Graham here today from the Corps and the Assistant Secretary of the Army for Civil Works, Mr. Connor, from the political leadership with us here, as well.

Thank you, gentlemen.

To start, I want to bring attention to an issue that is incredibly important to my constituents in North Carolina and communities all across the country: the definition of waters of the United States, or WOTUS, as we so often call it. The Corps plays a major role in enforcing the Clean Water Act section 404 “dredge and fill” permitting program over waters that are considered WOTUS.

The WOTUS question has been debated for decades in court, along with a variety of Presidential administrations weighing in. But the definition of WOTUS and its implementation is more than simply a few words that lawyers and bureaucrats can make a career of, and many have. It is an issue regulated communities deal with daily, including our farmers, ranchers, homebuilders, private property owners, and infrastructure developers, among others.

The Supreme Court recently delivered, in my opinion, a very clear, seemingly easily implementable decision regarding the definition of WOTUS in *Sackett v. EPA*. This ruling enables the administration to kickstart project completion and eliminate regulatory redtape, while maintaining crucial environmental protections. The Supreme Court has now clarified what the intended scope of the Clean Water Act has been from the beginning. With the discarding of the “significant nexus” test, regulated communities will finally have some clarity under the law.

Now it is up to EPA and the Corps to quickly bring the Biden administration’s legally flawed and obsolete WOTUS policy into compliance with the *Sackett* decision, and provide implementation guidance consistent with the ruling. Regulated communities deserve the clarity of the *Sackett* ruling to be implemented in Corps districts across the country so that important projects can be permitted to move forward. I hope the Corps will focus its work towards compliance with *Sackett*, rather than trying to find a way around it.

On another note, Major General Graham and Assistant Secretary Connor, you both know how important the Corps projects are around the country, and my district, the Seventh Congressional District of North Carolina, is certainly no different. The beaches in my district rely on regular Army Corps maintenance to protect life, property, and our critical tourism economy. I am pleased the Corps has provided an emergency use exemption of the Masonboro Inlet as the Wrightsville Beach borrow site for the upcoming renourishment project, which is a year delayed, as you know. Without speedy nourishment, Wrightsville Beach could suffer catastrophic disaster and losses in the event of a natural disaster.

I also look forward to the administration’s approval of the \$10 million in emergency funding for the project under the flood control and coastal emergencies account, and I appreciate all the great work you all are doing on that front.

The President’s budget proposal and the Infrastructure Investment and Jobs Act would provide the Corps with robust funding, especially for flood control and beach nourishment maintenance activities. I hope the Corps will use the funds provided by both the IIJA and regular appropriations efficiently for those such projects.

Also, I have represented here today two other important entities, the Tennessee Valley Authority and the Great Lakes St. Lawrence Seaway Development Corporation. TVA has not taken any Federal

funds since 1999, which certainly is rare among entities created by Congress. I look forward to hearing more about TVA’s “all-of-the-above” energy approach utilizing a diverse portfolio of energy sources, including solar, natural gas, and nuclear, all while providing relatively stable rates and reliable power to its consumers.

I would also like to offer TVA a special congratulations on their 90th anniversary this year.

Finally, congratulations to Mr. Tindall-Schlicht on his appointment as Administrator of GLS. GLS plays a very important role ensuring crucial routes from the Great Lakes to the Atlantic Ocean remain open via the St. Lawrence Seaway. At a time when we understand the need to strive for economic prosperity in the face of global competitors like China, the GLS provides important services to the flow of minerals, steel, and other critical goods.

I look forward to hearing from each of our witnesses today, and I thank each of you for being here.

[Mr. Rouzer’s prepared statement follows:]

Prepared Statement of Hon. David Rouzer, a Representative in Congress from the State of North Carolina, and Chairman, Subcommittee on Water Resources and Environment

Today’s hearing is part one of two in a series of hearings this Subcommittee will hold on the President’s Fiscal Year 2024 budget proposal. We will hear from the rest of the agencies under this Subcommittee’s jurisdiction in part two, but I am glad to see that today we have before us the United States Army Corps of Engineers (Corps) and the Assistant Secretary of the Army for Civil Works, the Tennessee Valley Authority, and the Great Lakes St. Lawrence Seaway Development Corporation.

Let’s start with the Army Corps of Engineers. I appreciate that we have both Major General Graham here today from the Corps itself and the Assistant Secretary of the Army for Civil Works, Mr. Connor, from the political leadership here as well.

I’d like to start by bringing attention to an issue that is incredibly important to my constituents in North Carolina and communities across the country: the definition of “waters of the United States” or “WOTUS.” The Corps plays a major role in enforcing the Clean Water Act Section 404 “dredge and fill” permitting program over waters that are considered WOTUS.

The WOTUS question has been debated for decades in court and through varying Presidential Administrations. But the definition of WOTUS and its implementation is more than simply a few words that lawyers and bureaucrats can make a career out of. It is an issue regulated communities deal with daily, including farmers, ranchers, homebuilders, private property owners, and infrastructure developers.

I was heartened to see the Supreme Court deliver a clear, seemingly easily implementable decision over the definition of WOTUS in *Sackett v. EPA* last month. This ruling enables the Administration to kickstart project completion and eliminate regulatory red tape while maintaining crucial environmental protections. Now that the Supreme Court has clarified what the intended scope of the Clean Water Act has been from the beginning—once and for all getting rid of the “significant nexus” test—regulated communities will finally have some clarity under the law.

Now it is up to EPA and the Corps to quickly bring the Biden Administration’s flawed and legally outdated WOTUS policy into compliance with the *Sackett* decision and provide implementation guidance consistent with its direction. Regulated communities deserve the clarity that came in *Sackett* to be implemented in Corps districts across the country, so that important projects can be permitted to move forward. I look forward to the Corps putting its resources towards ensuring compliance with *Sackett*, rather than trying to find a way around its requirements.

On another note, Major General Graham and Assistant Secretary Connor, you both know how important the Corps’ projects are around the country, and my district—the seventh district of North Carolina—is no different.

The beaches in my district rely on regular Army Corps maintenance to protect life, property, and our critical tourism economy. I am pleased the Corps has provided an emergency use exemption of the Masonboro Inlet as the Wrightsville Beach Borrow Site for the upcoming renourishment project, which is a year delayed, as you

know. Without speedy nourishment, Wrightsville Beach could suffer catastrophic disaster and losses in the event of a natural disaster. I also look forward to the approval of 10 million dollars in emergency funding for the project under the Flood Control and Coastal Emergencies account. And I appreciate all the great work you all are doing on that front.

The President's budget proposal and the Infrastructure Investment and Jobs Act (IIJA) would provide the Corps with robust funding, especially for flood control and beach nourishment maintenance activities. I hope the Corps will use the funds provided by both IIJA and regular appropriations efficiently for important projects.

Moving on from the Army Corps, we also have folks here from two other important entities: the Tennessee Valley Authority (TVA) and the Great Lakes St. Lawrence Seaway Development Corporation (GLS).

TVA has not taken any federal funds since 1999, which certainly is a rarity amongst entities created by Congress. I look forward to hearing more about TVA's "all of the above energy approach," utilizing a diverse portfolio of energy sources, including solar, natural gas, and nuclear, all while providing relatively stable rates and reliable power to its consumers.

I would also like to offer TVA a special congratulations on this year being its 90th anniversary.

Finally, congratulations to Mr. Tindall-Schlicht on his appointment as Administrator of GLS. GLS plays an important role in ensuring crucial routes from the Great Lakes to the Atlantic Ocean remain open via the St. Lawrence Seaway. At a time when we understand the need to strive for economic prosperity in the face of global competitors like China, the GLS provides important services to the flow of minerals, steel, and other critical goods.

Mr. ROUZER. I now recognize Ranking Member Napolitano for 5 minutes for an opening statement.

OPENING STATEMENT OF HON. GRACE F. NAPOLITANO OF CALIFORNIA, RANKING MEMBER, SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

Mrs. NAPOLITANO. Thank you, Mr. Chairman, for holding today's hearing on President Biden's fiscal year 2024 budget and agency priorities.

First, I want to thank the agencies' representatives for attending today's hearing, especially Assistant Secretary Connor and General Graham from the U.S. Army Corps of Engineers. The Corps continues to be a leader in addressing the water resources challenges facing every corner of this Nation, including the apparently-not-so-unique drought challenges in my region, and I want to thank you for your service to my constituents and to the rest of the Nation.

Mr. Chairman, annual budget proposals of the administration and congressional leaders provide valuable insight into the goals and priorities of their authors. Annual budgets provide an objective way to compare and contrast competing visions for the future of our country and for all we stand for in representing our constituents.

This year, the contrasts are stark and telling.

The Biden administration proposal lays out a bold vision to grow the economy from the bottom up, to invest in cleaner, greener, and more accessible infrastructure, to create jobs and opportunities for all people, and to restore and protect our environment. That is the same vision shared by the House Democrats, who, last Congress, passed the largest infrastructure investments in over a generation through the Bipartisan Infrastructure Law and the Inflation Reduction Act, as well as other transformational infrastructure investment bills, such as the fifth bipartisan Water Resources Development Act, or WRDA, in a row.

Thank you, Mr. Chairman, for that.

With each dollar invested and each new WRDA project implemented, everyday Americans will continue to reap the benefits of these transformational laws through reduced transportation congestion, cleaner air, cleaner water, and a safer, more resilient and more livable environment.

I am concerned, however, that in the few months of control of the House, the Republican leadership has advanced a debt limit proposal that sought to hold hostage the “full faith and credit” of our economy while blindly slashing critical investments in our economy, our infrastructure, and our quality of life. For example, the House Republican debt limit proposal would have slashed funding for the Corps of Engineers by almost 25 percent, which would have significantly slowed project delivery and delayed the realization of critical transportation, flood control, and environmental benefits authorized through annual WRDAs.

The House Republican proposal would have worsened supply chain delivery challenges, would have left rural and coastal communities more vulnerable to extreme weather events and flooding, and would have threatened critical environmental restoration projects like those in the Chesapeake Bay and the Florida Everglades.

I am further concerned that there has been a focus on putting polluters over people and eliminating Clean Water Act protections on over half of the Nation’s wetlands and up to 70 percent of the Nation’s streams, rivers, and lakes. Congress needs to be protecting our rivers and streams and other water bodies for future generations. We need to be empowering States to continue to protect important waters within the States’ own borders.

I look forward to hearing from our witnesses on how Congress and the administration can work together to invest in our water infrastructure and protect clean water for residential, recreation, and environmental uses.

Mr. Chairman, I welcome our agency witnesses here today, thank you for your continued service, and I yield back the balance of my time.

[Mrs. Napolitano’s prepared statement follows:]

Prepared Statement of Hon. Grace F. Napolitano, a Representative in Congress from the State of California, and Ranking Member, Subcommittee on Water Resources and Environment

Thank you, Mr. Chairman, for holding today’s hearing on President Biden’s fiscal year 2024 budget and agency priorities.

I first want to thank the agency representatives for attending today’s hearing, especially Assistant Secretary Connor and General Graham from the U.S. Army Corps of Engineers. The Corps continues to be a leader in addressing the water resources challenges facing every corner of this nation, including the apparently-not-so-unique drought challenges in my region, and I thank you for your service to my constituents.

Mr. Chairman, annual budget proposals of the administration and Congressional leaders provide valuable insight into the goals and priorities of their authors.

Annual budgets provide an objective way to compare and contrast competing visions for the future of our country and for what we stand for in representing our constituents.

This year, the contrasts are stark and telling.

The Biden administration's proposal lays out a bold vision to grow the economy from the bottom up, to invest in cleaner, greener, and more accessible infrastructure, to create jobs and opportunities for all people, and to restore and protect our environment.

That is the same vision shared by House Democrats, who, last Congress, passed the largest infrastructure investments in over a generation through the Bipartisan Infrastructure Law and the Inflation Reduction Act, as well as other transformational infrastructure investment bills, such as the fifth bipartisan Water Resources Development Act (WRDA) in a row.

With each dollar invested and each new WRDA project implemented, everyday Americans will continue to reap the benefits of these transformational laws through reduced transportation congestion, cleaner air and cleaner water, and a safer, more resilient and more livable environment.

Now, contrast that with dystopian vision of America advanced by my colleagues on the other side of the aisle.

In just their few months of control of the House, the new majority has advanced a debt limit proposal that sought to hold hostage the "full faith and credit" of our economy while blindly slashing critical investments in our economy, our infrastructure, and our quality of life.

For example, the House Republican debt limit proposal would have slashed funding for the Corps of Engineers by almost 25 percent, which would have significantly slowed project delivery and delayed the realization of critical transportation, flood control, and environmental benefits authorized through annual WRDAs.

The House Republican proposal would have worsened supply chain delivery challenges, would have left rural and coastal communities more vulnerable to extreme weather events and flooding, and would have threatened critical environmental restoration projects, such as those in the Chesapeake Bay and the Florida Everglades.

But that is only part of the story.

In their few months of control, the new majority has used this committee to advance a radical, anti-environmental agenda to put polluters over people and eliminate Clean Water Act protections on over half of the nation's wetlands and up to 70 percent of the nation's streams, rivers, and lakes.

Do my colleagues really believe that private property rights always trump the public good of protecting our rivers, streams, and other waterbodies for future generations?

Where is the evidence that the same state-by-state, go-it-alone approach that resulted in rivers catching on fire before enactment of the Clean Water Act will somehow magically work this time?

And, clearly, my Republican colleagues do not *actually* want to empower states because they also continue to push to strip state authority protecting important waters within a state's own borders.

Again, Mr. Chairman, our priorities and our actions show the American people a lot about who we are and what is our respective vision for the future of our country.

I am proud to support President Biden and his efforts to block House Republicans from holding our economy hostage while blindly slashing important investments in our nation.

I was proud to vote against the majority's proposals to gut federal and state protection of our nation's rivers, streams, and wetlands, and will continue to work to undue the misguided Supreme Court decision on clean water.

And I will remain a stalwart defender of rational, bipartisan efforts to reinvest and modernize our nation's infrastructure—including my hope for a sixth, bipartisan WRDA early next year.

Again, I welcome our agency witnesses here today, thank you for your continued service, and yield back the balance of my time.

Mr. ROUZER. The gentlelady yields back. I see our ranking member of the full committee is here, if he would like to offer an opening statement.

OPENING STATEMENT OF HON. RICK LARSEN OF WASHINGTON, RANKING MEMBER, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. LARSEN OF WASHINGTON. Thank you, Chair Rouzer and Ranking Member Napolitano, for holding this hearing on the administration's fiscal year 2024 budget request.

Budget hearings are an important opportunity for authorizers to have a broader discussion about how to support the Federal agencies we oversee and ensure the resources we provide line up with priorities and expectations.

House Democrats have consistently supported the work of the Army Corps and have a long history of providing the Corps with the funding it needs to complete the work that we ask of the agency. We know the Corps carries out projects of high importance across the U.S. The Corps supports our economy and supply chains by keeping ports, harbors, and inland waterways operating smoothly and efficiently. The Corps also constructs projects that prepare our communities for hurricanes, droughts, and floods, and protect them from impacts. This work has only increased in importance as extreme weather events have grown in frequency and intensity due to climate change.

It is far cheaper to invest in preventive measures than to recover after the fact.

That is why House Democrats strive to proactively provide the Corps with the funding it needs to put more WRDA projects into action.

The Bipartisan Infrastructure Law is a prime example of this. We provided a massive downpayment—a total of about \$17 billion—for the ongoing construction of critical WRDA projects. To its credit, the Corps has shown exactly how and where they can spend that money—nearly all of it has already being allocated. These BIL dollars at work are making a positive impact on water resources infrastructure.

In contrast, the across-the-board cuts of 23 percent proposed by the Republican leadership to nondefense spending during the debt limit negotiations would have brought many WRDA projects to a grinding halt.

For the Corps specifically, a 23-percent cut meant \$2 billion of cuts based on fiscal year 2023 appropriations, including a \$40 million cut to the investigations account, which would have otherwise been used to generate more than 10 feasibility studies, and a more than \$1 billion cut to Corps operations and maintenance work, which literally keeps our economy afloat.

Fortunately, these chaotic outcomes were avoided when we passed the Bipartisan Budget Agreement. The more modest 1-percent cuts agreed to within the bill are surely a relief to agencies across the Government. But now the House should keep its word, instead of turn its back, on that agreement.

Congress can and should provide the Corps with more dollars to implement projects authorized in WRDA bills. I hope the appropriators hear us on that. With all that we continuously require and expect of this agency, we need to support it with funding that allows the Corps to do the job that we ask it to do and execute the work that benefits communities across the country.

So, I want to thank the witnesses for joining us today, and I look forward to your testimony.

[Mr. Larsen of Washington's prepared statement follows:]

Prepared Statement of Hon. Rick Larsen, a Representative in Congress from the State of Washington, and Ranking Member, Committee on Transportation and Infrastructure

Thank you, Chairman Rouzer and Ranking Member Napolitano for holding this hearing on the Administration's FY 2024 budget request.

Budget hearings offer an important opportunity for authorizers to have a broader discussion about how to support the federal agencies we oversee and ensure that the resources we provide line up with our priorities and expectations.

House Democrats consistently support the work of the Army Corps of Engineers and have a long history of providing the Corps with the funding they need to complete the work we ask of them.

We know that the Corps carries out projects of high importance across the U.S. They support our economy and supply chains by keeping our ports, harbors and inland waterways operating smoothly and efficiently.

They also construct projects that prepare our communities for hurricanes, droughts and floods, and protect them from the impacts. This work has only increased in importance as extreme weather events have grown in frequency and intensity due to climate change.

It is far cheaper to invest in preventative measures than to recover after the fact.

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In contrast, the across-the-board cuts of 23 percent, proposed by Republican Leadership to non-defense spending during the debt limit negotiations, would have brought many WRDA projects to a grinding halt.

For the Corps specifically, 23 percent means a \$2 billion dollar cut based on FY23 appropriations, including a \$40 million cut to the Investigations account, which could otherwise be used to generate more than 10 feasibility studies, and a more than \$1 billion cut to Corps Operation and Maintenance work, which literally keeps our economy afloat.

Fortunately, these chaotic outcomes were avoided when we passed the Bipartisan Budget Agreement. The more modest and responsible 1 percent cuts agreed to within that bill are surely a relief to agencies across the government.

Congress can, and should, provide the Corps with more dollars to implement projects authorized in WRDA bills, and I certainly hope the appropriators hear me on that.

With all that we continuously require and expect of this agency, we need to support them with funding that allows them to do their jobs and execute the work that benefits communities across the country.

I thank the witnesses for joining us today and I look forward to your testimony.

Mr. LARSEN OF WASHINGTON. With that, I yield back.

Mr. ROUZER. The gentleman yields back. Because I basically introduced each of you in my opening statement, just a couple of housekeeping items here before we get to it.

Obviously, we have a lighting system. Green is go, yellow is beware, red is right around the corner.

And to my colleagues on the committee—and I am guilty of this from time to time—try not to ask a question with 1 second left.

[Laughter.]

Mr. ROUZER. I ask unanimous consent that the witnesses' full statements be included in the record.

Without objection, so ordered.

As your written testimony has been made part of the record, the subcommittee asks that you limit your oral remarks to 5 minutes.

With that, Assistant Secretary Connor, you are recognized for your 5 minutes.

TESTIMONY OF HON. MICHAEL L. CONNOR, ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS, DEPARTMENT OF THE ARMY; MAJOR GENERAL WILLIAM H. "BUTCH" GRAHAM, DEPUTY CHIEF OF ENGINEERS AND DEPUTY COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS; JEFFREY J. LYASH, PRESIDENT AND CHIEF EXECUTIVE OFFICER, TENNESSEE VALLEY AUTHORITY; AND ADAM TINDALL-SCHLICHT, ADMINISTRATOR, GREAT LAKES ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION, U.S. DEPARTMENT OF TRANSPORTATION

TESTIMONY OF HON. MICHAEL L. CONNOR, ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS, DEPARTMENT OF THE ARMY

Mr. CONNOR. Thank you, Mr. Chairman.

Chairman Rouzer, Ranking Member Napolitano, Ranking Member Larsen, and distinguished members of the subcommittee, thank you for the opportunity to be here today to discuss the President's fiscal year 2024 budget.

As you know, the Army Civil Works program serves three main missions: flood and storm damage reduction, commercial navigation, and aquatic ecosystem restoration. And it supports related project purposes such as water supply, hydropower, and recreation. The 2024 budget requests includes over \$7.4 billion for the Army Civil Works program, which is the largest request in history, complemented by an additional \$1.05 billion from the Infrastructure Investment and Jobs Act.

These investments demonstrate President Biden's ongoing commitment to funding the construction of critical infrastructure projects that strengthen our economy, protect people and property, and restore key ecosystems.

The water resources challenges of today are not like those of yesterday. Weather extremes are increasingly the norm, so, understanding vulnerabilities and increasing our preparedness is of the utmost importance. For that reason, the budget proposes \$86 million, the largest request in the Corps' history, for research and development. The focus of this work will be on innovative solutions that address the emerging water resources challenges of the 21st century and achieve cost savings in the Civil Works program. The budget focuses on the highest performing work within the three main missions of the Civil Works program.

In developing the budget, consideration was also given to advancing three key objectives for the administration: one, decreasing climate risks for communities and the environment; two, promoting environmental justice in underserved and Tribal communities; and three, strengthening the Nation's supply chains.

First, the Corps has always been in the resilience business, and climate-focused investments include more than \$1.4 billion for the

construction of flood and storm damage reduction and aquatic ecosystem restoration projects.

Second, the budget supports the administration's Justice40 initiative through investments in 23 studies and construction of 33 projects to help disadvantaged and Tribal communities address their water resources challenges.

Priority three: the budget facilitates safe, reliable, and sustainable commercial navigation to support U.S. competitiveness and improve the resilience of our Nation's manufacturing supply chains supporting American jobs and the economy.

The administration's commitment to our coastal ports and inland waterways is represented by over \$3.4 billion for inland and coastal navigation projects, including \$1.7 billion derived from the Harbor Maintenance Trust Fund.

Deeper in the construction budget, it provides \$653 million for aquatic ecosystem restoration, including \$450 million to continue restoring America's Everglades and \$67 million to support salmon recovery efforts in the Columbia River Basin.

Other significant construction activity includes \$655 million for dam safety activity at Prado Dam in California, \$350 million to replace the Cape Cod Canal bridges, and \$235 million to continue the construction of the Soo locks projects. In total, 2024 construction is funded at more than \$2 billion.

In addition to these new projects, the budget invests in O&M in the Corps' existing infrastructure and improving reliability and performance by providing over \$4.4 billion in the O&M account. Investigations and recreation are also provided significant funding, as set forth in my statement. And the regulatory program is robustly funded at \$221 million to support the administration's priority on permitting activities.

Summarizing, the budget makes critical investments that will benefit the American people and promote greater prosperity and economic growth for decades to come.

I will conclude by addressing the definition of waters of the United States, a topic that you have just identified, Chairman, as very important to you and the committee as a whole.

For 50 years, the Clean Water Act, arguably the most successful environmental law enacted to date, has been the foundation for remarkable progress in restoring water quality in rivers, streams, and wetlands across the Nation. While I was disappointed with the recent decision by the Supreme Court, we are nonetheless working closely with EPA to develop a new rule to amend the waters of the United States definition, the rule that was published in the Federal Register on January 18, 2023. This new rule will be consistent with the Supreme Court's May 25 decision in the case of *Sackett v. EPA*. We are already hard at work, and based on the significant work completed in January already, we are in a position to issue this final rule expeditiously.

Thank you for the opportunity. I look forward to your questions.
[Ms. Connor's prepared statement follows:]

Prepared Statement of Hon. Michael L. Connor, Assistant Secretary of the Army for Civil Works, Department of the Army

Chairman Rouzer, Ranking Member Napolitano, and distinguished members of the committee, thank you for the opportunity to be here today to discuss the President's Budget request for the Army Civil Works program.

The Fiscal Year 2024 Budget request includes over \$7.4 billion for the Army Civil Works program—which is the largest request in history—complemented by an additional \$1.05 billion from the Infrastructure Investment and Jobs Act—or IJJA. These investments demonstrate President Biden's ongoing commitment to funding the construction of critical infrastructure projects that will strengthen our economy, protect people and property, and restore key ecosystems. It will also create good paying jobs that provide the free and fair chance to join a union and collectively bargain. Overall, we believe in smart investments that yield high economic and environmental returns, while, also reducing deficits and improving our country's long-term fiscal outlook.

It's important to note that the water resources challenges of today and tomorrow are not like those of the past. Weather extremes are increasingly the norm, creating risk to communities, the economy, and natural systems. As a result, understanding vulnerabilities and increasing our preparedness is of paramount importance. For that reason, the Budget provides \$86 million—the largest request in Corps' history—for research and development. The focus of this work will be on innovative solutions that will help achieve significant cost savings in the civil works program and address the emerging water resources challenges of the 21st Century, including climate change.

The Army Civil Works Budget focuses on the highest performing work within the three main missions of the Civil Works program:

- commercial navigation,
- flood and storm damage reduction, and
- aquatic ecosystem restoration.

In developing the Budget, consideration was also given to advancing three key objectives that reflect the Administration's priorities: 1) decreasing climate risk for communities and increasing ecosystem resilience to climate change based on the best available science; 2) promoting environmental justice in underserved and marginalized communities and Tribal Nations in line with the Justice40 Initiative; and 3) strengthening the supply chain.

With respect to the first Administration priority, climate-focused investments include more than \$1.4 billion for construction of flood and storm damage reduction and aquatic ecosystem restoration projects, over \$64 million to improve climate resiliency and/or sustainability at existing Corps-owned projects, and \$35.5 million for technical and planning assistance programs with an emphasis on actions to help local communities identify, understand, and address their flood risks including work that will directly benefit disadvantaged communities by improving their resilience to climate change. The Budget also funds the continuation of studies to investigate climate resilience along the Great Lakes coastlines as well as in Central and Southern Florida.

For priority two, the Budget supports the Administration's Justice40 Initiative through investments in 23 studies, and in the construction of 33 projects to help disadvantaged and tribal communities address their water resources challenges—including funding for the Tribal Partnership Program. The Army is committed to helping to achieve the broader goals of the Administration regarding equity and environmental justice and will continue to improve outreach and access to Civil Works information and resources, including technical and planning assistance programs; maximizing the reach of Civil Works projects to benefit disadvantaged communities; and, ensuring that updates to Civil Works policies and guidance will not result in a disproportionate negative impact on disadvantaged communities.

Supply chains remain a priority, which Civil Works supports through its Commercial Navigation program. The Budget facilitates safe, reliable and sustainable commercial navigation to support U.S. competitiveness and improve the resilience of our nation's manufacturing supply chain to support American jobs and the economy. In support of the Administration's commitment to our nation's coastal ports and inland waterways, the FY 2024 Budget includes over \$3.4 billion for the study, design, construction, operation and maintenance (O&M) of inland and coastal navigation projects. Of this amount, over \$1.7 billion is derived from the Harbor Maintenance Trust Fund for eligible projects with an emphasis on operation and maintenance, including dredging, of completed projects and over \$1 billion will be used to maintain and improve navigation on the inland waterways.

Flood and storm damage reduction is at the center of the Civil Works program's actions to support the Administration's goal of tackling the climate crisis. Accordingly, the Budget contains nearly \$2 billion for flood and storm damage reduction, including funding to provide technical and planning assistance to local communities to enable them to understand and better manage their flood risks. The Budget proposes to assist these local efforts, with emphasis on non-structural approaches.

Equally important to building community resilience is the work of the aquatic ecosystem restoration (AER) mission. The Budget includes \$653 million for AER, including \$415 million for the South Florida Ecosystem Restoration (SFER) program, which will enable significant progress in restoring America's Everglades while building ecosystem resilience to climate change in South Florida. The Budget also includes \$93 million to support salmon recovery efforts in the Columbia River basin, another priority within the AER program.

Other significant initiatives include \$655 million for construction of a critical dam safety project at Prado Dam, and \$350 million for replacement of the Cape Cod Canal Bridges. Additionally, to facilitate action on Cape Cod, the Budget includes a legislative proposal that would allow the Corps to transfer funds to the Commonwealth of Massachusetts to design and construct the replacement bridges. Ultimately, the ownership of these bridges will be conveyed to Massachusetts, which will be responsible for future operation and maintenance. Also, of significant note, the Budget includes \$235 million to continue construction of the Sault Ste. Marie (Replacement Lock) project in Michigan.

In total, the FY 2024 Construction program is funded at more than \$2 billion. While most of this funding is in the Construction account, over \$37 million is in the Harbor Maintenance Trust Fund account, and nearly \$64 million is in the Mississippi River and Tributaries account. By significantly increasing funding of construction for crucial infrastructure projects, this budget will help us get things done and ensure momentum on much needed infrastructure improvements across the nation. The Army also has allocated the \$50 million provided for construction in 2024 in the IIJA for shore protection projects that will support coastal communities and improve their resilience to storm and climate change impacts.

As I wrap up the discussion on construction, I want to acknowledge that there is no funding proposed from the Inland Waterways Trust Fund (IWTF) in this year's budget in view of the \$2.5 billion made available in the IIJA for construction, replacement, rehabilitation, and expansion of inland waterways projects. The IWTF is a very valuable funding source, and I anticipate there will be ongoing and significant use in the future beyond the investments provided by the IIJA.

Of course, in addition to new projects, the Budget focuses on maintaining the key features of the vast water resources infrastructure that the Corps owns and manages, and on finding innovative ways to rehabilitate it or divest of it to others. The Budget invests in operating and maintaining the Corps' existing infrastructure and improving its reliability and performance. Specifically, the FY 2024 Budget funds the Operation and Maintenance program at over \$4.4 billion, consisting of over \$2.6 billion in the Operation and Maintenance account, nearly \$1.7 billion in the Harbor Maintenance Trust Fund account, and nearly \$154 million in Mississippi River and Tributaries account. The allocation of funding among projects for maintenance reflects a risk-informed approach that considers both project and project component conditions and the potential consequences of a failure. The Budget also gives priority to the maintenance of coastal ports and inland waterways with the highest commercial traffic. Additionally, the Budget is complemented by \$1 billion for operation and maintenance in 2024 from the IIJA.

For the Investigations program, the FY 2024 Budget provides \$139 million, consisting of nearly \$130 million from the Investigations account and over \$9 million in Mississippi River and Tributaries. Within those amounts, the Budget includes \$35.5 million for technical and planning assistance programs. These programs help local communities, including disadvantaged communities, identify and address their flood risks, including flood risks associated with climate change.

Continuing with the budget summary, it's significant that the FY 2024 Regulatory Program is funded at \$221 million to protect the nation's waters and wetlands and provide efficiency in permit processing. And the Recreation program is funded at \$275 million to ensure the Corps—one of the nation's leading Federal providers of outdoor recreation—can continue to effectively serve the public's desire to experience the great outdoors.

To summarize, the Budget makes critical investments in water resources that will benefit the American people and promote greater prosperity and economic growth for decades to come. From solving water resources challenges facing communities, to nurturing sustainable aquatic ecosystems, the Corps is delivering on its mission to serve the public.

I am very honored to implement the President's priorities for the Army Civil Works program and excited to be a part of a great team—serving our Nation. Thank you for inviting me here today. I look forward to your questions.

Mr. ROUZER. Major General Graham.

General GRAHAM. Chairman Rouzer, Ranking Member Napolitano—

Mr. ROUZER [interrupting]. Turn your microphone on. I don't think the microphone is on.

General GRAHAM. How is that?

Mr. ROUZER. Thank you.

General GRAHAM. All right, even better.

TESTIMONY OF MAJOR GENERAL WILLIAM H. "BUTCH" GRAHAM, DEPUTY CHIEF OF ENGINEERS AND DEPUTY COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS

General GRAHAM. Chairman Rouzer, Ranking Member Napolitano, Ranking Member Larsen, and distinguished members of the subcommittee, I am honored to testify before you today, and thank you for the opportunity to discuss the fiscal year 2024 budget request for the U.S. Army Corps of Engineers.

I look forward to answering the subcommittee's questions on the status of the Corps' projects and programs. Most importantly, I look forward to continuing to work with this committee, Congress, and the administration to address the Nation's critical water resources infrastructure needs.

I thank the subcommittee for supporting the Corps Civil Works program. Your commitment since 2014 to passing biennial Water Resources Development Acts has provided us with the authorities necessary to address the changing needs of the Nation's water resources infrastructure.

An example, in WRDA 2022, Congress authorized 25 new construction projects, 94 new feasibility studies, and 131 new environmental infrastructure projects. These studies and projects, when funded, will strengthen the supply chain, address the climate crisis, advance environmental justice, invest in Tribes, and provide needed water resources projects to traditionally underserved communities.

Looking a bit closer, WRDA 2022, it provides enhanced flexibilities for the Corps to address our changing climate, including observed sea level rise, increased frequency and magnitude of river flooding, and historic extremes in precipitation and drought. Such provisions allow the Corps to respond more comprehensively to coastal and inland flooding during the planning phase of new projects and during the repair and restoration of existing projects.

Furthermore, the legislation underscores congressional intent in increasing the Corps' role in drought resiliency by, for example, expanding the use of forecast-informed reservoir operations.

The 2024 budget and other recent funding, combined with WRDA legislation, provides the Corps with what Mr. Connor calls transformational opportunities to deliver water resources infrastructure projects that will positively impact communities across the Nation. To take advantage of this opportunity, the Army Corps is focused on three main areas.

First and foremost, we are focused on delivery. We maintain a sense of urgency to safely deliver quality projects on schedule and within budget. We are making any and all changes necessary to ensure we deliver and are not late to need. The task force we are standing up in Puerto Rico is a good example of this transformation in action.

Secondly, we recognize the importance of our partnerships, starting with our non-Federal sponsors, and the communities and the States we work in and are a part of. We need to listen better, not just at the DC level, but at the local project level, where it matters the most. We need to listen better to our industry partners, unleashing the creativity and talents of the private sector. Under Mr. Connor's guidance, we are working hard to listen better to Tribal nations and other underserved groups. The four new committees authorized in WRDA 2022 will help ensure that all voices are heard.

And finally, we are focused on innovation. Meeting the challenges of climate change, addressing water supply and water conservation needs, addressing the needs of the underserved communities, and modernizing our infrastructure needed to maintain our economic edge all demand innovation.

I will conclude by saying that we value deeply the authorities you have entrusted in us. Our pledge is to put them to work to deliver for the American people.

And thank you, Chairman Rouzer, Ranking Member Napolitano, and Ranking Member Larsen. I look forward to answering your questions.

[General Graham's prepared statement follows:]

Prepared Statement of Major General William H. "Butch" Graham, Deputy Chief of Engineers and Deputy Commanding General, U.S. Army Corps of Engineers

Chairman Rouzer, Ranking Member Napolitano, and distinguished members of the Subcommittee. I am honored to testify before you today along with the Honorable Michael Connor, Assistant Secretary of the Army for Civil Works, regarding the President's Fiscal Year 2024 (FY 2024) Budget (Budget) for the Army Civil Works Program and our implementation of the Water Resources Development Act of 2022 (WRDA 2022).

Through the Army Civil Works program, the United States Army Corps of Engineers (Corps) works with other Federal agencies, States, Tribes, and local governments, as well as others, to develop, manage, restore, and protect water resources, primarily through the study, construction, and operation and maintenance of water-related infrastructure projects. The Corps also regulates development affecting waters of the United States including wetlands and works with other Federal agencies to help communities respond to, and recover from, floods and other natural disasters.

For FY 2024, the President recommended \$7.413 billion in discretionary funding for Civil Works activities—the largest budget request in the history of this program. This funding, along with the authorizations provided to us by Congress, will allow us to advance our three main missions of commercial navigation, flood and storm damage reduction, and aquatic ecosystem restoration, as well as support related project purposes, such as water supply, hydropower, and recreation. The Civil Works program is performance-based and focuses on high-performing projects and programs within these three main mission areas. The Corps uses its engineering expertise and relationships with project sponsors and stakeholders to develop innovative approaches to address some of the most pressing water resources challenges facing the Nation.

WRDA 2022 provided the Corps the flexibility to design projects that respond to a wider suite of impacts associated with climate change. WRDA 2022 also provided flexibility to address the water resources needs of urban and rural communities with environmental justice concerns. This is a high priority goal of the Administration. An important next step for Army Civil Works will be the adoption of procedures implementing the Water Resources Principles, Requirements, and Guidelines. In partnership with the Assistant Secretary for Army for Civil Works, we expect to formally initiate a rulemaking process on this issue later this year. This rulemaking will include a focus on securing environmental justice and spurring economic opportunity for disadvantaged communities that have been historically marginalized, underserved, or overburdened by pollution, and may have been left behind in the past in terms of infrastructure development.

The Corps Tribal Nations Program enables the Army to partner with Federally recognized American Indian and Alaskan Native tribal governments to identify solutions to their water resources challenges, which will substantially benefit the people who live in Indian Country or in Alaska Native villages. The Corps works with Native American Tribes as cost-share partners on Civil Works projects through its Tribal Partnership Program, under its Planning Assistance to States Program, as well as through specifically authorized Civil Works projects. WRDA 2022 supports our trust commitment to Tribal Nations by enhancing the breadth and reach of the Tribal Partnership Program, strengthening tools to provide Tribal assistance, as well as establishing a framework for an advisory committee to further facilitate delivery of water resources projects to Tribal Nations. The Corps reaffirms its commitment to engage in regular, meaningful, and robust consultation with Tribal officials in the development of water resources projects and on regulatory actions that have Tribal implications.

In developing the FY 2024 Budget, the Administration gave consideration to projects that reduced climate risk to communities. For example, to advance community resilience, the Budget provided construction funding for Environmental Infrastructure and the Tribal Partnership Program. This is the first time that the Budget provided such funding. The Budget also includes \$35.5 million for our planning and technical assistance programs, where the Corps shares its expertise with local communities, including economically disadvantaged communities, to help them identify and understand their water resources problems and increase their resilience to, and preparedness for, flood risks.

Through the Army Civil Works research and development program, we are making investments to tackle future water resources challenges and advance related technological development in support of the three Army Civil Works main missions. The Budget includes a historic \$86 million investment in research and development activities, or over \$100 million including technology transition and data collection. This investment demonstrates the Administration's commitment to engineering innovation to deliver enduring water resource solutions for the Nation. This investment will allow the Corps to continue addressing the most pressing knowledge gaps that our practitioners face while doing their jobs in the field, such as operational, data-driven methods to improve navigation channel maintenance, the beneficial use of dredged material, and flood and storm risk management modeling. This investment also includes funding to advance longer-term research and development including: \$10 million to accelerate the Forecast-Informed Reservoir Operations Assessment, which will further our understanding of atmospheric river impacts on flood risk management, water supply, and other water uses; and \$25.5 million to inform and improve our overall asset management strategy, with a focus on work that has the potential to achieve significant cost savings in the Civil Works program.

The FY 2024 Budget reflects a number of other priorities of the Administration. The Aquatic Ecosystem Restoration program is funded at \$653 million in the Budget, investing in the restoration of some of the Nation's most unique aquatic ecosystems, such as the Chesapeake Bay, the Upper Mississippi River, the Great Lakes, the Louisiana Coast, and the Everglades. This includes \$415 million for the South Florida Ecosystem Restoration (SFER) (Everglades) program—which is an \$8 million increase compared to the 2023 Budget level, as well as \$93 million to support salmon recovery efforts in the Columbia River basin.

The FY 2024 Budget includes \$235 million for the Sault Ste. Marie (Replacement Lock) project in Michigan and \$350 million for replacement of the Cape Cod Canal Bridges in Massachusetts along with a legislative proposal that would allow the Corps to transfer funds to the Commonwealth of Massachusetts to design and construct the replacement bridges. The largest request in the Construction Account is \$655 million for the construction of a critical dam safety project at Prado Dam in California.

The FY 2024 Budget also includes five new studies in the Investigations account—Klamath Basin, CA (Aquatic Ecosystem Restoration); Southeast Michigan, MI (Flood Risk Management); Tittabawassee River, Chippewa River, Pine River and Tobacco River, MI (Flood Risk Management); Fox Point Hurricane Barrier, RI (Flood Damage Reduction Coastal); and, Morgantown, WV Lock and Dam Automation.

My top priorities include identifying the highest priority potential investments for the Army Civil Works Program, starting with the maintenance of our existing infrastructure, and ensuring that we deliver studies and finish quality projects safely, on time, and within budget. I am focused on delivering projects that will contribute to the effort to enhance the Nation's resilience to climate change. These priorities will ensure a better return on taxpayer investment and improve the lives of all Americans.

The FY 2024 President's Budget for the Army Civil Works Program represents a continuing, fiscally prudent investment in the Nation's water resources infrastructure and restoration of aquatic ecosystems. The Corps is committed to efficiently and effectively executing the Army Civil Works program.

Thank you, Chairman Rouzer and Members of the Subcommittee. This concludes my statement. I appreciate the opportunity to testify today and look forward to answering any questions you may have. Thank you.

Mr. ROUZER. Mr. Lyash.

TESTIMONY OF JEFFREY J. LYASH, PRESIDENT AND CHIEF EXECUTIVE OFFICER, TENNESSEE VALLEY AUTHORITY

Mr. LYASH. Thank you, Chairman Rouzer, Ranking Member Napolitano, and subcommittee members for allowing me to represent the more than 10,000 employees and 20,000 contract partners who deliver on the Tennessee Valley Authority's mission of service.

TVA was established, as was said, 90 years ago on a clear mission to benefit the public good across the Tennessee Valley region by providing energy, economic development, and environmental stewardship. Today, TVA remains focused on the large-scale challenges that our Nation and region face: meeting rising energy demand, growing American manufacturing and our economy, reducing energy burden for families, mitigating climate change, and addressing growing cybersecurity threats. We are actively investing in the next generation of technologies to ensure that we maintain our Nation's energy security while expanding our asset portfolio to include additional, affordable, reliable, and clean resources for the future.

In terms of energy, TVA is the Nation's largest public power provider and the third largest power producer overall. Our service territory is one of the fastest growing in the Nation, covering portions of seven States in the Tennessee Valley geographic area. TVA partners with 153 local power companies and 58 directly served customers to support the communities and the people of the region, and our customers include 7 military and Federal installations.

We are proud of our mission to support national security by producing tritium to support the Nation's defense program.

We operate one of the Nation's most diverse, cleanest generation portfolios, including nuclear, hydro, solar, and gas. We also operate one of the Nation's largest transmission systems.

TVA operates through revenues primarily from our electric power generation system. We receive no appropriations, and we work hard to maintain the lowest rates feasible for our customers, guided by least-cost planning mandates. TVA currently has approxi-

mately \$12.5 billion in annual revenues and an asset base of more than \$51 billion.

For nearly a decade now, we have followed a disciplined financial plan to reduce TVA's debt. TVA's total financial obligations are at the lowest level in more than 30 years. TVA debt is not guaranteed by the United States and does not count against the U.S. Treasury's debt limit.

TVA's low rates and our historically high reliability are energizing new jobs and investment across the region. TVA partnerships helped our service territory create or retain nearly 350,000 jobs and attract almost \$49 billion in projected capital investment in just the past 5 years.

Because of TVA's economic development mission, we must operate as efficiently and effectively as the best investor-owned utilities to remain competitive in attracting new business. Population, economic and industrial growth, and expanded electrification are creating sustained regional load growth. We anticipate needing at least 50 to 100 percent more energy than we currently produce by 2050.

TVA already is a national leader in carbon reduction. Currently, more than half of TVA's produced energy is carbon free, and our goal is to reach net zero. TVA is dramatically expanding our solar generation, actively working toward 10,000 new megawatts. We have an industry-leading nuclear fleet and have a path to extend the lifetime of those units. We have a global leadership position in advanced nuclear generation, working with domestic and international partners to develop standard small modular reactor design that can be deployed by TVA.

Other carbon-free energy innovation investments include partnership in a Southeast Hydrogen Hub coalition and TVA's first grid-scale energy storage facility. And we will share all these technologies and best practices.

At our roots, TVA is one of the Nation's vital river management and flood control agencies. We manage one of the country's largest river systems, the 652-mile Tennessee River system, which averts flood damage and promotes economic development.

One of the enduring legacies of TVA's 90-year history of service is that we continually seek to increase the value we deliver to those that we serve.

Thank you, and I am happy to answer the committee's questions. [Mr. Lyash's prepared statement follows:]

Prepared Statement of Jeffrey J. Lyash, President and Chief Executive Officer, Tennessee Valley Authority

OUR MISSION OF SERVICE: IMPROVE QUALITY OF LIFE

Thank you Chairman Rouzer, Ranking Member Napolitano, and members of the subcommittee for allowing me to represent the more than 10,000 employees and 20,000 contract partners who deliver on the Tennessee Valley Authority's mission of service every day. I am Jeff Lyash, President and Chief Executive Officer of TVA.

TVA was established 90 years ago, as part of the New Deal, to improve the quality of life for the citizens of the Tennessee Valley region by providing energy, economic development, and environmental stewardship. TVA met that mission of service through river management and flood control, harnessing the power of water to electrify rural areas and bring in new industries and opportunity.

Today, TVA remains focused on the large-scale challenges that our nation and region face: meeting rising energy demand, growing American manufacturing and our economy, reducing energy burden on American families, mitigating climate change, and addressing growing cybersecurity threats.

Given these challenges and the scale of TVA's operations today, our mission will be critical in the decades ahead. We are actively investing in the next generation of technologies to ensure that we maintain our nation's energy security while expanding our asset portfolio to include additional affordable, reliable, and clean resources for the future. It is an honor to share how we are serving the people of the Tennessee Valley region, and the entire nation, today, and our efforts to do so in the future.

In terms of energy, TVA is the nation's largest public power provider and the third-largest overall power producer. Our service territory is one of the fastest growing in the nation—covering portions of seven states in the Tennessee Valley geographic area. We supply electricity for more than 10 million people—and that population is growing at six times the national average.

TVA partners with 153 local power companies and 58 directly served customers to support the communities and people of the region. Our customers include seven military and federal installations.

We are proud of our mission to support national security by producing tritium to support the nation's nuclear defense program.

We operate one of the nation's most diverse, cleanest generation portfolios, including nuclear, hydro, and solar. We also operate one of the nation's largest transmission systems.

TVA has an impressive history of 90 years of service, and we are well-positioned to continue to be a leader in energy, environmental stewardship, and economic development for decades to come. Today, I will focus on that future and the ways in which TVA is serving the Tennessee Valley region and the entire nation.

MAINTAINING AFFORDABILITY AND FISCAL DISCIPLINE

TVA operates through revenues primarily from our electric power generation system. The TVA power system has been self-funded since 1959. We are not part of the regular appropriations process. We have a statutory least cost planning mandate, and we work hard to maintain the lowest rates feasible for our customers while investing in the reliability and resiliency of our system.

In 2014, TVA fulfilled a requirement to repay \$1 billion of early government investment. Beyond that \$1 billion repayment, we continue to pay the U.S. Treasury a return on the government's remaining permanent investment in TVA. This totaled \$4 million to \$6 million annually from 2020 to 2022. We also return 5% of power revenues to states and counties as tax equivalent payments—totaling \$5.3 billion in the past 10 years.

TVA currently has approximately \$12.5 billion in annual revenues and an asset base of more than \$51 billion. For nearly a decade now, we have followed a disciplined financial plan to reduce TVA's debt. TVA's total financing obligations are at the lowest level in more than 30 years. Pursuant to the TVA Act, TVA debt is not guaranteed by the United States and does not count against the U.S. Treasury's debt limit.

We have reduced our total financial obligations by \$7 billion from \$27.5 billion in Fiscal Year (FY) 2013 to \$20.3 billion in FY 2022. We accomplished this while making ongoing annual investments of billions of dollars in TVA system assets and upgrades.

Because of TVA's economic development mission, we must operate as efficiently and effectively as the best investor-owned utilities to remain competitive in attracting new businesses.

Through our public power model, we are one of the nation's lowest cost power producers. Our residential retail rate is 25th lowest among the top 100 utilities in the nation as of February 2023. Our industrial rate is 7th lowest among the top 100 utilities. TVA base electric rates have remained stable for four consecutive years. Additionally, we provided \$1.2 billion in pandemic and long-term partner credits to our customers through quarter two of FY 2023.

We are also addressing energy burden through our energy efficiency programs, such as home and industrial energy efficiency audits, Home Uplift energy upgrades, School Uplift energy upgrades, and creating a network of regional weatherization contractors to assist homeowners.

TVA's low rates and our historically high reliability are energizing new jobs and investment across the region. TVA helped our service territory create or retain nearly 350,000 jobs and attract almost \$48 billion in projected capital investment in the

past five years. One of the major reasons industries and businesses choose the Tennessee Valley region is because of the affordable, reliable, resilient, and clean energy TVA provides.

TVA economic development partnerships have resulted in several of the largest projects in the history of our region, including the recent Ford BlueOval City campus in west Tennessee (\$5.6 billion investment); General Motors Co. and LG Energy Solution in Spring Hill, Tennessee (\$2.3 billion investment); and First Solar in north Alabama (\$1.1 billion investment). Our region is rapidly becoming the electric vehicle and battery production center of the United States. We are partnering with our communities to create or keep advanced manufacturing jobs in the United States. TVA energy also powers tech hubs for Amazon, Facebook, Google, and others.

BUILDING THE ENERGY SYSTEM OF THE FUTURE TO ENABLE THE NEW INDUSTRIAL AGE

TVA's commitment is to provide our seven-state region with energy security—the affordable, reliable, resilient, and clean energy that communities and customers across the region expect and deserve. We are focused on energy expansion and innovation as we meet today's needs, while also preparing for the future. We appreciate that the Inflation Reduction Act included direct pay tax incentive provisions for public power providers and TVA to help ensure parity across the electric utility system and create opportunities for all consumers.

Population, economic, and industrial growth, and expanded electrification are creating sustained regional load growth. We anticipate needing at least 50–100% more energy than we currently produce by 2050 if the region sees strong electrification and continued economic growth.

TVA is currently working to expand and upgrade our energy system to meet anticipated future power load and transmission demands in the face of ongoing economic growth and increasing electrification. This includes currently building more than 3,800 megawatts of combustion turbine and combined cycle natural gas generation, new solar and energy storage.

We are also working to make our system more robust and resilient against cyber threats, climate change, and more intense and frequent extreme weather events. Since Winter Storm Elliott in 2022, we have taken more than 250 actions to harden assets to resist extreme weather. TVA is also investing \$2.8 billion in transmission system improvements, including our new state-of-the-art Primary Systems Operations Center in Meigs County, Tennessee. This \$300 million center will use smart technologies to help manage the flow of electricity across the 80,000-square-mile area we serve, around the clock, minute-by-minute.

TVA's energy will be increasingly carbon-free in the future. TVA already is a national leader in carbon reduction, operating the cleanest energy system in the Southeast. Currently, more than half of TVA-produced energy is carbon-free. And our goal is to reach net-zero by 2050.

TVA is dramatically expanding our solar generation, actively working toward 10,000 new megawatts. We are currently implementing projects from the industry's largest clean energy request for proposal.

We have an industry leading nuclear fleet and have a path to extend the lifetime of those units.

TVA is actively investing in energy innovation. We have a global leadership position in advanced nuclear generation through a partnership with Ontario Power Generation, Synthos Green Energy, and GE Hitachi Nuclear Energy to develop a standard small modular reactor design that can be deployed by TVA, nationally and internationally to further a secure and low-carbon energy future. This partnership defrays the costs of development and deployment of small modular reactors from any one organization, allowing us to go further, faster in developing this clean energy technology.

TVA holds the nation's first Nuclear Regulatory Commission (NRC)-issued early site permit for small modular reactors at our Clinch River site near Oak Ridge, Tennessee. While we are continuing site work at Clinch River, we are also beginning evaluation of additional small modular reactor locations across our region.

To diversify our carbon-free energy innovation investments, TVA is a partner in a Southeast Hydrogen Hub coalition of five major Southeast utility companies. This partnership has submitted a full application for Department of Energy funding to develop a regional ecosystem to deploy green hydrogen as a carbon-reduction solution for customers and communities.

We have invested in advanced grid-scale energy storage through our first TVA battery storage facility in Vonore, Tennessee, expected to be operational later this year.

TVA has also partnered with the Department of Energy's Water Power Technologies Office to evaluate and demonstrate different approaches for operating our hydropower units to meet our electric grid's changing needs.

TVA will be on the leading edge of technology advancements, and we will share best practices and lessons learned from our energy innovations, benefiting the entire energy industry. We are partnering to leverage federal expertise such as Oak Ridge National Laboratory, as well as other renowned resources such as the Electric Power Research Institute (EPRI), and the University of Tennessee and other academic institutions.

We will continue to pursue partnerships and opportunities that will advance energy innovation and security that benefit all Americans and serve the people of the Tennessee Valley region. Our new nuclear innovations are also a strategic advantage to our allies as we collaborate internationally.

STEWARDSHIP OF OUR NATURAL RESOURCES

At our roots, TVA is one of the nation's vital river management and flood control agencies. We manage one of the country's largest river systems—the 652-mile Tennessee River and its tributaries. We operate a system of 49 dams and reservoirs. Through our management, we have prevented nearly \$10 billion in flood damage to communities across the Tennessee Valley during our history. Additionally, we have helped avert approximately \$778 million in additional flood damage to downstream lower Ohio River and Mississippi River basin communities by working in partnership with the U.S. Army Corps of Engineers during extreme events.

TVA's system of dams and reservoirs makes us one of the largest stewards of public lands and waters in the eastern United States. Our dam system provides recreation and tourism opportunities for numerous cities, towns, and counties that count on this estimated \$11.9 billion annual revenue stream.

TVA also protects the unique biodiversity of our region and enhances waterways, natural resources, and cultural resources through our expansive stewardship programs. TVA's Biodiversity Policy states that TVA will protect biodiversity through its stewardship of public lands, management of the Tennessee River system, local and regional partnerships, and integration of species and habitat conservation in project planning. In FY 2022, TVA completed 120 biodiversity projects and initiatives comprised of on-the-ground conservation, monitoring and research, and education and outreach.

CONCLUSION

One of the enduring legacies of TVA's 90 years of service is that we continually seek to increase the value we deliver to those we serve. TVA was built to tackle energy challenges, create and share innovation, and be a catalyst for growth. We are uniquely positioned to lead in meeting our country's expanding energy needs and industrial growth.

Mr. ROUZER. I thank the gentleman.
Mr. Tindall-Schlicht, you have 5 minutes.

TESTIMONY OF ADAM TINDALL-SCHLICHT, ADMINISTRATOR, GREAT LAKES ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION, U.S. DEPARTMENT OF TRANSPORTATION

Mr. TINDALL-SCHLICHT. Chairman Rouzer, Ranking Member Napolitano, Ranking Member Larsen, and members of the subcommittee, thank you for the opportunity today to present the President's fiscal year 2024 budget request for the Great Lakes St. Lawrence Seaway Development Corporation.

The mission of the GLS is to operate and maintain the U.S. infrastructure and waterways of the St. Lawrence Seaway, while also performing trade and economic development activities that are designed to enhance utilization of the Great Lakes St. Lawrence Seaway system. The GLS is primarily responsible for maintaining and operating Eisenhower and Snell locks, located in Massena, New

York, while also controlling commercial vessel traffic in the U.S. sections of the St. Lawrence River and Lake Ontario.

Since the seaway opened in 1959, the GLS has directly served commercial maritime transportation stakeholders by providing a safe, reliable, and efficient deep-draft international waterway in cooperation with its Canadian counterpart, the St. Lawrence Seaway Management Corporation. Binational coordination on an ongoing basis is imperative, as a vessel that transits into the Great Lakes will cross the international border 27 times while passing through the waterway's 2 U.S. locks and 13 Canadian locks.

The seaway serves as a vital artery for trade and a key component of the North American supply chain, supporting economic development while ensuring the efficient movement of goods between the Great Lakes and the Atlantic Ocean. This also enhances the United States defense capabilities and international cooperation.

More than 3 billion tons of cargo valued at over \$500 billion has transited through the seaway over its 65-year history. During the 2022 navigation season, more than 36 million tons of cargo moved through this binational waterway.

In fulfilling its mission, the GLS produces significant economic benefits across the Great Lakes region. An economic study completed in 2018 showed that maritime commerce on the seaway sustains over 237,000 U.S. and Canadian jobs, \$35 billion in economic activity, over \$14 billion in personal income, and over \$6 billion in Federal, State, Provincial, and local taxes on an annual basis.

For fiscal year 2024, the President's budget requests an appropriation for the GLS of \$40.3 million from the Harbor Maintenance Trust. This budget request includes two programs: seaway operations and maintenance, as well as seaway infrastructure. The overall budget request supports the administration's priorities of safety, job creation, economic growth, and transformational infrastructure investment.

The 2024 request for seaway operations and maintenance totals \$24 million, providing financial and personnel resources, allowing us to perform the operational and administrative functions of the corporation, including lock operations, marine services, vessel traffic, ballast water management, safety, security, and environmental inspections, as well as international trade promotion.

The 2024 request for the seaway infrastructure totals \$16.3 million. The locks, channels, and accompanying infrastructure of the seaway, which is owned and operated by the GLS, are perpetual transportation assets requiring regular capital reinvestment, allowing them to continue our record of safety, reliability, and efficiency.

The United States Congress has supported GLS infrastructure renewal by investing over \$209 million on 62 unique capital infrastructure projects since 2009. These investments have resulted in the lowest level of lock delays and vessel safety incidents on the Great Lakes Seaway in navigation history.

In sum, the fiscal year 2024 budget request will ensure that the corporation will continue to operate and maintain U.S. seaway infrastructure, will ensure safe vessel navigation, will help protect the Great Lakes ecology, will address needed maintenance, will help rehabilitate and enhance GLS facilities, and promote economic development throughout the Great Lakes region.

I am happy to answer any questions, and thank you.
 [Mr. Tindall-Schlicht's prepared statement follows:]

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Prepared Statement of Adam Tindall-Schlicht, Administrator, Great Lakes St. Lawrence Seaway Development Corporation, U.S. Department of Transportation

Chairman Rouzer, Ranking Member Napolitano, and Members of the Subcommittee, thank you for the opportunity to submit written testimony for the record regarding the Fiscal Year (FY) 2024 budget request for the Great Lakes St. Lawrence Seaway Development Corporation (GLS or Corporation). I am glad to present this information and to report on the activities of the GLS.

The GLS is a wholly owned government corporation within the U.S. Department of Transportation (USDOT) with its funding appropriated since 1987 from the user fee-based Harbor Maintenance Trust Fund (HMTF). Since its creation, the GLS has been funded through appropriations derived from user fees and not from the Treasury's General Fund. Prior to 1987, the GLS's funding was derived from tolls to commercial vessels transiting the St. Lawrence Seaway.

The GLS's mission is to operate and maintain the U.S. infrastructure and waterways of the St. Lawrence Seaway, while performing trade and economic development activities designed to enhance the utilization of the Great Lakes St. Lawrence Seaway System. The GLS is primarily responsible for maintaining and operating Eisenhower and Snell locks located in Massena, New York, and controlling commercial vessel traffic in U.S. areas of the St. Lawrence River and Lake Ontario. A majority of GLS employees are veterans, and we have a unionized trade workforce, providing quality jobs in upstate New York. Since the opening of the St. Lawrence Seaway in 1959, the GLS has directly served commercial marine transportation stakeholders by providing a safe, reliable, and efficient deep-draft international waterway, in cooperation with its Canadian counterpart, the St. Lawrence Seaway Management Corporation (SLSMC).

Over its 65-year history, more than 3 billion metric tons of cargo valued at more than \$500 billion has transited the St. Lawrence Seaway, including grain, iron ore, iron and steel, project cargoes, and other raw and bulk commodities. During the 2022 navigation season, more than 36 million metric tons of cargo valued at \$13 billion moved through the binational waterway.¹ In recent years, international cruise ships have also been touring U.S. Great Lakes ports via the Seaway in record numbers.

A vessel entering the St. Lawrence Seaway at Montréal, Canada, and transiting to Lake Erie crosses the international border 27 times while passing through the St. Lawrence Seaway's 15 locks (2 U.S. and 13 Canadian). As a consequence of this unique geography, when constructing the Seaway in 1954, the United States and Canada created a binational governance approach for the Seaway through an exchange of diplomatic notes, constituting a binding international agreement between the countries. It was and remains a bold, optimistic, unique, and effective governance approach; all other U.S. inland waterways are operated, maintained, and managed directly by the U.S. Army Corps of Engineers and the U.S. Coast Guard. Due to the geography of the St. Lawrence River and the importance of the sovereignty issues involved, however, the U.S. and Canadian Governments established a binational framework of civilian Federal oversight and control of this international waterway, which today is administered by the GLS and the Canadian SLSMC.

To carry out its mission, the GLS possesses legal authorities that distinguish it from other operating administrations at the U.S. Department of Transportation and from most other Executive Branch agencies. The Wiley-Dondero Act of 1954 (Seaway Act), which created and permanently authorized the GLS, incorporated authorities that were first put into law through the Government Corporation Control Act of 1945. The GLS was created as a government corporation to manage this public infrastructure asset and provide a direct service to customers—moving vessels safely and efficiently through a binational waterway. The succinct and plain language of the Corporation's enabling statute allows sufficient flexibility to manage its operations in a business-like manner. Some of the distinguishing attributes include the ability to make and carry out contracts or agreements as necessary to conduct business as well as the ability to acquire real and personal property and sell, lease, or dispose of such property. Together with its mission of providing 24/7 marine trans-

¹ https://greatlakes-seaway.com/wp-content/uploads/2023/03/tonnage2022_12_en.pdf

portation services, these legal authorities help promote a culture within the GLS of accountability and customer service.

The deep degree of trust and operational cross-border interaction that has developed between the U.S. and Canadian Seaway entities over the past six decades helps maintain a transit experience for Seaway users that is essentially seamless from a vessel captain's perspective. It is a remarkable achievement given the operational complexities and multiple jurisdictions that impact that transit.

The St. Lawrence Seaway directly serves an eight-State, two-province region that accounts for one-quarter of the U.S. gross domestic product (GDP), one-half of North America's manufacturing and services industries, and is home to nearly one-quarter of the continent's population.

The Seaway's importance for national security and the Nation's transportation supply chain lies in its (a) strategic location connecting the Great Lakes region of North America to the Atlantic Ocean, (b) economic significance supporting economic growth, job creation, and trade, while enabling efficient transportation of goods and reducing shipping costs and congestion on alternative routes, (c) role in defense and security in the transportation of goods, equipment, and supplies necessary for military operations, including the movement of naval vessels, and (d) supply chain resilience as an alternative transportation route in the event of disruptions or congestion at other ports or transportation corridors.

Annual commerce on the Great Lakes Seaway System, including U.S. flag inter-lake activity, typically exceeds 180 million metric tons and serves U.S. farmers, manufacturing workers, miners, and commercial interests throughout the Great Lakes region. Virtually every type of bulk and general cargo commodity moves on the Great Lakes Seaway System, including iron ore for the U.S. steel industry; limestone for construction and steel industries; grain exports from U.S. farms; general cargo such as iron and steel products and heavy machinery; and cement, salt, and stone aggregates for agriculture and industry. Additionally, the Seaway has emerged as a critical transportation route for the shipment of large components essential to the wind energy industry.

Maritime commerce on the Great Lakes Seaway System provides shippers with nearly \$4 billion in annual cost savings compared to the next least expensive mode of transportation.² The Seaway also produces significant economic benefits to the Great Lakes region. An economic impact study completed in 2018 concluded that maritime commerce on the Great Lakes Seaway System sustains over 237,000 U.S. and Canadian jobs, \$35 billion in economic activity, \$14.2 billion in personal income, and \$6.6 billion in federal, state/provincial, and local taxes each year.³ An update to the 2018 study is expected to be released later this year.

FY 2024 BUDGET REQUEST

For FY 2024, the President's Budget requests an appropriation of \$40.3 million from the HMTF to fund the GLS's operations and maintenance of the U.S. portion of the St. Lawrence Seaway, as well as capital infrastructure projects to rehabilitate and modernize the GLS's perpetual assets and associated equipment. The request represents an increase of \$1.8 million from the FY 2023 enacted level.

The budget request includes two programs—(1) Seaway Operations and Maintenance and (2) Seaway Infrastructure, which support the Administration's priorities of safety, job creation and economic growth, and transformational infrastructure investments.

The FY 2024 request for the GLS's Seaway Operations and Maintenance program is \$24.0 million to provide the GLS with the financial and personnel resources necessary to perform its operational, maintenance, and administrative functions, including lock operations, marine services, vessel traffic control, asset maintenance, ballast water management, safety and environmental inspections, and trade promotion and economic development.

For its Seaway Infrastructure program, the FY 2024 President's Budget includes a request of \$16.3 million for 12 infrastructure-related capital projects, including \$7 million for the replacement of 65-year-old GLS Administration Building, a primary business center for the Corporation in Massena; \$3 million to replace deteriorated and damaged concrete at Eisenhower Lock and Snell Lock; \$1.5 million to upgrade electrical distribution equipment at the GLS locks and maintenance facility; and \$1.5 million for paving and drainage upgrades to GLS roadways.

²U.S. Army Corps of Engineers, Great Lakes Navigation System: Economic Strength to the Nation, January 2009.

³*Economic Impacts of Maritime Shipping in the Great Lakes-St. Lawrence Region*, Martin Associates, July 2018.

Beginning in FY 2024, the GLS will launch a multi-year effort to rehabilitate and/or replace its various buildings and facilities in Massena, N.Y., that are used for both employee workspace and storage and were built during the construction of the U.S. assets of the St. Lawrence Seaway in the 1950s. All these facilities/buildings are owned and operated by the GLS, including the Administration Building. Most of these buildings/facilities have reached the end of their useful life and do not meet ADA or energy standards.

In FY 2022, the GLS contracted with an architectural/engineering firm to establish a facility master plan to include a review of the entire GLS's Massena building/workplace inventory to assess current conditions, address needed maintenance and/or rehabilitation to meet current workplace and energy standards, and provide cost estimates for new, more energy and space efficient workspaces. The facility master plan identified 20 capital improvement projects with a total projected cost of approximately \$32 million over the next 20 years.

SAFETY AND RELIABILITY

The continued safety and reliability of the St. Lawrence Seaway is the foundation upon which we can promote and accommodate increases in maritime cargo. The Seaway is already one of the world's safest waterways and that safety record continues to improve. Over the past 25 years, the average number of international vessel incidents in the Seaway requiring GLS intervention has decreased significantly. From 1996–2006, the average number of incidents was 19 per year. However, from 2007–2021, the average number of incidents declined to only 6 per year. This positive development can be attributed to several factors, including the U.S.-Canadian Enhanced Seaway Inspection Program, the use of the Seaway's Automatic Identification System (AIS) vessel traffic management technology beginning in 2002, the use of the Seaway's Hands Free Mooring system beginning in 2018, the well-trained and skilled GLS lock operations and maintenance staff, and a major fleet renewal program implemented by many of the Seaway's commercial carriers.

In addition, since the Seaway's opening in 1959, the GLS has consistently maintained a near-perfect reliability rate of 99 percent for commercial users of its locks in the U.S. sector of the waterway. During the 2022 navigation season (March 22, 2022–January 1, 2023), the GLS workforce ably operated and maintained the waterway and lock system at a reliability rate of 99.6 percent and lock availability rate of 99.97 percent. This high mark of success is due primarily to the GLS's efficient management and operations of the locks and control of vessel traffic. Global customers from nearly 50 countries return each year to use the Seaway because of the waterway's strong safety record, efficient operations, and strong reliability rate.

Upgrades to the Seaway's traffic management system are currently underway and are expected to provide additional safety, reliability, and environmental benefits. While the primary goal of the envisioned Vessel Information System (VIS) project is to improve transits within the Seaway, new applications for connecting the entire Great Lakes together will help enable enhanced voyage planning from foreign origin, transit through the Great Lakes, and to destination. The VIS will have the ability to gather and process data that could provide recommendations to safely facilitate maximum operational efficiency. This includes scheduling vessel inspections, bridge closures, pilotage services, and dock usage at ports, as well as lockages, while respecting the interests of individual vessels. This multi-year project is underway, in conjunction with the Canadian SLSMC, the U.S. Department of Transportation's Volpe National Transportation Systems Center (Cambridge, Massachusetts), other Great Lakes Seaway System users, and stakeholders.

ENVIRONMENTAL STEWARDSHIP

The GLS also implements strict ballast water management efforts to prevent any new introductions of aquatic invasive species via commercial vessels entering Seaway waters. In 2008, the GLS and Canadian SLSMC jointly started enforcing regulations that all vessels with no ballast in their tanks must conduct saltwater flushing of the empty ballast water tanks before arriving in the Seaway. The GLS, along with the U.S. Coast Guard, Transport Canada, and the SLSMC, formed the Ballast Water Working Group (BWWG) to enforce ballast water inspections of all vessels to ensure these regulations are carried out. The BWWG's annual summary report documents the Group's inspection results and findings.⁴ The report measures both the performance of the binational inspection team in inspecting the ballast tanks

⁴ <https://greatlakes-seaway.com/en/commercial-shipping/transiting-the-seaway/ballast-water/>

of incoming ocean vessels and the compliance by the oceangoing trade in meeting U.S. and Canadian ballast water management requirements.

From both a performance and compliance perspective, the results of the 2022 report are outstanding. In 2022, every ballast tank of every ocean vessel entering the Seaway was assessed—10,239 ballast tanks on 521 vessel transits. The BWWG found that the compliance rate by industry in 2022 for low salinity non-compliant tanks was 98.2 percent.⁵ In those rare instances where salinity levels do not meet the standard, the ballast tanks are retained to ensure no discharge is made in the Lakes, and tanks are then re-inspected on the vessel's outbound journey to ensure that the tank was not used on its voyage in the Great Lakes. Since 2009, 100 percent of international vessels entering the Seaway have received a ballast water management assessment by GLS inspectors or other BWWG partners.

The Great Lakes Seaway System has one of the most stringent inspection regimes in the world. The effectiveness of the Seaway's ballast water inspection program has been publicly credited as a key factor in dramatically reducing the risk of introduction of invasive species into the Great Lakes. Since 2006, there have been only 2 new aquatic invasive species identified in the Great Lakes that the scientific community considers are possibly associated with ballast water, but the timing of introduction and actual source pathways are uncertain. This can be compared to 15 new aquatic invasive species that were identified from 1993–2006, the equivalent time period before the new regulations, which the scientific community strongly attributes to ballast water.

A recently published study has given independent scientific validation to the binational ballast water regulations. The study analyzed aquatic invasive species invasion rates and shipping data for three different regulatory periods, pre-regulation, partial regulation, and total regulation, and concluded that the Seaway's ballast water regulations are likely the primary, but possibly not only, reason for the dramatic reduction in the apparent invasion rate for the Great Lakes-St. Lawrence River basin. The report states, "To our knowledge, the 2006/2008 regulation is the only case of a policy intervention that is linked to a massive reduction of the invasion rate of a large aquatic ecosystem," and "this case is an encouraging example of binational response to a transboundary problem, whose apparent success was achieved through rigorous application of an evidence-based, operationally feasible management solution involving participation by governments, the shipping industry, and academia from both countries."⁶ The authors believe that the regulation has likely prevented several disruptive invasions, and it is their opinion that ballast water exchange should be maintained as a requirement for vessels entering the Great Lakes in the future, even if performance standards requiring ballast water treatment systems are imposed on all inbound vessels.

While the GLS has previously received validation of the effectiveness of its ballast water regulations and inspection program this independent validation is the most comprehensive and definitive analysis to date that verifies the effectiveness and success of this important binational environmental program. The GLS is proud of its efforts in serving as an environmental gatekeeper to the St. Lawrence Seaway and will continue to perform these important inspections.

INFRASTRUCTURE MODERNIZATION

The locks, channels, and accompanying infrastructure of the St. Lawrence Seaway owned and maintained by the GLS are "perpetual" transportation assets that require periodic and regular capital reinvestment to continue operating safely, reliably, and efficiently. After 50 years of continuous operation with only minimal capital reinvestment, Congress approved the authorization and funding for the GLS's infrastructure renewal program beginning in FY 2009. The start of the program marked the first time in the Seaway's history that a coordinated effort to repair and modernize the U.S. Seaway infrastructure had taken place.

From FY 2009–2022, the GLS spent \$209 million on 62 infrastructure-related projects. Major infrastructure projects completed over that period included maintenance dredging in the U.S. portion of the Seaway navigation channel, lock miter gate and culvert valve machinery upgrades, culvert valve replacements, hands-free mooring installation at the locks, gatelifter upgrades, miter gate rehabilitation, tugboat replacements, and various other structural and equipment repairs and/or replacements.

⁵ https://greatlakes-seaway.com/wp-content/uploads/2023/03/2022_BW_Rpt_EN.pdf

⁶ Ricciardi, A., & MacIsaac, H. J. (2022). Vector control reduces the rate of species invasion in the world's largest freshwater ecosystem. *Conservation Letters*, e12866. <https://doi.org/10.1111/conl.12866>

During the 2022 navigation season, the GLS recorded the lowest level of delays on record for lock-related disruptions to navigation (2 hours, 3 minutes), resulting in a lock availability rate of 99.97 percent for the 286-day 2022 season. The successful planning and execution of the SIP, which began in FY 2009, is a key reason for the achievement of the high reliability rate.

The GLS Seaway Infrastructure Program (SIP) is developed annually by Corporation engineering, maintenance, lock operations, and policy staff following annual winter preventative maintenance work and inspections. This capital planning process ensures that aging machinery, equipment, and parts are rehabilitated/replaced; that buildings for employees and the public, grounds, and utilities are sufficiently maintained/refurbished; and that commercial trade continues to move on the Seaway safely and without interruption or delays.

TRADE AND ECONOMIC DEVELOPMENT

The statute that created the GLS provided general authority for the Corporation to undertake trade and economic development activities, and this is an important aspect of our mission. In recent years, Congress has provided additional funding for the GLS to expand this program. The GLS devotes resources to economic development activities aimed at increasing commercial trade through the St. Lawrence Seaway and improving economic conditions in the eight Great Lakes States. The primary benefit is the stimulation of U.S. and Canadian port city economies through increased maritime industry activity, including services and employment to support commerce via the Seaway. In 2015, the GLS designated a Great Lakes Regional Representative who leads this value-added service for the wider stakeholder community.

Activities undertaken by the GLS include facilitating new trade for Great Lakes Seaway System ports, conducting trade research and analysis to assist Great Lakes Seaway System stakeholders in identifying cargo trends and new business, participating in joint marketing efforts with the SLSMC, promoting the Seaway System to prospective customers, and assessing the economic impact of Great Lakes Seaway shipping.

The GLS's trade and economic development activities were instrumental in the 2014 launch of the first regularly scheduled international liner service to a U.S. port on the Great Lakes since the 1970's. Working directly with Great Lakes ports, the GLS helps identify ways to increase tonnage traffic in traditional cargoes as well as in diversifying the types of cargo moving through the Seaway.

Additionally, the GLS has been instrumental in the growth of international cruising activity in the Great Lakes. In January 2020, Viking Cruise Line announced its Great Lakes itineraries and the construction of two Seaway-sized cruise vessels. The first vessel made its maiden voyage in May 2022, while the second vessel entered the Great Lakes Seaway System in May 2023. This adds to the nine other cruise vessels that have itineraries in the Lakes. The GLS continues to work with U.S. Customs and Border Protection to find ways to streamline passenger processing and bring more cruise vessels to Great Lakes ports. Seaway stakeholders and Great Lakes communities are realizing the benefits of this growing tourism industry through the economic impact that the Great Lakes passenger cruising is stimulating. It is a success story that has resonated through local communities and is amplified by increasing recognition of the Great Lakes as a destination of choice in national and international profile.

CURRENT ISSUES

Water Levels—Water outflows and levels from Lake Ontario to the lower St. Lawrence River can significantly impact the safe and efficient operation of commercial navigation in the Seaway. If Lake Ontario water levels reach certain levels, the downstream water levels and regulated outflows can become unsafe for commercial navigation through the Seaway. The 2023 shipping season has not been significantly affected by water level or outflow issues due to less precipitation or drier conditions overall this year.

Lake Ontario water outflows are regulated by the International Joint Commission (IJC), and its International Lake Ontario St. Lawrence River Board (Board) is the entity that manages the outflow rates. Outflows are governed by a water regulation plan, Plan 2014, which the IJC and the Board implemented in January 2017 after many years of interagency and binational discussions regarding the prioritization of uses for the boundary waters. The GLS and the Canadian Seaway have worked closely with the IJC and the Board over the past several years to ensure that the priority rights of the Seaway and commercial navigation established by the U.S. and Canadian Governments in the Boundary Waters Treaty of 1909, reaffirmed by both

countries in their concurrence of Plan 2014, and reiterated in the accompanying joint U.S. and Canadian Government documents, including the Supplementary Order of Approval, continue to be respected.

Pilotage—All international vessels entering the Great Lakes St. Lawrence Seaway System are required by U.S. and Canadian regulations to have a certified vessel pilot on board to assist the vessel's captain in navigating the vessel. The oversight of pilotage services is a state-regulated activity everywhere in the United States, except for the Great Lakes, where pilotage is regulated by the U.S. Coast Guard Office of Great Lakes Pilotage pursuant to the Great Lakes Pilotage Act of 1960.

In addition to overseeing the three U.S. pilot districts in the Great Lakes Seaway System, the U.S. Coast Guard also establishes the rates that the U.S. pilots may charge for the provision of their services to vessel owners. Changes in the rate adjustment methodology have been controversial and have been met with criticism and litigation from various U.S. and Canadian commercial navigation stakeholders. The availability and increasing cost of U.S. pilotage services in the Great Lakes Seaway System are crucial components of the Seaway's safety and economic competitiveness. It is essential that the availability of Great Lakes Seaway System pilots be maintained in a manner that ensures safety while promoting the competitiveness of the waterway.

Safety—The GLS remains dedicated to safely and efficiently operating the U.S. portion of the St. Lawrence Seaway while also promoting the economic benefits of the marine mode, attracting new cargoes to the Great Lakes Seaway System, and leveraging technology and innovation to enhance the system's performance and safety. Since the opening of the Seaway in 1959, the GLS has been a model of binational partnership, ensuring that this international waterway is one of the safest and most reliable transportation routes in the world. With the investments being made in the St. Lawrence Seaway by the United States and Canada, it will remain so for many years to come.

Green Shipping Corridor Network—In November 2022, the U.S. and Canada jointly announced the intention to facilitate development of a Green Shipping Corridor Network (GSCN) on the Great Lakes St. Lawrence Seaway System. Since that time, U.S. and Canadian federal agencies have coordinated with state, provincial, local, private-sector, non-governmental, and indigenous peoples' organizations to begin that process.

On April 4, 2023, the GLS and SLSMC co-sponsored the first-ever Collaborative Forum (Forum) regarding establishing a GSCN on the System. The Forum was designed to create a common body of knowledge to identify opportunities for voluntary collaboration efforts and implementation strategies, based on best available science and technology, explore physical and operational issues affecting development of the GSCN, and establish GSCN Working Groups. It was a highly collaborative event, which included keynote speeches, interactive panels, and robust collaboration among the nearly 100 attendees. Feedback from attendees suggests that the Forum was well received as an informative and constructive first step in establishing the GSCN. The Seaway Corporations will continue to support the U.S. and Canadian governments towards establishment of a voluntary GSCN, including coordination with implementation working groups and planning future forums.

Thank you again for the opportunity to submit this statement for the record.

Mr. ROUZER. I thank the gentlemen for their testimony today, and now we will move in to questions. I recognize myself for up to 5 minutes.

First, I ask unanimous consent to enter into the record a letter sent by Chairman Sam Graves and myself, as well as Republican leaders from the Senate Environment and Public Works Committee, Senator Shelley Moore Capito and Cynthia Lummis, to Assistant Secretary of the Army for Civil Works, Mr. Connor, and EPA Administrator Michael Regan, dated June 21, 2023.

Without objection, so ordered.

[The information follows:]



Letter of June 21, 2023, to Hon. Michael S. Regan, Administrator, U.S. Environmental Protection Agency, and Hon. Michael L. Connor, Assistant Secretary of the Army for Civil Works, U.S. Department of the Army, from U.S. Senators Capito and Lummis, and U.S. Representatives Graves of Missouri and Rouzer, Submitted for the Record by Hon. David Rouzer

CONGRESS OF THE UNITED STATES,
WASHINGTON, DC 20515,
June 21, 2023.

The Honorable MICHAEL S. REGAN,
Administrator,
U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue, NW, Washington,
DC 20004.

The Honorable MICHAEL L. CONNOR,
Assistant Secretary of the Army for Civil Works,
U.S. Department of the Army, 108 Army Pentagon, Washington, DC 20310.

DEAR ADMINISTRATOR REGAN AND ASSISTANT SECRETARY CONNOR:

We write to request a detailed update on the planned next steps of the Environmental Protection Agency (EPA) and the Army Corps of Engineers (Corps), collectively “Agencies,” in response to the Supreme Court’s (Court) recently issued decision in *Sackett v. EPA*, 598 U.S. ____ (May 25, 2023) (*Sackett II*). The Court’s ruling reinforces property owners’ rights, protects the separation of powers by limiting your Agencies’ authority to what Congress has delegated in statute, and ensures adherence to the congressional intent in writing the Clean Water Act (CWA). Additionally, the Court upholds the cooperative federalism framework of the CWA, as well as the states’ authority and responsibility to regulate non-Federal waters within their borders. All nine Supreme Court justices agreed that the Biden Administration’s definition of “waters of the United States” (WOTUS) based on “significant nexus” is illegitimate, and a majority of the Court articulated a clear, easily administrable definition of WOTUS.¹

In implementing the Court’s decision, the Agencies must adhere to the majority opinion and not slow-walk compliance with the decision. The Agencies wasted valuable time and resources by prioritizing the promulgation of a rule over the first two years of the Biden Administration; that is now clearly unlawful. Notably, this Administration ignored our repeated admonitions that the Agencies should wait until the Supreme Court acted to proceed,² and our warnings that the rule being drafted would not be “durable.”³ Now the EPA and the Corps must work to bring application of WOTUS quickly and effectively in line with *Sackett II*.

While we are pleased to see *Sackett II* clearly define the scope of the Agencies’ regulatory authority, we are concerned that the Administration is now delaying implementation of the ruling. For instance, in response to the Supreme Court’s decision, some Corps districts have stated that they will temporarily halt the review and issuance of approved jurisdictional determinations.⁴ Such a freeze in processing jurisdictional determinations unnecessarily delays the permitting process for projects. The Agencies previously used taxpayer resources to revisit *already settled* jurisdictional determinations issued by the previous Administration. The Biden Administration must now follow the law by implementing the Supreme Court’s decision with the same fervor it showed in its prior efforts on WOTUS. Failure to do so is indic-

¹ *Sackett v. EPA*, No. 21–454 (U.S. May 25, 2023), available at https://www.supremecourt.gov/opinions/22pdf/21454_4g15.pdf; 598 U.S. ____ (2023).

² *E.g.*, “Graves, Capito Lead EPA Colleagues in Joint Resolution to End WOTUS Rule” (Feb. 6, 2023), <https://www.capito.senate.gov/news/in-the-news/graves-capito-lead-gop-colleagues-in-joint-resolution-to-end-wotus-rule>; “Capito, Graves Lead Colleagues in Filing Amicus Brief on Clean Water Act Authority” (Apr. 19, 2022), <https://www.capito.senate.gov/news/press-releases/capito-graves-lead-colleagues-in-filing-amicus-brief-on-clean-water-act-authority>.

³ *E.g.*, “Capito, EPW Republicans Tell Biden Administration to Halt New WOTUS Definition Rulemaking, Await SCOTUS Decision” (Feb. 23, 2022), <https://www.epw.senate.gov/public/index.cfm/2022/2/capito-epw-republicans-tell-biden-administration-to-halt-new-wotus-definition-rulemaking-await-scotus-decision>.

⁴ E.A. Cruden, et al., “Wetlands Approvals Paused After Supreme Court Decision,” *E&E News* (June 1, 2023), <https://subscriber.politicopro.com/article/eenews/2023/06/01/wetlands-approvals-paused-after-supreme-court-decision-00099717>; Sam Hess, “Sackett Lawyer Urges Agencies to Advance CWA Actions Amid Pause,” *InsideEPA* (June 6, 2023), <https://insideepa.com/daily-news/sackett-lawyer-urges-agencies-advance-cwa-actions-amid-pause> (citing Corps’ Chicago District Regulatory Branch and Sacramento District Regulatory Branch). U.S. Army Corps of Eng’rs, Chicago Dist., “Approved Jurisdictional Determinations Are on Hold,” <https://www.lrc.usace.army.mil/Missions/Regulatory/Jurisdictional-Determinations/>

ative that these recent delays are needless at best, or intentional efforts to halt economic development at worst.

Following the Court's ruling in *Rapanos v. EPA*, the Agencies took a year to provide interim legal guidance and two years to issue the 2008 guidance document on implementing that case.⁵ However, implementing the ruling in *Rapanos* was legally complex because of the 4–1–4 nature of the decision. By contrast, the “continuous surface connection test” upheld by a majority of the Court in *Sackett II* is clear and can be implemented immediately.⁶

In order to comply with the Court's ruling, the Agencies must provide immediate direction to their regional and district offices to apply *Sackett II* in the evaluation of jurisdictional determinations and permits, ensuring clarity and consistent nationwide application of CWA jurisdiction to landowners and the regulated community. Ongoing delays and confusion will hamper project development across the country, including those authorized by the Infrastructure Investment and Jobs Act.

In light of these developments, we request a briefing and response to the following questions no later than June 28, 2023, so that we may fully understand the Administration's plan to implement a truly durable definition of a WOTUS in line with *Sackett II*:

1. What concrete steps are the Agencies taking following *Sackett II* to implement the majority's opinion?
2. Will you direct the Corps to immediately resume the issuance of jurisdictional determinations? If not, please provide a detailed explanation justifying the failure to resume issuance.

Sincerely,

SHELLEY MOORE CAPITO,
United States Senator, Ranking Member,
Committee on Environment and Public Works (EPW).

CYNTHIA M. LUMMIS,
United States Senator, Ranking Member,
EPW Subcommittee on Fisheries, Water, and Wildlife.

SAM GRAVES,
Member of Congress, Chairman,
Committee on Transportation and Infrastructure (T&I).

DAVID ROUZER,
Member of Congress, Chairman,
T&I Subcommittee on Water Resources and Environment.

Mr. ROUZER. Mr. Connor, can you elaborate more on what the administration plans to do moving forward?

And the first question I have before you get to that one is, do you agree the ruling, the *Sackett* ruling—I understand that the administration doesn't like the ruling, as you mentioned, in your testimony. But do you agree the ruling provides clarity?

Mr. CONNOR. Yes, the ruling provides clarity for the most part. There are some nuances there that I think people would debate. But as far as our view of the rule and its implementation, we will implement a new rule with those clear parameters in the *Sackett* decision in place. So, there will always be some debate, Mr. Chairman, I guess that is what I am getting at. But, for the most part, it is a very clear—

Mr. ROUZER [interrupting]. Now, are you moving to a final rule, or is this going to follow the normal rulemaking process?

And what kind of timeline are we looking at?

⁵ Env'tl. Prot. Agency and U.S. Army Corps of Eng'rs, Clean Water Act Jurisdiction Following the U.S. Supreme Court's Decision in *Rapanos v. United States & Carabell v. United States* (June 5, 2007), <https://www.epa.gov/sites/default/files/2016-04/documents/rapanosguidance6507.pdf>; Env'tl. Prot. Agency and U.S. Army Corps of Eng'rs, Clean Water Act Jurisdiction Following the U.S. Supreme Court's Decision in *Rapanos v. United States & Carabell v. United States* (Dec. 2, 2008), https://www.epa.gov/sites/default/files/201602/documents/cwa_jurisdiction_following_rapanos120208.pdf.

⁶ *Supra* note 1, at 4–5.

Mr. CONNOR. I expect that we will be moving forward with a final rule, as allowed by the Administrative Procedure Act.

Mr. ROUZER. OK.

Mr. CONNOR. And that work is—to elaborate on your prior question, that work is already underway. We are already surgically looking at the rule that was promulgated in January, looking at the adjustments. And I do believe that there is great value to that rule because it does have separable elements such as significant nexus, which, obviously, does no longer apply, which can be X'ed out of the rule.

Other aspects of the rule were unaffected: exemptions, primary waters, whether they are navigable, Territorial seas, those primary jurisdictional waters.

The relatively permanent test that the court maintained, that is part of the rule. That will stay as a whole piece.

Continuous surface connection. There is an aspect of that that is in the rule that will, obviously, be preserved.

Other parts of the rules that are affected will no longer be part of what we expect to be a final rule that will be issued expeditiously.

Mr. ROUZER. So, comment period, will there be any comment period? A lot of stakeholders on both sides would like to have input, I am sure.

Mr. CONNOR. Even in moving to direct final rulemaking, there are allowances for a comment period. Those decisions have not yet been finalized. I expect, you know, I get that “expeditiously” is not as specific as you would probably like at this point in time, but it does mean as soon as possible. We have a duty to deal with ongoing litigation. I expect in the next week we will firm up the more specific answers to your question, Mr. Chairman.

Mr. ROUZER. So, will guidance be released to the district Corps offices from headquarters to allow approved jurisdictional determinations to be completed? What is the timeline for that?

Mr. CONNOR. Well, I think we are going to focus on this next step, final rulemaking. I think that will provide—because of the work that we have done previously, that will provide significant guidance to the Corps. But with respect to issuing AJDs, which we have taken a pause on, I don't expect that we will be back in the AJD business until we get this final rule in place. The Corps ties its jurisdictional determinations to the rules that are in place right now. We have the January 2023 rule, I think, in 23 jurisdictions. We have pre-2015 guidance regulations in 27 jurisdictions. We need to clean that all up, have a clear final rule that the Corps can tie its jurisdictional determinations.

So, same, I guess, answer to the question is expeditiously. We will get back into the AJD determinations as soon as we finalize this rule.

Mr. ROUZER. So, in your estimation, how different is this new rule going to look versus the current rule?

Do you think it is a significant deviation from the current rule, or a similar—trying to incorporate the merit or the fundamentals of the court's ruling?

Mr. CONNOR. It will be different because the “significant nexus” test is no longer applicable. So, that will be out of the final rule that we are making.

So, we are trying to be pretty straightforward with this, Mr. Chairman. There will be specific aspects of that rule that are no longer valid, given the court’s determination in *Sackett*. We will delete those portions of the rule. But as I mentioned, I think there are many aspects of the rule that will still stand that are very consistent with the *Sackett* decision, such as relatively permanent or unaffected, such as the exemptions, express exemptions that we provided in the rule.

Mr. ROUZER. My time has expired. I now recognize my friend and colleague from California, Mrs. Napolitano.

Mrs. NAPOLITANO. Thank you, Mr. Chair.

Secretary Connor, WRDA 2020 established clear direction to the Corps to allocate 12 percent of the Harbor Maintenance Trust Fund for expanded use at donor ports such as the Port of Los Angeles and Long Beach, and other energy transfer ports. However, the court did not make this funding allocation to donor ports in 2023. My region’s ports and donor ports throughout the Nation worked with Congress to ensure they receive their fair share of HMT funds.

Section 102 of WRDA 2020 culminated this HMT fund agreement by specifically directing the Corps to meet the statutory targets in the law passed by Congress and signed by the President.

Furthermore, it’s surprising that donor ports are not receiving the WRDA 2020 allocations when your testimony states that the Corps gives priority to maintenance of coastal ports with the highest commercial traffic.

Does the Corps recognize that the WRDA 2020 provides clear direction on Congress’ intent to ensure donor ports receive their fair share of HMT funds?

And is the Corps aware of the donor ports’ requests for expanded use eligibilities outlined in WRDA 2020, including specific requests from Los Angeles and Long Beach?

How will the Corps be responsive to these requests, in light of the clear allocation language for donor ports in WRDA 2020 and your testimony that high-volume commercial harbors are prioritized?

Mr. CONNOR. Ranking Member Napolitano, this has been a subject of great discussion since we released our budget, and there is a lot of interest in that expanded uses for donor ports provision that was included in WRDA 2020. So, to the extent I didn’t understand the congressional intent, I guarantee I understand it a lot more right now.

We don’t have a provision for that. The law specifically says “to the extent possible.” Our priority is always going to be to use the resources we have to maintain channel capacity, depth, and width. And that is the responsibility. But we do understand the WRDA 2020 provision was Congress’ intent that there is a balance there that we have to maintain with those donor ports and their need for resources for expanded uses.

So, not including the 2024 budget, what we are doing now is asking the Corps to survey those donor ports, understand the demand,

the need for those expanded use resources so that we will have that information as we—what I would expect through the appropriations process, there will be a 2024 workplan, we will have that information available to try and accommodate, consistent with the language “to the extent possible,” those expanded uses for donor ports.

So, we need the information. We need to then balance that with our fundamental obligation for depth and width, maintaining the channels through our process.

Mrs. NAPOLITANO. Well, that is 3 years. We hope to get it done before too long, sir.

The next question is, we directed the Corps to undertake a study implementing water supply as the Corps’ mission. I am very concerned the study has not been completed yet. And the status of the study is? And when do we expect the completion?

Mr. CONNOR. So, with respect to the study itself, as we discussed previously, Ranking Member Napolitano, these reports take a while, and they take a while because they require resources. We sometimes try and answer too many questions rather than the direct one that Congress asked us to address. Basically, I apologize for the length of time that it takes.

With respect to this particular report, it has gone back and forth between my office and the Corps. I expect I will have it again here in the next month, and we will expeditiously turn this around to get this completed for you in the July/August timeframe. That is my goal and my commitment to you.

Can I just say very quickly, though, notwithstanding the status of the report, we are all on board and we are taking actions very consistent with what your goal is in the Corps having a role with respect to water supply issues, particularly in the West. Through our programs and through our projects, and to the projects that we are in the design phase on, we have the means and the ability to work with our partners—

Mrs. NAPOLITANO [interrupting]. And you have the money.

Mr. CONNOR [continuing]. To help facilitate water supply.

Mrs. NAPOLITANO. And you have the money.

Mr. CONNOR. Yes.

Mrs. NAPOLITANO. The Corps is increasingly doing important work updating water control manuals in the West. Specifically, water conservation measures. What is the current status of water control manual updates?

Mr. CONNOR [to Major General Graham]. You want to take the water control?

General GRAHAM. Ranking Member Napolitano, thank you for that question on our water control manuals. And flat out, we are behind on updating them.

The water control manuals should take no longer than 10 years to update them. And we have many that are beyond that.

Mrs. NAPOLITANO. Fifty years.

General GRAHAM. Yes, ma’am.

Mrs. NAPOLITANO. Thank you.

General GRAHAM. So, we are prioritizing that on our work. We do have some challenge, and I will give you one for-instance that is probably near and dear to your heart.

When I looked at the Sacramento District and I asked them about Lake Oroville, which—that water control manual, which has FIRO as part of it, is probably going to take about up to 7 years. So, I asked where their engineers are working right now. We pulled them to work on the drought. Or, I am sorry, on the snowpack coming off the Sierra Nevadas. So, that is our challenge right now, and we are committed to providing the labor necessary.

Mrs. NAPOLITANO. Thank you, Mr. Chair, for your indulgence.

Mr. ROUZER. Mr. Mast.

Mr. MAST. Thank you, Chairman.

General, essayons; Secretary, thank you both for being here. If your staffs briefed you that I want to talk about algal blooms, as I am sure all my colleagues know I want to talk about, then you are right. They were right to brief you about that.

So, last year, WRDA 2022, we moved a provision that directed the Army Corps to put a note in the file of personnel working around structures on Lake Okeechobee that have high exposures to toxic algal blooms. So, I want to get a little idea of where that is at, what that is looking like today.

[Slide shown.]

Mr. MAST. You have got an image up here. This is what the lake looks like today. Where you see all that red, that is where the wind pushes all those toxic algal blooms up into my area. So, it is taking place as we speak, has been taking place throughout the summer already.

So, the first question is just: Has implementation of denoting that in a file in some form or fashion begun?

General GRAHAM. Congressman Mast, thank you for that question. And I don't know if you planned it this way or it just worked out this way, but I did get a call last night from General Hibner that at Port Mayaca structure 308, we did have testing that exceeded eight parts per billion for—

Mr. MAST [interrupting]. Eighty, I was told. So, 10 times. Eighty was the number I was told.

General GRAHAM. So, my report was higher than that. And the first report, as you well know, is always wrong, but it certainly exceeded eight parts per billion.

So, the Jacksonville District has put in place, as per WRDA 2022, section 8141, that we will, for any worker that was at Port Mayaca, we—and I think there is only one there—we will document that in their records.

In addition, as when you and I met there 3 years ago now, measures to protect the employees, and that can include limiting outside exposure, and masks when possible. We are also reporting that to the South Florida Water Management District. And we will work with Mr. Bartlett and his team to see if we need to come out and do mitigation efforts.

Mr. MAST. It could be fluid, which staff are out there, civilian, uniformed. Is the intent of the Corps of Engineers to do that for both civilian and uniformed personnel, if they are—

General GRAHAM [interrupting]. Absolutely, and we are working through the procedures for medical privacy to make sure we do that correctly.

Mr. MAST. And give us an idea of—would that look like a dosimeter would look like for somebody that had radiological exposure, where it is added up over time, or would it be a letter for each day that somebody is exposed, and it says, hey, you worked 8 hours today or 10 hours today, give us an idea of what it actually will look like in practice.

General GRAHAM. Right now, I believe it is going to look like a letter that goes in their file that documents that. But we are developing this as we go, and I am sure we will have some things to learn.

Mr. MAST. What would be a full day for somebody out there, typically?

General GRAHAM. I believe those are 8-hour shifts.

Mr. MAST. OK, all right. I thank you for the answers on that. It is good information to me to understand how you are actually implementing this.

So, I want to move a little bit to earlier in the season, sticking with algal blooms. There were discharges going on out of Lake Okeechobee to the coastline. It was going on back in February. It was going on, I think, even, in part, in January. But those discharges were stopped because of untraditionally early seasonal algal blooms. I can't remember seeing them in January, February, March before. And so, I thank the Corps and the South Florida Water Management District for working together to stop those discharges when algal blooms became present.

The question that I want to ask you might seem obvious, but it is obvious because I am looking to have an answer on the record of why this took place. Why did the Corps and the water management district stop those discharges, whether they were at 8 parts per billion, or 80, or whatever the level was at that time, why was that decision made to stop those discharges at that time?

What did you consider the impacts to be that you said, hey, it is important enough that we stop these, or stop these until we test them, or whatever reason? Walk me through that decisionmaking so the community can understand the hazards.

General GRAHAM. So, Congressman Mast, I don't know the specifics on that instance. I was aware that we were discharging east. And my understanding sitting here today is that the pause, or the stopping those discharges east was mainly a water management decision. But I am not 100 percent certain that it wasn't that in S308 there were those algal blooms and they didn't want to release them. So—

Mr. MAST [interrupting]. So, I am going to pause you, because I have got about 10 seconds left.

I appreciate that you don't—I don't think it was for water management reasons. I think it was because of the presence of those blooms.

We are going to write you some questions for the record. If you could get back to us with answers on that decisionmaking process at a later time.

General GRAHAM. Absolutely.

Mr. MAST. We would appreciate those answers.

Thank you, Chairman. I can't yield you back any time, but thank you for recognizing me.

Mr. ROUZER. Absolutely.

Mr. Larsen.

Mr. LARSEN OF WASHINGTON. Thank you, and the first question I have is for Mr. Tindall-Schlicht.

About 10 years ago, I think it was Representative Oberstar asked the Great Lakes St. Lawrence Seaway Development Corporation to do a—I think it was a capital improvement program, update your capital assets. It has been about 10 years for that 10-year plan. How would you assess yourself right now in terms of the update of your capital assets?

Mr. TINDALL-SCHLICHT. The work remains ongoing, and it has been a success.

Again, \$209 million on 62 different capital asset projects have been invested in an array of seaway infrastructure projects. We credit that as both a—10 years ago, when the capital asset renewal program was founded, that was reactive. The assets then were 50 years old and required an intervention to make sure that they could continue operating. In its current form, including in the 2024 budget, the seaway infrastructure program is proactive, looking at the state of those assets—locks, vessels, our facilities that help us support the ongoing operation of the seaway—making sure that they will continue to operate for decades ahead.

Mr. LARSEN OF WASHINGTON. All right, thank you.

Mr. Connor, certainly a 23-percent cut in the Corps' budget would have been fairly disastrous in my district and probably in many other districts. Now we are looking at something along the lines, at least in the House of Representatives, based on a fiscal year 2022 instead of the deal that was negotiated, and people ought to be sticking with, which was 1 percent.

Has the Corps been asked to look at what the appropriations might mean if we adopted a fiscal year 2022 number for either your operations and maintenance or for your capital?

Mr. CONNOR. Ranking Member Larsen, we have not looked specifically at that provision. We are fortunate with respect to the \$17.1 billion that was provided, that we have got resources to attack a significant part of the backlog, and we have been doing that.

I think the reality is, obviously, I support the President's budget. The \$7.4 billion that we have will be used wisely to continue the highest priority projects and the ones that we need to maintain to minimize risk and maximize efficiency. So, we are focused on the investments we can make with that budget.

Obviously, the additional resources that Congress has been providing in the annual appropriations process is absolutely critical. Just getting to the discussion we just had about expanded uses, there are a lot of things left on the cutting room table that I know are priorities for Congress.

And I was—the mark that was just issued by House Energy and Water does provide significant additional resources on top of the budget. We will continue to work with Members of Congress in effectively deploying any resources that we might finally get. But, to your point, we have a huge backlog, and we have a huge number of needs, and they are growing, given the most recent WRDA that we have seen with additional authorizations, additional needs by communities across the country.

Mr. LARSEN OF WASHINGTON. Well, for those of us who voted for IIJA, publicly we say you are welcome. For those who voted against it, I am sure privately they will say thank you to you, as well.

General, with regards to outreach, especially to Tribes, you have put this in the context of Justice40, which I think is really important, especially where I come from. I can think of five of the—well, probably six of the federally recognized Tribes of the eight that I have a privilege to share a jurisdiction with all probably have very close relationships with the Corps.

Are there specific additional outreach steps the Corps is taking through the Tribal Partnership Program that you can enlighten us about?

General GRAHAM. Ranking Member Larsen, thank you, and absolutely.

With Mr. Connor's guidance, we are working to listen better to the Tribes. The additional funding that we received, the supplemental funding, the BIL funding, is certainly helping with that. We have some rapid tools to be able to do that: better Planning Assistance to States, Floodplain Management Services, and the Continuing Authorities program. But most importantly, the changes and advancements to the Tribal Partnership Program.

Mr. CONNOR. Can I just quickly add? New guidance will be issued for the Tribal Partnership Program. Congress has given us additional tools.

We are trying to move from a Tribal program where we don't harm Tribal interests to we effectively move forward Tribal interests. TPP is part of that. We have a new consultation policy out on the street to ensure that we are responsive to Tribes, that we are not just listening, but we are actually responding to what we hear. This is a huge priority for the administration. It is a huge priority for the Civil Works program.

Mr. LARSEN OF WASHINGTON. That is great, I appreciate that.

And I yield back.

Mr. ROUZER. Mr. Edwards.

Mr. EDWARDS. Thank you, Mr. Chair.

Mr. Lyash, I have been only on this Hill for 6 months now, so, every day is a new first for me. I am particularly pleased that you have offered me a new first in appearing before a committee with the testimony that your organization receives no Federal appropriation, and that your debt is not reported by the U.S. Treasury. So, thank you. Thank you for offering that.

I also thank you and applaud the tour that your staff gave me and my staff recently, the hydro dam in my district. It is a very impressive operation, and I appreciate the clean energy and significant amount of energy that you provide to western North Carolina.

TVA, as you know, is responsible for advancing the economic and social well-being of the people living in the Tennessee River Basin. And that is a responsibility that seems to me to go well beyond its traditional role of generating power and distributing that power. And given the importance of broadband connectivity in today's economy, particularly in western North Carolina, where the topography is so complicated, I would argue that fulfilling TVA's statutory objective includes ensuring that residents of TVA areas are given access to quality internet service.

And due to the mountainous terrain of my district, many of my constituents in western North Carolina continue to go without internet access. However, utility poles can play a key role in expanding connectivity to rural communities. And I have had the pleasure of working with you and TVA on plans for new utility poles in my district, and it is my understanding that TVA has the authority to regulate a local power company's pole access process with broadband providers seeking to service the Tennessee River Basin. Proactive efforts to collaborate with broadband companies would be monumental for the citizens in my district, and I am confident that my fellow representatives of the Tennessee River Basin would agree.

What obstacles exist today to your cooperation with local power companies to bring broadband access to underserved areas in the TVA river basin?

Mr. LYASH. Thank you for the question, Congressman, and thank you for the kind remarks. I appreciate them, and I know the team does.

TVA is not directly responsible for deploying broadband, but I agree with you. Our mission of service and the nexus of broadband with providing energy, being able to apply the technology that makes energy transmission efficient and economic development, both parts of our mission, have an intersection with universal deployment of broadband access. And so, in that regard we see it as very important.

A few things that we are focused on. TVA is deploying hundreds of miles of fiber across the Tennessee Valley region and supporting use of that fiber by local power companies and providers on a lease basis to give them access to the broader internet system, and many are taking us up on that. We established a process to enable pole attachments by for-profit providers, and we are working with local power companies to make sure that they provide them timely and effective access where those providers are looking to do that.

Mr. EDWARDS. And so—excuse me, because I am running out of time—there are a couple questions I would really like to get to, and I appreciate the efforts that have been made, but you hold one of the greatest assets in western North Carolina, and that is those power poles. Are there any specific obstacles that are preventing TVA from granting access to those power poles for for-profit companies that would like to extend broadband to western North Carolina?

Mr. LYASH. From TVA's perspective and our assets, the answer is no. Remember, we serve retail customers through 153 local power companies. So, predominantly, the providers need access to local power company distribution poles. And in that regard, we are working with each local power company to ensure they provide that access. And if internet providers are not willing to serve the area, local power companies can stand up a business to do so.

And we have made quite a lot of progress in this regard over the last number of years. We do still have pockets that need support, and I agree that your area is one of them.

Mr. EDWARDS. So, can I get your commitment that we will continue to work on that together, to bring broadband access to rural North Carolina?

Mr. LYASH. Yes, you have my commitment and not just to support it, but to act as a convener to draw local power companies, the providers, together with TVA to develop some site-specific, area-specific plans to do just that.

Mr. EDWARDS. All right, thank you. I look forward to that.

Mr. LYASH. You are quite welcome.

Mr. EDWARDS. Mr. Chair, I yield back.

Mr. ROUZER. Mr. Stanton, you are recognized for 5 minutes.

Mr. STANTON. Thank you very much, Mr. Chairman.

The 2020 Water Resources Development Act included my legislation to authorize the Arizona Environmental Infrastructure Authority to assist Arizona communities and Tribes with their water infrastructure needs. In the nearly 3 years since, we have delivered more than \$37 million, thanks in part to the Bipartisan Infrastructure Law for 23 projects across the State, including a water reclamation facility in my district.

I was pleased to see for the first time that the administration included environmental infrastructure funding in its budget request. Although the amount requested is small compared to the amount Congress has provided for EI over the last several years, its inclusion into the budget is long overdue, and it is a long overdue recognition of the importance of these projects within the Corps overall mission.

In a July 2022 memo, the Corps notes that EI funding is a key component of its efforts to support drought-impacted communities in the West. As we continue to deal with the significant impacts of the 1,200-year drought in the Colorado River Basin, the Corps should not let up on its support for EI funding to help Arizona communities utilize wastewater more efficiently, recharge area aquifers, and improve water delivery through new wells and pipelines.

Since the Arizona EI Authority first launched, my office has worked closely with the Los Angeles District to select projects to be funded. For fiscal year 2024, we identified five projects totaling several million dollars, yet the Corps division has indicated a capability of only \$100,000. This is a vastly different capability than we expected, and I am frustrated that the Corps has seemingly ignored the district's recommendations, despite a clear need. And further, the Corps failed to communicate with my office about it.

We now face a scenario, based on the current draft of the House Energy and Water Appropriations bill, that there will be no additional resources for Arizona communities to advance their environmental infrastructure projects. This probably would not have been the case, had the Corps communicated that it would only identify capability for individual priority projects.

I have questions for Assistant Secretary Connor and General Graham.

Why is there a disconnect between the Los Angeles District, between what the Los Angeles District has expressed as capability, and what division and headquarters believe is that capability?

And why is there a difference in capability for a standalone project under the EI authority versus including the same project and several others in a general funding request under the authority?

General GRAHAM. Representative Stanton, first, thank you for that question, and I own that failure. I talked to the commander in L.A., and we own the miscommunication, and we apologize for that.

Our capability is certainly above \$100,000. The miscommunication was they thought that was for programmatic administrative oversight. So, that is my failure. I think the capability is truly more around \$14 million when you aggregate all those projects together, and we will continue to work with your office to make sure that we can meet your needs programmatically.

The district has raised its game. It has added additional staff, which is a great thing. It has upgraded its website, but we realize we need to do better at this, and our commitment to you is to do just that.

Mr. STANTON. Please.

Mr. CONNOR. Congressman, if I could just add very quickly, Arizona is ground zero for the extended drought and long-term reductions in water supply that we project for the American West.

It is impressive, the work that the communities are doing in using all the tools of Government. We view ourselves as part of that whole-of-Government response to this situation, so, our EI program is a huge part of that. We will fix the miscommunications, because this is an important way the Corps can be part of the solutions to help Arizona transition to that reduced water future.

Mr. STANTON. I appreciate the apology and the acknowledgment that \$14 million is probably the more appropriate number. What steps is the Corps taking to correct this with the Appropriations Committee?

Mr. CONNOR. With respect to the appropriations that we have available, we are going to have to think that through, quite frankly. So, let us see what resources we have, and then we will get back to you on the record for that.

Mr. STANTON. Changing gears, I want to touch on the Tres Rios ecosystem restoration project. We have talked about it many times. Assistant Secretary Connor, is the Corps on track to complete the Post-Authorization Change Report and cost update in time for the 2024 WRDA bill?

Mr. CONNOR. We are going to have to get back to you on the record for that one, Congressman Stanton.

Mr. STANTON. I look forward to hearing back from you soon on both of those critically important issues to the State of Arizona.

I yield back.

Mr. CONNOR. Absolutely.

Mr. ROUZER. I thank the gentleman. Mr. Babin, you are recognized for 5 minutes.

Dr. BABIN. Thank you, Mr. Chairman, I appreciate it, and I want to say thank you to all of you witnesses for being here today.

I am from Texas and represent the 36th Congressional District, which is home to some critical ports and waterways. So, I would like to thank you all for your commitment to protecting and improving our Nation's waterways and natural resources.

Mr. Connor, my questions today are for you. There has been a lot of discussion in this Congress on permitting reform to ensure project completion. In fact, in the IIJA, Congress provided signifi-

cant resources to assist with permitting approval. I just wanted to ask you, what is the average time for the Corps to make a decision on a “dredge and fill” permit application?

Mr. CONNOR. I am going to defer to General Graham on that particular—

Dr. BABIN [interposing]. OK, General.

General GRAHAM. For a general permit—

Dr. BABIN [interrupting]. A “dredge and fill” permit.

General GRAHAM. Our standard is to do those within 60 days.

Dr. BABIN. Sixty days.

General GRAHAM. And our track record at meeting that is roughly 75 percent of the time right now.

Dr. BABIN. OK. And how can this process be expedited while ensuring that we remain good stewards of our environment? What are some of the things we can do?

General GRAHAM. So, one of the things that we are doing to get more responsive to the regulated public is leveraging technology. The Bipartisan Infrastructure Law provided us \$160 million to get better. And one of the things we are investing those funds in is moving into the current century with getting away from a paper process and moving into an online process—e-permitting, what we called it. And the great news is we should have that up and running at the end of this fiscal year or end of this calendar year.

Dr. BABIN. Well, one of the biggest delays we hear complaints about all the time is permitting. So, I hope that we can, whatever it takes, expedite that.

Also, another question. The President’s fiscal year 2024 budget request includes—and you mentioned this, I think, Mr. Connor, one of you all did—this was the largest request in Army Corps history for research and development, for R&D. What kind of research and development projects does the Corps intend to use these funds on?

And General or Secretary, whichever one can—

Mr. CONNOR [interrupting]. So, the R&D funds are distributed amongst six different categories.

Dr. BABIN. OK.

Mr. CONNOR. We do tactical R&D, which we have always done. That is the part of the budget that hasn’t changed. This is where we support the R&D needed to carry out specific projects. So, that we will maintain, that is an important part of what we do. Coastal Texas was an example of that. We do research associated to put together that plan.

Other areas, we have ecosystem-related R&D, algal bloom discussion that we just had with Congressman Mast.

Water modeling is a huge part of that R&D initiative. This is forecast-informed reservoir operations, advanced water modeling so that we can operate our facilities differently.

We are doing a lot of infrastructure R&D to help inspect and, hopefully, we drive down our maintenance costs. So, we are looking at long-term reductions in civil works.

Other areas, sediment management, how can we more actively promote beneficial use of dredged material.

And then even crisis mitigation. An example of that is post-wildfire response. What is our modeling capability to project where we might have debris flows and extreme flooding from post-wildfire

events, and how do we address that then through our emergency programs.

Dr. BABIN. OK, thank you.

Mr. CONNOR. Thank you.

Dr. BABIN. And thirdly, and finally, the fiscal year 2024 President's budget request is almost \$900 million below fiscal year 2023 enacted budget. So, how would your office decide what projects are going to receive these reductions for which the Army Civil Works program is utilizing?

What are some of those criteria, and what are some of those programs?

Mr. CONNOR. So, we are focused on—one aspect that is a priority that we have shared for a long time, which is completing projects. We want to use resources to complete projects. We want to address the most significant risk areas. So, that is a large focus of the O&M activity that we have.

Beyond that, there are priorities. How do we promote the objectives of our primary mission, aquatic ecosystem restoration, maintaining our ports and waterways, and certainly our flood reduction, coastal and inland flooding projects?

So, we prioritize based on where we are in construction schedules, how we distribute that to promote the resilience activity that we need, and lastly, we are also trying to promote more economic equity with respect to the investments we make. So, it is a mix of risk, finishing projects, and then advancing items that are soon to be completed, and then addressing other priorities such as environmental justice, et cetera.

Dr. BABIN. OK. I am out of time. Thank you very much, I appreciate it.

I yield back, Mr. Chairman.

Mr. ROUZER. Ms. Norton.

Ms. NORTON. Thank you. Thank you, Mr. Chairman. I have one question. It is for Major General William Graham.

The District of Columbia is wholly dependent on the Potomac River for its drinking water. But natural or man-made events could render the river unusable for drinking water. This poses a risk both to the operations of the Federal Government and to DC residents.

Currently, the Potomac River is being monitored for drought conditions as rainfall is significantly below normal levels. The federally owned and operated Washington aqueduct produces drinking water from the Potomac River for the District of Columbia and parts of Virginia. However, the aqueduct maintains only a single day of backup water supply.

The Water Resources Development Act of 2022 contained my provision authorizing the Army Corps to conduct a feasibility study on a secondary drinking water source and additional drinking water storage capability for DC. I am deeply disappointed the Army Corps did not fund the study in its fiscal year 2024 budget.

Major General Graham, why was this critical project not included in the Army Corps' fiscal year 2024 budget?

And does the Army Corps plan to fund it in the fiscal year 2025 budget?

General GRAHAM. Representative Holmes Norton, thank you for that question.

And yes, the Washington aqueduct that provides drinking water to Metropolitan DC uses the Potomac River as its sole source of water. And we did mitigate that, as we can draw out of the Potomac River at two different places—traditionally, from Great Falls and then also down at Little Falls. So, if the river has an oilspill in it, we can shut one intake off while the other one is working. But most big cities, as you mentioned, do have a tertiary source of water supply. We don't. So, we absolutely acknowledge the need to do that.

Ms. NORTON. So, is it in your 2025 budget?

Mr. CONNOR. With respect to the budget, we have not put together the 2025 budget, and we will certainly take under consideration the need here as we develop that budget.

With respect to the 2024 budget, the reality is that by the end of the calendar year, the budget is pretty much completed. We have gone through most of the process, and with the authorization not coming until WRDA 2022, it just was not considered as part of the 2024 budget.

Ms. NORTON. Yes, well, I am clear about that, that it wasn't in the 2024 budget, but I do want to go on the record to say this water covers the Congress. It doesn't just cover the District of Columbia, it covers the surrounding area. So, I am urgently asking you to fund it in next year's fiscal year budget.

Thank you, Mr. Chairman, and I yield back.

Mr. ROUZER. The gentlelady yields back. Mr. Burlison.

Mr. BURLISON. Thank you, Mr. Chairman. Thank you for holding this hearing.

I am from southwest Missouri. And in southwest Missouri, Table Rock and Bull Shoals are a critical part of our community. And so, you can imagine I am excited to be on this committee, because it really reflects what our community wants and desires and what is important to my district.

And so, I have heard from a lot of constituents on Table Rock Lake about some concerns. Some of them have to do with declining parks that are not being maintained. And so, there is not—the money that is being collected from Table Rock from fees and other things, they are seemingly going to a general fund, not being poured back into the community that is spending the money. Is that correct?

Mr. CONNOR. That is correct. Those fees are not brought back, as they are in other Federal recreation facilities.

Mr. BURLISON. And sadly, the result is that we have a declining—we are having less and less people come to our parks, enjoy what I call God's country, and be able to fish because the parks are in decline. I just need you to understand that. And my goal is to figure out how do we reverse course on that.

Would you support any legislation or any changes where we have the funds that are made from the park dedicated to the infrastructure at that location?

Mr. CONNOR. Congressman, I think it is a great question.

We strongly support the recreational program. This year we worked hard to make sure that we were fully funding the request

for recreation. There is legislation pending—I don't know in the House, I know in the Senate, because I just had this conversation in a hearing there—to consider using those funds back in the facilities at which they are generated, those fees.

I am not in a position to endorse any legislation here. I think it is a really good idea that we have that conversation, Congressman, because this recreational part of the civil works mission is incredibly important, as you just articulated.

Mr. BURLISON. So, the other question I have has to do with the issues related to land. So, you have got encroachments that are occurring. And I had a really good conversation with Colonel James Schultze yesterday about this, just trying to find out, because I think that you have got to respect the rule of law. We have to follow the laws as they are.

But we have a real-world situation where people inadvertently, unknowingly have built structures on what is now being surveyed under better technology, better tools, what is described as Corps land. And our conversation about this is that, as someone who is representing the interests of the Federal Government and my community, I want to make sure that we are consistent, that one neighbor is not getting a different set of rules and guidelines than another neighbor.

And certainly, there are circumstances here that we have to deal with. You have got some structures like a septic tank, which would be extremely expensive to move, and then some situations where you have somebody that had a shed that is—or a deck, which—the costs wouldn't be that much.

So, I get it. You have to figure out some kind of discretion in there. And so, my thought is that, can we work together on some kind of guidance that would give a clear line for individuals, and that if they are in that situation, they own the land, then they could be able to maybe lease, a person could have the choice to move their shed, or move their septic tank, or pay an annual lease or something like that to the Corps?

And then that might help out the other problem that we have, which is the funding.

General GRAHAM. Congressman Burlison, thank you for that question, and we have encroachment challenges all across the Corps portfolio.

In many instances, one of the authorized purposes, as you spoke to, was recreation. And we wanted these lakes to serve as tremendous opportunities in, as you said, God's country. And they have succeeded magnificently. Everybody wants to be there. And unfortunately, we didn't control where exactly the Government property started as well as we should have.

So, General Spellmon's guidance to us is try to keep things out of DC as much as you possibly can—and you can understand that—and let the project manager or the district commander make commonsense calls.

So, that is our commitment to you, is work these out issue by issue with landowners. Our park managers out there are absolutely committed to that. And when we have challenges that they can't solve, they know to rapidly get them up to myself and Mr. Connor. That is our commitment to you.

Mr. BURLISON. Well, you are not—there is—you don't believe that there is some need to change the rule or create some kind of circumstance that can be applicable to everyone?

General GRAHAM. So, right now I think individual solutions to individual challenges with some more broader oversight to make sure that we are generally consistent—now, we certainly need to be consistent on Table Rock Lake itself. Absolutely.

Mr. BURLISON. I see.

General GRAHAM. But to take a methodology that works at Table Rock Lake elsewhere, I would rather not.

Mr. BURLISON. Thank you. I yield back. Thank you, Mr. Chairman.

Mr. ROUZER. Ms. Scholten.

Ms. SCHOLTEN. Thank you, Mr. Chair, and thank you to the committee for this critical discussion, discerning the path that best leverages the taxpayers' dollars to benefit our communities and protect critical water resources. It is one of our highest responsibilities, and I appreciate the expertise of all of our witnesses today.

I am so proud to represent miles of beautiful Lake Michigan shoreline, including the coastal communities of Grand Haven and Muskegon. Maintaining the harbor in Grand Haven, in particular, is essential to the economy of not only Michigan's Third Congressional District, but to Michigan as a whole. Commodities handled by the harbor support over \$3.9 billion in business revenue, over 23,000 jobs, and \$1.2 billion in labor income.

In addition, if the harbor is not maintained, commodities that typically travel by water, including sand, gravel, salt, cement, and manufactured goods, would have to be transported by train and truck, which would increase annual emission rates of over 10.5 million pounds of harmful particulate matter. The cost to our economy, workforce, environment, and west Michigan cannot be overstated.

This question is for Assistant Secretary Connor or Major General Graham, whoever wants to chime in.

My staff recently had the opportunity to meet with the local Corps representatives and learn about the work being done to maintain the Grand Haven and Muskegon Harbors and the surrounding area, including maintenance, dredging, and repairing breakwaters and pier heads damaged by high lake levels. In the event that my friends on the other side of the aisle decide to move forward with drastic cuts to funding level, what is the Corps' plan to finish these ongoing projects with less funding than promised?

Mr. CONNOR. Well, it is difficult to do the work that is anticipated if we are not getting the resources we need. Even with expanded resources through the Bipartisan Infrastructure Law, with the write-ins that we have had to our budget and the annual appropriations process, it has been difficult to keep up, particularly with some of the important but smaller ports.

And so, that is the bottom-line answer. It is very difficult to complete these projects. We are using the tools that Congress has provided us, advanced funding from our partners to folks just taking on the work for expanding some of these ports and harbors, and we will continue with the O&M. So, there are mechanisms to try and advance the work, but they are difficult, and they are burdensome on the local sponsors.

But stepping back for a moment, I absolutely agree. The advantages of our waterways system in moving goods is not only an advantage regionally within the country, it is an international economic advantage that we have in this country to get products out to market. So, maintaining and investing more in our inland and coastal waterways is just incredibly important. I absolutely agree with you. That is what I am saying.

Ms. SCHOLTEN. Yes, thank you.

General GRAHAM. And if I could add on?

Ms. SCHOLTEN. Please do.

General GRAHAM. Certainly on Muskegon Harbor, we had—the world is changing, as I said in my opening statement. We had dredged that harbor, like, every 3 to 5 years, and now we are finding out we have got to dredge it annually. So, we are using emergency funds in 2023 to get that harbor back to its 29-foot authorized depths. But climate change—a different world is compounding the challenge you stated.

Ms. SCHOLTEN. Major General Graham, you anticipated my next question, following up on I know the increased frequency there in the dredging, so, thank you. We are committed to making sure you have the resources needed to maintain that harbor.

I want to stick with you for a second and follow up on a different project, though not in my district, critically important to our economy in Michigan and the region, the Soo locks project, which is so important for ensuring resiliency in the Great Lakes navigation system by providing a second navigation lock large enough to enable the 1,000-foot lakers to transit between Lake Superior and the lower lakes.

The Corps' fiscal year 2024 budget requests \$235 million to continue construction of the new Soo locks in the Great Lakes. But I understand that the Corps actually has the capability to spend almost \$630 million in fiscal year 2024 on this project.

I also understand that some of the project's costs will have to be renegotiated if the Corps doesn't receive enough funding for the project in fiscal year 2024, which would likely increase the project's total cost.

How much fiscal year 2024 funding would the Corps need to execute those expiring contract elements?

General GRAHAM. The answer to the question—I know time is up—is the additional capability is that \$394 million that you spoke to.

Ms. SCHOLTEN. Thank you. And if there is additional information we need, feel free to submit it for the record. Thank you.

Mr. ROUZER. Mr. Collins.

Mr. COLLINS. Thank you, Mr. Chairman.

Secretary Connor and Major General Graham, I am the Congressman from the 10th Congressional District of Georgia, and my colleague and next-door neighbor, Congressman Rick Allen from Congressional District 12, and many of his constituents, have a very important issue. It is so important that the day I got my committee assignments and subcommittee assignments, that man was sitting in my office not to congratulate me, but to identify a problem that he wanted to make sure that we put before you, and that is with the New Savannah Bluff Lock and Dam.

And what I am asking is I want to know if both of you will commit to me today that the Army Corps of Engineers will work with the stakeholders to find an acceptable solution for the environmental mitigation required as part of the now-completed Savannah Harbor expansion project. And specifically, any resolution should ensure that existing water levels of the New Savannah Bluff Lock and Dam pool are maintained as required in section 1319 of the WIIN Act of 2016.

General GRAHAM. Representative Collins, thank you for that question.

And certainly, the Savannah Harbor expansion has been a wonderful economic engine, and we have got to complete it. And completing the mitigation measures up at New Savannah Bluff Lock and Dam is part of that. So, you have our commitment to continue to work with local stakeholders, with local State officials to make sure that all voices are heard.

This is in litigation. We had some rulings earlier in this month that I believe remanded it back that I believe has moved us a step closer. But with ongoing litigation, this is going to continue to be not an easy path forward.

Mr. COLLINS. Secretary Connor, would you weigh in on that?

Mr. CONNOR. Well, I am not familiar with these details, Congressman, but to the extent that the Corps needs the support of my office and myself and my involvement, absolutely committed to working through these issues. This is an incredibly important project.

Mr. COLLINS. Yes, sir. Thank you.

I want to shift gears here for a quick minute. I am not sure if I am pronouncing your name right. Is it Mr. Lyash?

Mr. LYASH. Yes, sir, Lyash.

Mr. COLLINS. Lyash. How do you see America's industrial base affecting the TVA's ability to continue providing power to consumers over the long term?

Mr. LYASH. The challenge for the power industry, I think, over the next couple of decades is going to be to support an expanding reliance on electricity, which, by many accounts, will double or more over the next 30 years, and to maintain that energy security—reliable, affordable, resilient—and at the same time decarbonize that power supply. And I think that is going to be critical in supporting the growth of America's industrial base. I think my fellow executives across the Nation understand that very well.

For TVA's role in this, we have put in place plans to expand our renewables base, expand our nuclear fleet to produce energy, and to maintain the right balance mix to support that economic growth and national security.

Mr. COLLINS. All right. Thank you.

That is all I had, Mr. Chair, I yield back.

Mr. ROUZER. The gentleman yields back. Ms. Wilson.

Ms. WILSON OF FLORIDA. Thank you, Chair Rouzer and Ranking Member Napolitano, for today's hearing.

General Graham, in Miami-Dade County, we are racing against time to move our septic system to sewer. So, I made this issue one of my top appropriation requests so that Miami-Dade could receive funding up to \$190 million to protect countless individuals from

pathogens introduced by wastewater contamination. When this funding is approved to assist the county septic-to-sewer project, can the Corps commit to making this project a top priority?

General GRAHAM. Congresswoman Wilson, I am not familiar with that project, but we will certainly get with the Jacksonville District and follow up with you.

Ms. WILSON OF FLORIDA. Thank you so much. Also in your testimony, you spoke of the Corps' intent to advance your mission of aquatic ecosystem restoration using the President's \$7 billion discretionary funding budget.

As the Civil Works program advances its mission, I want to bring your attention to Biscayne Bay in Miami-Dade, and the bay's need for conservation and restoration investment, specifically addressing propeller scars and water quality. As the bay continues to undergo heavy boating and usage, what steps should Miami-Dade County take to protect the bay and gain support for restoration from the Corps?

Mr. CONNOR. Representative, there is a lot going on with respect to Biscayne Bay. And associated with South Florida Ecosystem Restoration Program, we have used the Bipartisan Infrastructure Law to fund the study for the ecosystem protection restoration activity that we need in the bay.

In addition, we have got the coastal flood protection activities going on in that area. So, we are resourcing those efforts with the idea that we will get to a project authorization timeframe for moving forward with WRDA, and we are actively working with the local sponsors and the interested public, as you note, to ensure that we have got the coastal flood protection activities in place.

So, the studies, hopefully, will transition soon to authorize programs and activities, but I just want to assure you that this is a high priority to finish that work and get on to the actual work on the ground that we need to do to protect Biscayne Bay itself as an environmental treasure, but also the communities behind the bay.

General GRAHAM. And ma'am, if I could add that the Corps does nothing by itself. We have a partner in everything we do. And certainly, one of the best partners we have is the South Florida Water Management District, Mr. Bartlett and his team down there. I sometimes mistake some of their folks for my own folks, the collaboration they have is so tight.

So, our commitment to you is to continue to work with the State, with the South Florida Water Management District, certainly with Miami-Dade to make sure that we are meeting the needs of your constituents.

Ms. WILSON OF FLORIDA. Thank you. I will let them know that. Thank you.

Also, Mr. Connor, communities in my district have been battling the effects of tidal flooding and sea level rise. In your testimony, you mentioned investments of \$1.4 billion for climate-focused construction. Can you detail the technical and planning assistance that will address environmental justice in communities like mine with these programs?

This is for flood and storm damage reduction for programs that will directly benefit disadvantaged communities.

Mr. CONNOR. Absolutely. There is, once again, a lot going on in this space, Congresswoman Wilson.

I issued guidance to the Corps last year which it is moving out on which is intended to better use the programs we have, such as the Planning Assistance to States and Floodplain Management Services programs, where Congress has given us the tool to be generous with respect to Federal cost share so that we can work with economically disadvantaged and historically marginalized communities. That is one aspect. So, reaching out and ensuring that the communities are aware of these programs and the opportunities is part of the process.

We are also moving forward on WRDA 2020 provisions that allow us to do investigations at full Federal cost for economically disadvantaged communities. We have got \$30 million available in the Bipartisan Infrastructure Law funding to move forward with these investigations. We have just got to finish the guidance on that, and as well as our Continuing Authorities programs, the small programs, \$10 million projects that we can do with communities. Once again, WRDA 2020 authorized us to do a pilot to fully fund those projects for economically disadvantaged communities.

So, we are just about wrapped up with that guidance, and we will use some of our Bipartisan Infrastructure Law resources to do funding announcement and seek proposals from marginalized and economically disadvantaged communities.

Ms. WILSON OF FLORIDA. Thank you, Mr. Chair. I yield back.

Mr. ROUZER. Mr. LaMalfa.

Mr. LAMALFA. Thank you, Mr. Chairman.

For General Graham and Mr. Connor, the Supreme Court decision on *Sackett*—and maybe it has been talked about, but I haven't been in this committee for other committees—but it was really a beneficial action, and it has been a long time coming. So, it is important because it has been so long in order to get a rational standard for what waters of the United States would be.

So, does the Corps plan to update your 2024 budget request after the Supreme Court decision in *Sackett*? Meaning there is probably going to be a lot less waters of the United States work to be done, therefore, less time spent on that. Is there going to be a budget update in that request for less work?

Mr. CONNOR. So, no, I am not anticipating a budget amendment request at this point in time.

I would just like to point out that about 92 percent of the permitting work we do under the Clean Water Act is done through general permits. These are the nationwide permits, the regional permits that we have in place that provide clear guidelines for entities to—if they are only impacting small numbers of wetlands, they can move forward under those general permitting. Ninety-two percent take, on average, about 40 to 45 days to complete those actions. There are 8 percent of those permitting actions that are very significant developments that go under individual permits, and those are the time-consuming—

Mr. LAMALFA [interrupting]. OK, all right. I appreciate that.

Mr. CONNOR [continuing]. Aspects, so—

Mr. LAMALFA [interrupting]. Well, the Sacramento office seems to take a lot longer getting stuff done and delineated, and when it comes to agricultural practices that have been longstanding.

So, outside of these budget numbers, do you believe that with this more rational WOTUS definition, that it will allow more time to worry about things like flood control, General?

General GRAHAM. Representative LaMalfa, so, certainly clarity in what constitutes waters of the United States will be helpful to our regulators out there.

As Mr. Connor spoke to, right now, our regulators, to meet our standards for the general permits, 60 days to turn those is our standard, and we are only meeting that 75 percent of the time. On the more complex individual permits, our standard is 120 days, and we are hitting that only about 50 percent. So—

Mr. LAMALFA [interrupting]. So, now, if I didn't get my taxes done or my DMV done at 50 percent or 75 percent of the time, what would happen to me?

General GRAHAM. You would be in trouble.

Mr. LAMALFA. Yes, OK. So—

General GRAHAM [interrupting]. So, we absolutely recognize that that performance is unsatisfactory.

Mr. LAMALFA. Yes, it is. It has taken very long for simple things to get done.

You mentioned with Mrs. Napolitano earlier, about 7 years so far on the manual update on Oroville Dam and others like that. We go back to 2017, when the spillway broke, and so that was a hot topic soon after that I have actually brought up with your agency. So, what can we expect on getting this work done? I think your answer to her was you have pulled people off of that and they are working on the Sierra snowpack situation.

General GRAHAM. Sir, we did. When I talked to the Sacramento commander last week, the engineers that do that kind of work are hydrologists who deal with pending flooding and the snowpack coming down in Central Valley. He pulled those off because he has a finite amount of that expertise to work on that.

Mr. LAMALFA. Well, what is it you don't know about snowpack coming down the Sierra, since it has happened for decades during your existence there?

Tulare Lake, this isn't the first time that it has existed, as well. What new needs to be done?

General GRAHAM. Representative, it is dealing with the record snowpack coming down off of the Sierras and how fast that may or may not come down.

Mr. LAMALFA. Well, it is actually coming down on a fairly slow timeline—

General GRAHAM [interrupting]. It is, we are fortunate.

Mr. LAMALFA [continuing]. Compared to other, hotter years. So, what is it that you require these resources to be pulled off of doing things like updating this overdue manual that they have to do now?

General GRAHAM. So, those resources are heading back to work on their water control manuals, as you mentioned, now that Mother Nature is cooperating with how the snow is coming down.

Furthermore, we know that we have got to get the districts that are overwhelmed additional resources, additional technical resources. Either I take them from other places in the Corps or we hire that expertise out. And that is our commitment to you.

Mr. LAMALFA. Well, with the less WOTUS responsibilities, it would seem like you would have the resources available and pull from that 8 percent the gentleman was speaking of.

So, can we have a better commitment that we can—in a recent conversation you said we are still 2 or 3 years away or more on the manual update for how our flood actions are going to be taken on Oroville and others. Do we have a stronger commitment of getting it done sooner, so we can manage the lake with modern instead of 1970 data?

General GRAHAM. Our commitment to you is to have a great sense of urgency to get that work done as fast as possible.

Mr. LAMALFA. All right, I appreciate that, and we will be talking. Thank you.

I yield back.

Mr. ROUZER. Mr. Huffman.

Mr. HUFFMAN. Thank you, Mr. Chairman, and thanks to our witnesses. Welcome to the committee.

Assistant Secretary Connor, I have some happy constituents in the North Bay in San Rafael, where the San Rafael Channel in my district has finally had dredging completed. And a little further north in the Petaluma River, another one of the small harbors and ports in the bay area that struggled to get maintenance dredging, but we got it done in Petaluma. And in both of these places, it has really been transformative to watch these water bodies come back to life: the commercial navigation, the recreation, everything that goes with it.

The only thing that people are unhappy about is they had to wait 20 years to get maintenance dredging that was supposed to happen every 6 to 8 years. And we are hoping that we don't have to wait 20 years the next time around. I know that, in this regard, I am not alone. Many of my bay area congressional colleagues have similar frustrations at getting regular maintenance dredging for small harbors and ports.

And there are solutions to this problem, surely including regional cooperation between ports and the Corps to schedule dredging together, and to work collaboratively, and also looking at leveraging private-public partnerships or other alternative models that will allow these dredging activities to happen more frequently.

And we have been working on this for many years in WRDA. In 2018, we authorized you to award coastal navigation and operation and maintenance contracts for work at multiple harbors in the same geographic area if you determined that that would provide cost savings compared to a project-by-project contracting basis, which surely it will in most cases. I was able to include some language in the 2022 WRDA to create this authority for a regional dredge partnership in the San Francisco Bay region.

Ports in my district and those that are in neighboring districts don't want to have to wait until one of our ports is 20 years out of cycle for its maintenance dredge and then try to piggyback on that contract. We want to do better.

So, Assistant Secretary Connor and Major General Graham, I just want to ask you, before the next WRDA, it is my priority to finalize a regional partnership agreement between the Corps and the San Francisco Bay area small ports to either secure a more regular dredging timeline or some equipment such as a dredge for the region that can help us do better going forward. Can I get your commitment to work with me and my colleagues on this?

General GRAHAM. Representative Huffman, absolutely. You have our commitment to work with you on that.

I think our statistic is, of the over 1,000 federally authorized channels, we get to about 15 percent of those every year. So, that is going to—you know, past is prologue. That is what we are going to see in the future, unless we do something different.

I think one exciting area—particularly, I think San Francisco Bay is leading the way in this—is the beneficial reuse of dredge material. We are learning a lot by what the San Francisco District and the local communities are doing out there, and so, we are using about 30 percent of our material right now beneficially, and we are working hard. Our guidance is to get that to 70 percent.

So, we absolutely—you have our commitment to keep working with you to achieve those goals.

Mr. HUFFMAN. Well, I—Assistant Secretary, please.

Mr. CONNOR. I was just going to add demand outstrips the resources. So, to the extent that you are giving new tools for us to use so that we can do our business more efficiently in partnership with others, I am all in. So, yes, you have got my commitment.

Mr. HUFFMAN. Thank you very much. The major general anticipated the next question, which was about beneficial reuse.

We have all kinds of opportunities to do that in the bay area, and we have been trying. Every WRDA, we seem to push more guidance, more directives at the Corps, and yet there is an awful lot of stubborn resistance. The Corps continues to sort of dredge and dispose of this material the way it always has: too much ocean disposal, which is just a wasteful thing, probably not so good for the aquatic ecosystem to dump massive clouds of fine sediment out in the ocean near marine sanctuaries and other places, so, we need to do better.

And I was encouraged, Major General, that Commanding General Spellmon issued a philosophy notice in January of this year on this subject, establishing a goal for the Corps to advance this practice to 70 percent by 2030. It is a good start. I hope we can do even better.

But what can we do to break through this institutional resistance and finally realize the benefits of beneficial reuse?

General GRAHAM. So, General Spellmon has been pretty clear grading my homework that I am not doing well enough, and we have got to get up to that 70 percent.

We usually don't come up with any bright ideas here in Washington, DC. The innovation that you seek is generated at the local level, at the field level. And so, it is making sure that those good ideas get past what is known as the frozen middle, the folks with a bag of noes that pull that out.

So, our commitment to you is to try to take those bags of noes from those people as much as we possibly can, and get to yes to unleash the local creativity of your constituents and our districts.

Mr. HUFFMAN. That is great. Thanks so much.

I yield back.

Mr. ROUZER. Mr. Duarte.

Mr. DUARTE. Thank you, Mr. Chairman. You caught me by surprise.

I certainly want to support my colleague's comments on dredging. Mr. Huffman, Congressman Huffman, I strongly agree with you. I appreciate you coming to bat on that.

General, this [indicating] is an excerpt from the U.S. Army Corps of Engineers Jurisdictional Determination Form and Instructional Guidebook from 2007. It is post-*Rapanos*, and kind of gives you the updated "what to do with the split rulings and no decision at all" that came out of the *Rapanos* case. And it has a several-page decision tree. What is a wetland? What is not a wetland? And it is what stands today, I believe, in terms of your delineation of jurisdictions and what and why you call a wetland jurisdictional or not.

Are you committed, now that we have the *Sackett* case ruling, to simply go through this decision tree and give some immediate guidance on what is or isn't jurisdictional, based on your own set of standards and the very, very clear direction from the *Sackett* decision we had handed down recently?

Mr. CONNOR. If I could take that, Congressman, absolutely. We are committed to moving forward, as we discussed earlier in this hearing. We are expeditiously moving forward with a new rule that will be consistent with the *Sackett* decision that will, obviously, be more streamlined. We will take the rule we developed in 2023. There are certain aspects of that rule, such as significant nexus, which is represented by that matrix there, that will no longer be applicable. So, we are fully committed to moving forward to—

Mr. DUARTE [interrupting]. Well, there are jurisdictional delineations, verifications, farmers waiting for results, other projects in limbo right now because the rule has been suspended.

I think that you could report back to us in fairly short order as to what the *Sackett* case completely eliminates from this list, both in terms of significant nexus jurisdictions—and adjacent wetlands were taken to task a bit directly, as that was the core issue of the *Sackett* case was not only a significant nexus, but it was an adjacent wetlands case that the Supreme Court ruled on very, very clearly, and that I believe you should be able to take this decision tree and edit it within an afternoon and get back to us at least with a minimal set of exclusions that would be derived from the *Sackett* case.

Mr. CONNOR. Well, our focus is on developing that rule as expeditiously as possible to get back into the business of issuing AJDs. That is our intent, and that is our commitment, sir.

Mr. DUARTE. So, when this rule was developed here, it was developed in cooperation with the Office of Management and Budget, as well as the Environmental Quality Council. There have also been prosecutions conducted by the Environmental Protection Agency and the Department of Justice Division of Water and Environment, sometimes with and sometimes without subject matter jurisdiction.

You also cooperate and have a number of memorandums of understanding with the USDA that advises farmers on what wetlands regulations they are subject to and what farming practices fit within the agricultural exemptions and the plowing exclusions of the Clean Water Act and the section 404 permit.

The reason I really believe some immediate clarity is important is because the significant nexus, in my opinion, was erroneously established to begin with, and now you have got very definite clarity. So, you might have some fine lines to draw as to exactly where navigable waters and jurisdictional waters begin and end, but there are hordes of wetlands in many, many small communities and farming operations currently hindered by your current jurisdictional claims that could be eliminated immediately while you work on the finer lines of the new rule.

So, I want to encourage you, as you come back for funding this year, that you take a serious look at what can be meat-cleaved off right now, and what advice you want to give to some of your cooperating agencies in terms of your now newly limited jurisdiction and what memorandums of understanding and guidance letters are now erroneous, incomplete, or can be completely dismissed so that farmers can go back to farming and not wait for delineations to happen. I have waited for them for over a year myself.

So, I would have to disagree with the good general's characterization that anything is happening within a proper timeframe, at least not within the Sacramento office that Congressman LaMalfa was referring to. It is a joke over there. It is not underresourced. It is overregulated.

Furthermore, a couple of quotes. The "frozen middle," "bag of noes," "individual solutions to individual challenges," "let the project manager or the district commander make commonsense calls." All of these introduce a level of subjectivity and uncertainty while you are making the lowest level field agent a regulator and policymaker based on his individual experience and expertise, which may be variable and may be up to interpretation.

This [indicating a document] is objective. This is clear. This is black and white, and there aren't very many words on the page. I really urge you to establish a clearly delineated decision tree as to what is jurisdictional, what is not, and then teach your field agents to abide by it, lest they become subject to accountability as policymakers.

Thank you very much.

Mr. ROUZER. The gentleman's time has expired. Mr. Garamendi.

Mr. GARAMENDI. Thank you, Mr. Chairman.

Gentlemen, thank you for your participation today and for the interest. Let's see, Tennessee Valley, a little far away. The Great Lakes, even further. Let's just focus on California for a few moments here.

First of all, in the WRDA 2020, an amendment that I had to make water supply a co-equal task for the Corps facilities—reservoirs, specifically—was modified by the chairwoman into a report from the Corps that was due in June of 2022. The report subject matter dealt with how to engage water supply with flood control, recreation, and other activities. I believe June of 2022 was 1 year ago.

Where is the report, Mr. Connor?

Mr. CONNOR. The report has been delayed in the back-and-forth between my office and the Corps, and I apologize for that.

As I committed to the ranking member earlier, hopefully it will be back in my office in this coming month, and I will turn it around expeditiously and finalize and move forward with that.

And Congressman, the report is one thing. We need to finish our work. We need to provide the information directed to be determined by Congress. But we are on board with the idea that water supply and drought resilience is part of our mission. And I identified—I put out a directive to the Corps a little less than a year ago identifying a range of actions that were taken to support water supply, particularly in the arid West, and we will continue to do that.

Mr. GARAMENDI. There is talk, and there is action. So, I am looking for the action. And I do appreciate the fact that some of this is evolving. Nevertheless, that report then will establish the opportunity for us to pass legislation here, so, we want to get at that.

Also, Mr. LaMalfa raised the question of the operations of the reservoirs—flood control, specifically, on the Oroville. There is a program that, actually, Mr. Huffman started on the Russian River that is, I believe, now in place that essentially allowed the Corps to modify its operational book—that is, the flood control manuals—using real-time understanding of what is happening in the watershed.

There is no way that a 20-, 30-, 40-year-old assessment of that watershed is applicable today. Yet, in the most—I believe in every case, except perhaps the Russian River and the American River in California, the old manual is the document for flood management. We need real-time monitoring. It was discussed. The snowpack, obviously different this year than last year, every year is different. Real-time monitoring of what is actually going on, the rainfall, the soil conditions, the snow, the temperatures, all of that, it is readily available.

I don't understand why this has not been implemented across the entire area. If it is money and if it is direction, then please come to us. Mr. Connor and General, if you will, opine on why we are not doing what you need to move to real-time monitoring.

Mr. CONNOR. Congressman, great question. I absolutely agree.

I think we are in a transition period right now. And the transition means the Corps has modified, amended its engineering regulations so that we can take into account forecast-informed reservoir operations, we can take into account real-time modeling.

So, now we are in the process of getting those tools in place. We have done, I think, three or four forecast-informed reservoir operations pilots in California. I think one of them we are just about complete with the water control manual changes, and two of them, we are doing deviations—

Mr. GARAMENDI [interrupting]. Thank you for that. I will call you personally and go into it in detail. We don't have too much time left here. Just know that this is a solution that has to be put in place. I personally have been working on this for 15 years. And let's get it done. If you need money, if you need direction, then please tell us, because it is imperative that we move to this be-

cause yesterday is gone, tomorrow we don't know, and we can only know if we understand in real time.

And General, the same to you. If you could, follow up on it.

One final point in the next 18 seconds. I am sure you are aware of Suisun Slough. Well, you are now. The Corps tried to take it off of the Corps' work list without bothering to contact the Congressman from that area that you were going to, I guess, decommission that slough. Bad mistake. I am the Congressman. You don't want to do that. I would like to have a dredging plan for that slough in hand before too long. Too long is within the next year.

Thank you very much. I yield back.

Mr. ROUZER. Mr. Ezell.

Mr. EZELL. Thank you, Mr. Chairman.

Mr. Connor, I recently found out you visited the Port of Gulfport, and I appreciate that very much. That is exciting. Things are going on down there that—the Port of Gulfport, which is in my district, contributes to the economic health of the region and to the Nation.

As you know, there is a feasibility study ongoing to deepen and widen the Federal navigation channel to Gulfport. Deepening the channel will create economic opportunities not only for south Mississippi, but for the entire Nation. I appreciate your attention to this project and applaud your efforts to keep the study going at a timely pace.

As you stated, the fiscal year 2024 budget request includes the largest request in history. How will you utilize these resources to keep these projects on schedule?

Mr. CONNOR. Congressman, first of all, could I just say I was down at that facility, I had the great opportunity to be there when we signed the feasibility cost share agreement. That is an impressive facility, given not just the diversification with respect to the goods, but the other economic activities that the port supports and the way it is integrated into the community. Very impressive.

With respect to the resources that we have, we continue to recognize the need for additional resources, particularly in the investigation side. I mean, I think Congress just authorized another 94 feasibility studies in the most recent WRDA. We have increased, in this year's President's budget, the investigations funding over last year's. It is not as much as Congress ultimately authorized. There are a lot of needs for very strong, good projects like Gulfport that we need to move forward on. We don't have resources in the 2024 budget, but we are enthusiastically using the resources you provide.

So, we have expanded a little bit. We, obviously, haven't expanded enough to meet all the needs for good projects, quite frankly.

Mr. EZELL. Very good. Do you believe that increasing the opportunities at underutilized ports like the Port of Gulfport would provide environmental relief, as well?

Mr. CONNOR. I think the more we use our waterways, including our ports, and the more efficiently we can move goods through expanded capacity is good for the environment. Yes, sir.

Mr. EZELL. Thank you.

I want to talk about another issue going on, and it is important to south Mississippi. The 2019 decision to open the Bonnet Carré

spillway twice during the height of the tourist season led to almost a total loss of our wild oysters in the Mississippi Sound Estuary, the closure of many small and family-owned businesses, and sent harmful algae blooms into the gulf and out into the beaches. It was terrible.

In January, U.S. District Judge Guirola ruled in favor of the Mississippi Gulf Coast, stating the Corps is ordered to consult with the National Marine Fisheries Service regarding the impacts of the spillway openings, as required by MSA [Magnuson-Stevens Fishery Conservation and Management Act]. Has the Corps started these consultations, and if not, when can we expect them to do that, Mr. Connor?

Mr. CONNOR. I know there is an ongoing dialogue about our operation of the Bonnet Carré spillway, and I am not sure of the specific actions taken as a result of the litigation at this point in time.

I do know that this is part of the reason we have just kicked off the Lower Mississippi River comprehensive study. We are looking at the system as a whole to understand whether it is operating as it was originally intended. And if not, how do we restore capacity, and how do we address the new challenges that we see environmentally?

If we are going to have those high flows requiring spillway operation, what do we need to be doing on the Atchafalaya, as well as how do we need to be looking at the system differently?

So, in that aspect we are not just working with the States and local partners, but bringing in other agencies. That will be part of that dialogue, I am just not sure specifically what we have done as a result of the litigation, sir. But we can get back to you on the record.

Mr. EZELL. Thank you. It was good to see that the Corps issued a statement that announced the beginning of the Lower Mississippi River comprehensive management study. Thank you for doing that.

And can you please include the communities, especially some of these business owners who lost everything as a result, and get these folks involved in these conversations?

Mr. CONNOR. Absolutely.

Mr. EZELL. Thank you. Thank you again for your leadership on these issues. We will have some more questions in the future.

Mr. Chairman, I yield back.

Mr. ROUZER. I thank the gentleman. Mr. DeSaulnier.

Mr. DESAULNIER. Thank you, Mr. Chairman.

Major General, I want to just acknowledge Brigadier General Gant, who came to my office. I represent—there are a lot of Californians on this subcommittee—I represent a very large part of the San Joaquin Delta, and have for many years. She was great. She came in, and we talked about beneficial use that—a lot of history on. So, I wanted to acknowledge her and your team out there, they are doing good work.

And your acknowledgment of the work that State and locals have done on this issue in the San Francisco Bay, but specifically in the delta, the largest estuary west of the Mississippi.

Secretary Connor, I just sort of wanted to talk to you about coordination and the need for coordination between State, Federal, regional, and local jurisdictions, in particular my experience in

California and representing the delta. And just sort of coincidentally, I don't know if you saw the New York Times today and the headline story on the front page, extensive story, "The Trillion-Gallon Question: Extreme Weather Is Threatening California's Dams." I don't know if you had a chance to see that.

Mr. CONNOR. I did see the headline.

Mr. DESAULNIER. I just want to read you a quote from it from a former head of the U.S. Geological Survey. He said, "The peak of record"—that is, their look at climate change in these extreme weather events—"is driving a lot of engineering decisions in the state," he says, and that peak is an underestimate, maybe a gross one: 'Already, we are seeing several 100-year floods every 10 years.'

"Some of this miscalculation," the story goes on, "arises from our failure to account for climate change, a problem that will only get worse as the atmosphere heats up and the amount of water vapor it can carry increases." Geological Survey experts said "All of this infrastructure is designed for a climate that no longer exists.' But the error also lies in our understanding of the past. Most of the flood data that form the basis for the design of California's dams"—and infrastructure, I would add—"come from the past century, which was an unusually placid period in the state's weather."

So, my question to you is, having been involved in climate change on the air quality side and representing this area, so important for our water infrastructure is the coordination between the State and the Federal agencies.

I recently had a meeting with the Bureau. We are trying to get a record of decision on the Los Vaqueros Reservoir, 30 years of work, including with my predecessor who represented the area, and was chair and ranking member of the Natural Resources Committee here in the House for years, George Miller. We have agreement from the environmental community, from the business community, from the water community. We are having problems getting the governmental agencies.

So, how are you working with other Federal agencies and with State agencies in California in light of this most recent article, but, for instance, on Los Vaqueros? Now we are worried about that specific project getting involved with the peripheral canal, which I am told is in the middle of conversations that will change momentarily in the budget and the legislature, all of these issues about coordination.

Major General, your comments about the bag of noes—when we are not coordinating it gets easy for mission creep in different agencies at every level. So, how are we coordinating, given the urgency of this, what I just quoted to you, that although we have had years to plan for this, we are not prepared, and we are letting bureaucracy get in the way of this? How are we coordinating with other Federal agencies and with State agencies in this instance?

Mr. CONNOR. I will try and be brief because it is a huge issue that you have just articulated.

One, we are very fortunate in California to have a great partner—and particularly for the Corps—the Department of Water Resources. So, I do believe that we are integrating the best science that we have about the future challenges that we have, particularly as we design a number of flood control projects with the State as

our local sponsor. We are looking at the increased levels of flows that are projected, given the dynamics of the climate change. That is why we have an R&D initiative in our budget.

And so, with respect to new project development, we have got a great partner with the State to look at that science and to integrate new features, engineering with nature so that we are not just trying to control Mother Nature as much as use it where it is appropriate.

Two, with respect to operations—I think General Graham referred to this earlier—one of the things we have been doing with the record snowpack this year is monitoring that snowpack on a day-to-day basis, hour-to-hour basis, and we have been able to do that because California has instituted new aggressive modeling of the snowpack using lidar, continuous information that allows us to, day to day, assess the likelihood of significant runoff, and that helps us manage our reservoirs and manage potential flooding in the Central Valley.

So, we have got to have the best science available. We have got to up our game with respect to the coordination with the State and across Federal agencies. An example that we need to do more is this forecast-informed reservoir operations.

Mr. DESAULNIER. I will jump in here because my time is expired, and I want to be respectful of the time. I want to talk to you more about this, as do other Members of the delegation. The urgency, people's lives, and the U.S. economy is at stake. Thank you.

Mr. EZELL [presiding]. The Chair now recognizes Mrs. González-Colón.

Mrs. GONZÁLEZ-COLÓN. Thank you, Mr. Chairman, and thank you to the witnesses for coming here, and I need to say that I am really happy to have here the Corps of Engineers and the rest of the witnesses. Especially, I want to acknowledge Assistant Secretary Connor and General Graham from the Army Corps, which has been a critical partner for Puerto Rico in very challenging situations.

And I welcome you every time in Puerto Rico. So, I want to say thank you. I really believe that you are one, if not the top, Federal agency that actually does things in Puerto Rico in a timely manner. And that is something when you get hit with hurricanes, and you are still going through the recovery of the island. So, I want to say all people and staff from the Army Corps have been very critical for the redevelopment of the island. And I need to say this because you may not have the same experience in other States, but yes, in Puerto Rico, we do appreciate all the hard work of the Army Corps.

And having said that, I need to acknowledge as well that, as General Graham just mentioned, the formation of the special task force for the Virgin Islands and Puerto Rico to help speed that rebuilding and overcome implementation obstacles. I mean, it has been more than 5 years after the hurricane, and many of the processes were stalled—not in the Army Corps, but general permits in the Federal agencies, local agencies. And having that task force being implemented for the U.S. Virgin Islands and Puerto Rico will help us expedite a lot of the permitting, a lot of the issues that were unsolved during the last years. So, I want to say thank you. I do recommend that should be the way to go with many Federal

agencies in the recovery process of the islands. So, thank you for that.

And this is going to be my question. One important—and this is for Secretary Connor and General Graham—one important concern of mine is the effect, as we discussed privately before, of the inflation and supply chain cost increases on the ability of the Army Corps to complete authorized projects. Projects are already started or are in planning stages. For example, Puerto Rico, Rio Puerto Nuevo, Rio La Plata, Rio Guanajibo, Rio Nigua, Guayanilla, and many others will end up with a real total cost significantly greater than was originally authorized or appropriated.

My question will be, how will the Corps of Engineers address this?

Do we have to go through the whole reauthorization process and reappropriation process all over again, and maybe even bring the projects to a stop while we do it, or do we reduce the projects and leave phases undone, or split those phases to have to go through the whole process of reauthorization and appropriations all over again?

I don't know what your recommendation is going to be, but, I mean, if this process must change, how should we change it?

General GRAHAM. Certainly, thank you for that question. And thank you for the kind words for the Jacksonville District and South Atlantic Division standing up a standalone task force to deal with the magnitude of work down there. Ms. Jackie Keiser, the senior civilian on that, is the best we have got, and she is absolutely committed to deliver for your constituents.

As part of our FEMA work, we have got folks on the island right now, because we thought that that tropical storm—begins with a “B”——

Mrs. GONZÁLEZ-COLÓN [interposing]. Bret?

General GRAHAM. It was heading your way, and so, we got a power response team—PRT—right there, right now in response to that. In addition, we have got the additional FEMA power generation that is spinning right now supporting grid resiliency on the island.

And to your to your question directly, we have got controllable and uncontrollable cost increases out there. Inflation is running somewhere between 25 to 40 percent. And as you spoke to, we are going to have to deal with those realities. There are some controllable cost increases that are our responsibility. And most of those, when we pull the thread back and get to the root cause, it is the design wasn't as mature as we would have liked it to have been when we were given a funding opportunity window. And that is our responsibility.

So, the systemic piece that the Corps has to do better on is our cost estimates that are sitting on the shelf have to be updated.

So, where we are at today with the Puerto Rico work, I would say generally the costs are absolutely going to go up, particularly on those big three projects that you mentioned. When you get down to Rio Puerto Nuevo, when you walk through that, we have done a lot of flood risk management in urban areas. And with that ancient city, that is about as difficult as it possibly is going to get.

So, our commitment to you is to put everything on the table as transparently as we can, and communicate with you when we see these challenges and the magnitude of the challenge. We should have certified cost estimates, particularly on those big three projects, back, ideally, next month. And Jackie will be paying you a visit.

Mrs. GONZÁLEZ-COLÓN. Thank you. I know my time has expired. I will submit some other questions for the record, and thank you for your good work.

I yield back.

Mr. EZELL. Thank you. The Chair now recognizes Mr. Cohen.

Mr. COHEN. Thank you, Mr. Chair. I appreciate you allowing me to waive on to the subcommittee, as I have some issues I would like to discuss with our TVA president, Mr. Lyash. So, thank you, sir.

Firstly, I would like to just say this has been a great opportunity to listen to some of our Members' questions, some of the officials here, and ask for assurances and guarantees, and they have all given assurances and guarantees. So, I think this is teeing us up real well.

You know that the Federal Government would like to have a zero net carbon policy by 2035. TVA is at 2050, if I understand correctly. Can you assure me that you will get it down to 2035?

Mr. LYASH. Thank you for the question. It is always a pleasure to see you, and I enjoy—

Mr. COHEN [interposing]. Thank you.

Mr. LYASH [continuing]. Our conversations on this and other topics.

Yes, TVA's goal is, as many other utilities, to get to net-zero carbon by 2050, and we would like to go farther faster. So, we are taking every available action to add carbon-free resources to the system. We have been focused on optimizing our hydroelectric fleet, expanding our nuclear capability, adding aggressively renewables like solar and wind to the stack, as well as storage, which is important.

And we are focused on doing this while maintaining energy security. And by that I mean affordable, reliable, and resilient power for our customers, and decarbonizing—

Mr. COHEN [interrupting]. Let me stop you for a minute, because I kind of know—I have heard most of this speech before.

Mr. LYASH. Yes.

Mr. COHEN. You have got three gas plants that you have got on-line to build at Cumberland, Kingston, and Cheatham, new natural gas plants. You plan to go along with those three new—

Mr. LYASH [interrupting]. The Kingston project is still under evaluation. We have issued a draft environmental impact statement, and we are taking public input on that currently, as well as trying to update that analysis to reflect the potential impacts of the IRA. So, that is—

Mr. COHEN [interrupting]. That is good on Kingston. How about Cheatham and Cumberland?

Mr. LYASH. Cumberland, the final environmental impact statement has been issued, and the board's decision was to retire those coal units, and to replace that critical capacity with a gas-fired combined-cycle plant, and that project is underway.

Mr. COHEN. So, that is going to contribute to putting off 2035 to 2050, your net zero.

Mr. LYASH. Yes. The retirement of the Cumberland coal units and the replacement gas is about a 60-percent reduction in the carbon emissions from those sites. Over time, as we deploy additional renewables, and hopefully additional nuclear, we would expect to be able to operate less gas and have it as a capacity resource, and use less energy, thereby reducing our carbon over time.

Mr. COHEN. The price of natural gas has gone up because of the Ukraine-Russia war, et cetera. Does that affect the cost of gas that TVA buys, as well?

Mr. LYASH. It does, although because 60 percent of our energy comes from sources that really have zero carbon and zero fuel cost, there is a natural hedge in the diversity of our portfolio.

We rely about 28 percent on natural gas, so, when the price goes up we do see that impact. We saw that price go from about \$3 in MMBtu to as high as \$12 or \$15. It is currently back to \$2.50, sort of pre-crisis levels. In the long term, though, we do expect upward price pressure on that natural gas—

Mr. COHEN [interrupting]. So, does that make it less of a good investment to take Cumberland and Cheatham and make them into natural gas plants, rather than go into more alternative types of energy that are net zero?

Mr. LYASH. I think the answer is we need to do all of those. We are adding solar as fast as we can obtain access to panels. So, the constraint there is supply chain.

The natural gas, simple-cycle, and combined-cycle plant are flexible, dispatchable, and resilient, so, they represent a capacity resource, even if—

Mr. COHEN [interrupting]. Let me stop you here. I have got just 50 seconds left, and I am getting the impression I am not going to get an assurance that we are going to get down to net zero by 2035.

Mr. LYASH. That is our objective.

Mr. COHEN. It is your objective?

Mr. LYASH. Our goal, our objective is to move that net-zero performance forward as far as fast as we can. What we have said is we have line of sight to get to 80 percent by 2035.

Mr. COHEN. Let me ask you this. The TVA Act clearly requires disclosure of TVA employee compensation.

I have asked you on many occasions to give us TVA salaries and disclose that information. You have not done it. Why do you refuse to give out the salaries? We know your salary, which is, give or take, \$10 million this year. Is that correct? Nine million dollars?

Mr. LYASH. Yes, \$8 million.

Mr. COHEN. \$8 million, yes.

Mr. LYASH. Yes.

Mr. COHEN. But how about all the other employees that earn \$1 million or more, we have requested their salaries. You have never released those. Why is that?

Mr. LYASH. We were required by the Securities and Exchange Commission—

Mr. COHEN [interrupting]. You were required by the TVA Act to disclose TVA employee compensation.

Mr. LYASH. Yes, and that provision of the act we complied with by submitting the required report to the Congress and the White House for many years. The requirement was changed as part of a record reductions effort, and we were requested to stop providing that report several years ago. And so, that is no longer required.

We do provide a comprehensive compensation disclosure to the Securities and Exchange Commission, which lays out the entire—

Mr. COHEN [interrupting]. But that is not the people that created the TVA. That is not what the TVA Act requires. And that is just not right, Jeff. It is not right. You are part of the Government. You are created by the United States Government. You are part of it. Salaries should be transparent—

Mr. EZELL [interrupting]. The gentleman's time has expired.

Mr. COHEN. And when people are making over \$1 million, the public ought to know who they are and what they are doing.

Mr. EZELL. The gentleman's time has expired.

Mr. COHEN. Thank you.

Mr. EZELL. The Chair now recognizes Mr. Graves.

Mr. GRAVES OF LOUISIANA. Thank you, Mr. Chairman. I am just going to start out with my friend, Mr. Cohen.

Mr. Lyash, I had no intention of asking you any questions, but I am going to say that I am going to associate myself with Mr. Cohen's comments. Your position is unsustainable. I just want to be very clear. You are a Government entity. Your position is unsustainable.

Mr. LYASH. I am sorry, can you repeat the question?

Mr. GRAVES OF LOUISIANA. It is not a question. I am just telling you your position is unsustainable if you are not going to provide him the information he is asking for. You are a Government entity. You need to provide him the information. And I would just give you a little counsel there. I just strongly urge you to do it. Otherwise, you are going to be compelled to do it. And you can either cooperate or it is going to get a little ugly. I would urge you to comply with his request.

Secretary Connor, thanks for being here. I saw that look on your face when you heard that salary number. You were thinking that was pretty close to yours, right?

[Laughter.]

Mr. GRAVES OF LOUISIANA. So, first of all, I want to thank you for the funding decision on Bayou Sorrel lock, and just dealing with the bureaucracy there. We don't need to get into it. I will just say thank you. I appreciate you doing that. I think it does cut through some of the redtape and allow us to move forward on that project. There is still a long way to go, but we will be able to move forward on that project in a more efficient manner, saving significant dollars. So, thank you for that.

Look, the other thing I want to bring up that is really important, I heard General Graham just make reference to a figure of 25 to 35 percent inflation. Mr. Secretary, you and I have talked about the Comite project. This project dates back to the early 1980s. We fully funded the project back in BBA 2018, based on the Corps' numbers. And gosh, I would love to have a 25- to 35-percent inflation rate on that project. Unfortunately, depending on which num-

ber I choose, we are probably looking at about a 300-percent inflation rate, based on the initial BBA allocation. We are looking at a 200-percent or so inflation rate based on the resiliency funds that we grabbed a few years later.

The bottom line is, I just want to hear you update us on that project, or one of you update us on the project, and give me a commitment that you are going to finish this thing. Look, half of a diversion structure doesn't do any good.

General GRAHAM. Representative Graves, first, thanks for the question. And I absolutely agree with the cost increases at Comite. There is a report at the edge of my desk that my Chief Engineer looked at that said, "How did we get here?" So, as you spoke to inflation, understandable, the uncontrollable pieces, 25 to 30 percent, but a doubling, if not more, of the cost. How did we get here?

And what the report says is the challenge with benefit-to-cost ratio. So, they engineered this as far as they could. This project has been in design for a while. So, what does that mean? They engineered, basically, a grass ditch. And then, for the step-down structures around the bayous, they put those—because it was all they could afford under the benefit-to-cost ratio—basically, gabion structures relatively on grade.

And so, when we built that first section down along the river, shockingly, it didn't perform all that well. The grass channel didn't hold up, and the structure started to sink. So, we realized that, OK, that was too much risk to take with the engineering. It has got to be multiple courses of geotextile reinforced stone, and we can't use gabion structures. They are going to have to be truly engineered structures on pile footings.

So, you could say the path to damnation was paved with good intentions. They worked as hard as their engineering would allow them to get to—for the benefit-to-cost ratio, but we realized that the engineering just wasn't sound enough. So, we own that. We absolutely own that.

Mr. GRAVES OF LOUISIANA. All right.

Mr. CONNOR. Congressman, can I just add just real quickly?

Mr. GRAVES OF LOUISIANA. Please.

Mr. CONNOR. We are making huge decisions based on bad information, and we need to make sure our cost estimates are best, are updated on an ongoing basis. And we need to make sure we have taken them far enough along in the design process to be representative of good, accurate numbers.

And so, I think General Graham and General Spellmon are committed to ensuring we learn lessons, and we update, and we have the resources to update these cost estimates because we are creating problems ourselves—

Mr. GRAVES OF LOUISIANA [interrupting]. And your commitment to finish the project.

Mr. CONNOR. We are absolutely committed to finishing the project, because we—

Mr. GRAVES OF LOUISIANA [interposing]. Thank you.

Mr. CONNOR. The worst of all worlds is an unfinished project.

Mr. GRAVES OF LOUISIANA. Amen. Thank you, Mr. Secretary.

General, real quick, I know you recently went to Morganza to the gulf project. We have worked together to come up with this new de-

sign using local material, native material. I just want to make sure that you remain committed to allowing the use of local material to build that levee, saving literally billions of dollars.

General GRAHAM. Absolutely.

Mr. GRAVES OF LOUISIANA. OK, look, I have got a gazillion other things. I am just going to say that we continue to have issues on HPS crediting. We continue to have issues on the SELA deferred payment agreement. We are looking at over \$100 million in interest a year because of the Corps' delays in renegotiating that. The committee, on a bipartisan basis, has asked for information on how you are spending your IJA regulatory funds. We haven't heard anything back.

I am going to submit stuff for the record.

Thank you all for being here. I could keep you here all day. Take care.

Mr. EZELL. The Chair now recognizes Mr. Burchett.

Mr. BURCHETT. Thank you, Mr. Chairman, Ranking Member Napolitano, probably one of the kindest Members of Congress—I will go on the record and say that—Mr. Graves, Mr. Cohen.

My first question actually dealt with this, Mr. Lyash, and I would like to go a little further. The Tennessee Valley Authority employees, they are Federal employees, and Federal employees' salaries are public information. I would like you to answer to me not in lawyer terms, but just reality. Why aren't TVA salaries or pay tables public?

Mr. LYASH. Yes. Congressman, thank you for the question, and I respect the perspective.

As I said, TVA is required by the act to maintain competitive compensation benchmark to the industry. We make an attempt in our compensation disclosure document to comprehensively disclose the framework and the objectives, the metrics that are used to determine compensation. And we disclose the senior executive salary.

We don't disclose, you are correct, the entirety of TVA employee salaries. And the reason here is that we operate in a very competitive market for these resources: engineers, nuclear operators, security specialist personnel. And so, if we are not required to, disclosing that information publicly puts us—would put us at a very significant disadvantage—

Mr. BURCHETT [interrupting]. Well, let me stop you there.

Mr. LYASH [continuing]. In the market.

Mr. BURCHETT. How is that any different from any other public entity? A school board, I mean, they are competing in Knoxville, Tennessee. Everybody is competing with Oak Ridge National Laboratory if you are a skilled tradesman. But yet we know how much they are making, and I am not seeing the problem there.

So, explain that to me. How can that be? They can always just call them and say, "How much are you making? Would you like to make this much more?"

Mr. LYASH. Yes. Again, Congressman Burchett, we strive to comply with all the requirements and the regulations. We believe we are, and we don't believe that disclosing this compensation is in the interest of TVA or the people that we serve, and would put us at a competitive disadvantage.

Mr. BURCHETT. I would submit to you it is in the interest—

Mr. LYASH [interrupting]. That is the reason. I understand we may not agree on—

Mr. BURCHETT [continuing]. I would say it is in the interest and the spirit of the law, if—I am not an attorney, but I know Congressman Cohen is, and I believe he would agree with me on that.

I tell you, I am not really getting a favorable answer from you on that. I am going to be preparing some legislation to do just that to clarify the situation. And I hope that some of my Members across the aisle would be in support of that.

Let me ask you about Winter Storm Elliott. TVA completed over 250 near-term actions to improve coordination, communication, and preparedness. Are you all prepared to handle another extreme weather event?

Mr. LYASH. The short answer is yes. May I amplify?

Mr. BURCHETT. Please.

Mr. LYASH. Yes, Winter Storm Elliott was, really, a once-in-a-generation event. The combination of a low-temperature, system-wide temperature drop, freezing, and wind put much of our facilities, a number of our facilities, outside their design basis. And so, a lot of the corrective actions you cited were designed to change that design basis and harden those facilities against extreme weather events—not just cold, but we looked at heat, inundation, drought, cyber attacks. So, we are taking a comprehensive review at resiliency.

Because it also put the entire Eastern U.S. in the same position, and our peers suffered largely the same effects, it created a situation where others were having to curtail us on firm power. And so, the question of reliance on off-system resources is a strategic issue we have looked at. And so, we are adding a significant amount of generation to the portfolio to reduce that reliance.

We are working with local power companies, as well, who had their own set of lessons learned in their performance, and helping them to do better.

So, in short, if we had the same event today, Congressman, you would see a significantly different result. But it is our accountability not to stop there, but to look at the whole family of these events.

Mr. BURCHETT. I would remind you that you all did put out a tweet prior to that that we were in good shape, basically. And then, when it went out, you told everybody to start cutting power. So, I would hope in the future that that would be the case.

You all currently hold about \$20 billion in debt. I believe that is correct. Is it?

Mr. LYASH. That is correct.

Mr. BURCHETT. Can you all continue paying down this debt while making these new energy investments?

I know Congressman Cohen had some concerns as well as I do, even with these rising interest rates.

Mr. LYASH. Yes.

Mr. BURCHETT. And will it affect the ratepayers?

Mr. LYASH. Yes, we have been successful in reducing our debt down to \$20 billion. And with \$51 billion worth of assets, that is a strong balance sheet. So, I don't see the need to further reduce that debt at the expense of customer rates.

But the second part of your question is, given what TVA and other utilities face over the coming decades, we will have to invest a substantial amount of money to meet load growth to reach environmental objectives, as Congressman Cohen stated, and that will require funding that will have to flow from debt and rates, the appropriate combination of the two. That is part of the reason why we pulled forward and launched a new integrated resource plan that we will stakeholder over the next year to lay out a 20-year view of what must be done and what it will take. And then that will inform the financial plan to answer exactly the question you are asking.

Mr. BURCHETT. OK. I would like to end on this. I know I have run over, but if you all got a problem with me, I would appreciate you getting with me. I don't appreciate any time when somebody calls me out to the woodshed. And you can let your board members know that, as well. Because when somebody calls me from my community that I know has been in contact with somebody over there, and they are reading me the riot act, I don't appreciate it.

Mr. LYASH. OK.

Mr. BURCHETT. And I will leave it with that.

Mr. LYASH. Congressman, I would like to——

Mr. BURCHETT [interrupting]. And you can pass that on to your board members.

Mr. LYASH. Yes, thank you.

Mr. BURCHETT. Thank you, Mr. Chairman.

Mr. EZELL. Thank you. The gentleman yields back.

Are there any further questions from any members of the subcommittee who have not been recognized?

Seeing none, that concludes our hearing for today. I would like to thank each of the witnesses for your testimony.

I ask unanimous consent that the record of today's hearing remain open until such time as our witnesses have provided answers to any questions that may be submitted to them in writing.

Without objection, so ordered.

I also ask unanimous consent that the record remain open for 15 days for any additional comments and information submitted by Members or witnesses to be included in the record of today's hearing. Without objection, so ordered.

The subcommittee stands adjourned.

[Whereupon, at 12:34 p.m., the subcommittee was adjourned.]

APPENDIX

QUESTIONS FROM HON. DAVID ROUZER TO HON. MICHAEL L. CONNOR, ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS, DEPARTMENT OF THE ARMY, AND MAJOR GENERAL WILLIAM H. "BUTCH" GRAHAM, DEPUTY CHIEF OF ENGINEERS AND DEPUTY COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS

Question 1. Masonboro Inlet has been the historical borrow site for renourishment projects at Wrightsville Beach in my district and protects the navigation of the inlet while allowing a lower cost option for the Corps and local communities. Unfortunately, due to poor policy decisions by the Fish and Wildlife Service, the project has been delayed and project costs have skyrocketed. In the wake of Hurricane Ian, the conditions of the beach have only been made worse.

I appreciate that Army Corps headquarters ultimately allowed the Wilmington District to make the decision to move forward using the inshore borrow site. Before the Wilmington District is able to move forward to utilizing the site, they must first have the approval of the remaining balance for renourishment through the Flood Control and Coastal Emergencies Account, requiring approval from the Office of Management and Budget (OMB).

Please detail when you expect funding to be approved to complete the Wrightsville Beach renourishment project.

ANSWER. A response was not received at the time of publication.

Question 2. In 2017 the Corps prohibited non-Federal entities from disposing of dredged materials in a Corps facility unless it had "excess" capacity "for the project's life." Recently the guidance was changed to "20 years" of capacity, a decision made in response to a Texas spoil site that was found to be at capacity.¹

Unfortunately, this has resulted in a blanket rule for all spoil sites nationwide, even where it doesn't make much sense. For example, in my district the City of Southport cannot deposit spoil material for the Southport Boat Basin because the Corps spoil site DA277 is unavailable. Those in Southport, Holden Beach, and other nearby communities must spend additional resources to transport materials to other spoil sites, increasing project costs and timelines.

Question 2.a. This decision was made following a single spoil site, at which frankly the Corps seems to have a poor job managing capacity. As such, what is the reasoning behind the Nationwide blanket assumption of ineligibility?

ANSWER. A response was not received at the time of publication.

Question 2.b. What is the process for determining the 20-year capacity number, and at what level is that decision made? Is there a process for communities to appeal the determination of incapacity? If so, please describe the process. If not, please explain why communities do not have the opportunity to appeal this determination.

ANSWER. A response was not received at the time of publication.

Question 3. The Coastal Barrier Resources Act (CBRA) was passed in 1982, which designates undeveloped coastal barrier islands for inclusion in the Coastal Barrier Resources System (CBRS). These designated areas are ineligible for certain Federal financial assistance that may support development, such as National Flood Insur-

¹ See Memorandum, from Thomas P. Smith, Chief, Operations and Regulatory Division, U.S. Army Corps of Engineers "Policy Clarification Memorandum for Placement of Dredged or Excavated Material in Federal Navigation Project Dredged Material Placement Facilities (DMPFs) by Non-Federal Interests and Others Pursuant to Section 217(b) of the Water Resource Development Act of 1996, Public Law 104-303, as amended (33 U.S.C. § 2326a(b)), (Jan. 9, 2023) (on file with Comm. on Transp. and Infrastructure).

ance, VA loans, and shore protection projects conducted by the United States Army Corps of Engineers.

A portion of North Topsail Beach, designated as Unit L06, was deemed undeveloped, and therefore included in the CBRs. However, significant infrastructure existed in L06 before the CBRA's passage, including roads, sewer, electric, public water systems, and a high-rise bridge connecting the island to the mainland. The population of the town is estimated to be nearly 30,000 during the summertime.

The rest of the town and other towns on the island are not included in the CBRs. Topsail Island includes three towns, Topsail Beach, Surf City, and North Topsail Beach. Topsail Beach and Surf City were "developed" in 1982. Later, the United States Fish & Wildlife Service designated two sections of North Topsail Beach as "undeveloped."

Please explain how infrastructure can only be in the Northern and Southern ends when the utility lines are continuous throughout the Town. If there is no explanation, please describe the steps that will be taken to correct the incorrect designation.

ANSWER. A response was not received at the time of publication.

Question 4. The Army Corps has stated officially, "To the extent the Non-Federal Sponsor accomplishes nourishment of private beaches outside of the Federal cost-shared project, they can use their locally preferred method and will pay 100 percent of the costs. Easements in areas where Pinellas County, Florida, chooses to pay 100 percent of the costs can be temporary and not perpetual, as these parcels constructed solely at the Non-Federal Sponsor's expense cannot be integral into the Federal project reach. Anything integral to the Federal project must have permanent easements to protect the integrity of the Federal measure and benefits."²

Regarding the Corps accepting contributed funds, the non-Federal sponsor could pay 100 percent of the cost using temporary easements if those areas are not "integral" to the Federal project reach.

Question 4.a. Please define which areas are considered "integral" to the Sand Key Beach project in Pinellas County, FL?

ANSWER. A response was not received at the time of publication.

Question 4.b. Additionally, describe which properties still need a perpetual easement.

ANSWER. A response was not received at the time of publication.

Question 4.c. Finally, please detail which properties/areas are locations where temporary easements be accepted.

ANSWER. A response was not received at the time of publication.

Question 5. How many jurisdictional determinations are affected by the Corps' pause on jurisdictional determination issuance following *Sackett v. EPA*?

ANSWER. A response was not received at the time of publication.

Question 6. The Infrastructure Investment and Jobs Act (IIJA) provided \$160 million to assist the Corps with its regulatory programs.

Question 6.a. What is the status of this effort?

ANSWER. A response was not received at the time of publication.

Question 6.b. Can you describe whether it has resulted in a faster pace of reviews and permitting? If not, what steps is the Corps taking to more efficiently conduct reviews and issue permits.

ANSWER. A response was not received at the time of publication.

Question 7. How many Chief's Reports are expected to be signed and submitted to Congress by the end of 2023?

ANSWER. A response was not received at the time of publication.

Question 7.a. Similarly, how many Post-Authorization Change Reports (PACRs) do you expect by the end of the year?

ANSWER. A response was not received at the time of publication.

Question 7.b. Also, how many Chief's Reports and PACRs are expected for 2024?

ANSWER. A response was not received at the time of publication.

Question 8. When do you expect the Section 7001 project report to be submitted?

ANSWER. A response was not received at the time of publication.

²Email from Chief, Future Directions, Branch, Headquarters, United States Army Corps of Engineers to Staff, Representative Anna Paulina Luna, (Mar. 15, 2023 11:55 p.m.) (on file with Comm. on Transp. and Infrastructure).

Question 9. Enbridge Line 5 is an important energy pipeline for the upper Great Lakes region. In March 2023, the Army Corps pushed back the schedule for completing the Environmental Impact Statement (EIS) for the Great Lakes utility tunnel, a safer proposed 30-inch pipeline housed in an underground tunnel beneath the Straits of Mackinac, until 2026.

Does this timeline comply with recently passed legislation to streamline permitting processes under the National Environmental Policy Act? If not, please describe the steps that will be taken to comply with these streamlining provisions.

ANSWER. A response was not received at the time of publication.

Question 10.a. What percentage of Corps projects and feasibility studies are completed on time?

ANSWER. A response was not received at the time of publication.

Question 10.b. What percentage of projects and feasibility studies are completed at or under budget?

ANSWER. A response was not received at the time of publication.

Question 11. Section 8130 of the Water Resources Development Act of 2022 required the Corps to identify barriers that impede the beneficial use of dredged material and recommend policy changes to Congress to improve beneficial use no later than one year after enactment.

Question 11.a. What is the status of complying with this provision?

ANSWER. A response was not received at the time of publication.

Question 11.b. Will the Corps meet its deadline described in this provision?

ANSWER. A response was not received at the time of publication.

Question 12. Farmers, shippers, and industry depend in the Institute for Water Resources' Waterborne Commerce Statistics Center (WCSC) to provide accurate and up-to-date information on our inland waterways. Currently the WCSC is operating on a Microsoft DOS system that is roughly three decades old, leading to delays in providing information, include for more than three months last year. What is the Corps' plan to modernize the system to provide accurate and reliable data?

ANSWER. A response was not received at the time of publication.

Question 13. Section 1154(a) of the Water Resources Development Act of 2018 directed the Corps for a report of all operations and maintenance project backlogs, with the first report due in 2020. What is the current status of this report?

ANSWER. A response was not received at the time of publication.

Question 14. How does the Corps intend to process Clean Water Act (CWA) permits in a manner that supports the efficient use of taxpayer dollars and ensure timeline certainty for critical infrastructure and mine projects, which are at the front-end of the supply chain for critical infrastructure projects and energy technologies?

ANSWER. A response was not received at the time of publication.

Question 15. In 2019, the Corps issued a CWA Section 404 permit to the PolyMet (now NewRange Copper Nickel Mine) project located in the Duluth Complex, one of the world's largest undeveloped accumulations of copper, nickel, and platinum group metals. However, in June 2023 the Corps revoked the permit.

Question 15.a. The Corps revoked the permit four years after issuing without any violations occurring. Please explain the logic, if any, supporting the decision to revoke the permit.

ANSWER. A response was not received at the time of publication.

Question 15.b. How does revoking permits for critical infrastructure mining projects align with the Administration's priorities?

ANSWER. A response was not received at the time of publication.

Question 15.c. The Corps said that NewRange can reapply for the permit. Currently, it takes on average 7–10 years to permit a mine. With the Corps pausing jurisdictional determinations, how long do you reasonably expect this reapplication process to take?

ANSWER. A response was not received at the time of publication.

Question 16.a. Does the Corps plan to provide any submitted comments during the 60-day comment period to the Proposed Rule Revising the Endangered Species Act Section 7 Regulations by the Fish and Wildlife Service and National Marine Fisheries Service?

ANSWER. A response was not received at the time of publication.

Question 16.b. Can you describe how these revisions would directly impact Records of Decision and other National Environmental Policy Act actions already supporting Corps mission authorities for flood and navigational operations and Congressionally authorized projects that impact river basins?

ANSWER. A response was not received at the time of publication.

QUESTIONS FROM HON. JENNIFFER GONZÁLEZ-COLÓN TO HON. MICHAEL L. CONNOR, ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS, DEPARTMENT OF THE ARMY, AND MAJOR GENERAL WILLIAM H. “BUTCH” GRAHAM, DEPUTY CHIEF OF ENGINEERS AND DEPUTY COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS

Question 1. Some of the major ongoing projects in Puerto Rico were launched after Hurricane Maria under the auspices of the Bipartisan Budget Act of 2018, under which they were to be funded at 100% federal share. However, as mentioned in the hearing for most if not all the real cost will be much greater than what was estimated in 2018:

What happens now? The project was expected to be fully completed AD federally funded at 100% with that allocation but if that cannot happen, do we restart the whole process? Does it then become again subject to local shares?

ANSWER. A response was not received at the time of publication.

Question 2. How does overall inflation and cost increases also affect the evaluation of projects that communities apply for? One often hears of a community like Orocovis or Canovanas in Puerto Rico that explored projects under the Continuing Authorities Program, but ended up exceeding the dollar limit or not meeting the cost-to-benefit calculation.

Will the Corps eventually, or does it already, need a higher total resource level and higher individual project authorizations for those programs?

ANSWER. A response was not received at the time of publication.

Question 3. In some of the cases in Puerto Rico part of the issue is authorizations and appropriations were made based on data from before the project was approved, sometimes long before.

Is there a need for us to legislate or authorize a process by which estimates can more effectively reflect the changing costs environment?

ANSWER. A response was not received at the time of publication.

Question 4. We noticed a reduction in the investigations account in the proposed budget.

Question 4.a. How does this affect the response to what at least in my district is an increasing number of requests to study possible coast erosion, flood control or such situations? Does this mean the “queue” of applications and proposals grows longer? That fewer requests will end up approved?

ANSWER. A response was not received at the time of publication.

Question 4.b. Is the study required for federalization of operation and maintenance at the Port of Yabucoa, which was authorized in the current WRDA, affected by this?

ANSWER. A response was not received at the time of publication.

Question 5. Puerto Rico has experienced firsthand the phenomenon of repeated and intensified natural disasters. We have observed how critical it is for the communities to be able to get back on to a recovery footing quickly.

What initiatives are included in the Budget for building community resiliency?

ANSWER. A response was not received at the time of publication.

QUESTIONS FROM HON. GARRET GRAVES TO HON. MICHAEL L. CONNOR, ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS, DEPARTMENT OF THE ARMY, AND MAJOR GENERAL WILLIAM H. “BUTCH” GRAHAM, DEPUTY CHIEF OF ENGINEERS AND DEPUTY COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS

Regarding the Bipartisan Budget Act of 2018:

Question 1. The Comite Diversion Canal received full funding in the Bipartisan Budget Act of 2018. However, we now understand that because of inflation, we only

have half the funding needed to finish it. This project is different than a levee in that it doesn't provide interim protection if it's half complete, it is nonfunctional until the entire system is done. How is the Corps ensuring that there will be no work stoppage on the Comite Project?

ANSWER. A response was not received at the time of publication.

Question 2. What is the Corps doing to ensuring that projects that received full funding in the past will be completed, including the West Shore and East Baton Rouge projects?

ANSWER. A response was not received at the time of publication.

Question 3. Had the Corps been faster to build projects from the Bipartisan Budget Act of 2018, instead of waiting years after the funding was provided, these projects would have been less susceptible to inflationary conditions. While Congress must grapple with identifying funds to backfill these cost increases, the non-Federal sponsors are left holding the bag for cost shares that are sometimes *double* what they had originally agreed to. How will your office support non-Federal sponsors in meeting their cost-share obligations?

ANSWER. A response was not received at the time of publication.

Regarding HPS crediting:

Question 4. WRDA 2022 continued to affirm the ability for the State of Louisiana to receive credit for the related work it has done with respect to the New Orleans HPS including through the transfer of excess credit.

The state continues to seek approval of its application for credit through the Sec. 1020 authority. Can you provide a status update on USACE's review of that application?

ANSWER. A response was not received at the time of publication.

Regarding the Lower Mississippi River Study:

Question 5. We are encouraged that the PBUD has continued to allocate funding toward this effort. The intent of this study is to provide a foundation for the Corps to operate the Mississippi in a comprehensive manner, recognizing that Corps assets can be managed for multiple benefits. (For example, a river control structure can not only be operated to regulate the flow of water in the system, it can also be operated to provide additional ecosystem benefits when needed.)

Question 5.a. Can you describe in detail the actions USACE will take in 2023 to fully initiate this study, as well as advise how states can provide input into the process?

ANSWER. A response was not received at the time of publication.

Question 5.b. How will the Corps ensure that the study revolutionizes the management of the Corps' multiple lines of business comprehensively, instead of in individual silos?

ANSWER. A response was not received at the time of publication.

Question 5.c. Will the Corps be considering updating operations manuals for its existing assets as part of this study, as intended?

ANSWER. A response was not received at the time of publication.

Question 6. The explicit requirement to utilize existing information is intended to ensure that the Corps is able to leverage high-quality data at the lowest possible cost. How will the Corps utilize existing data from states and other non-government entities, as well as strategic investment plans like the Louisiana Coastal Masterplan to inform the study?

ANSWER. A response was not received at the time of publication.

Question 7. Is the \$25 million authorization level sufficient to accomplish the goals of the study as authorized by WRDA 2020?

ANSWER. A response was not received at the time of publication.

Question 8. This study also authorizes additional studies, including feasibility studies, if the Secretary determines that they warrant additional analysis. How will the Corps determine if additional studies are needed to complement the LMR effort?

ANSWER. A response was not received at the time of publication.

Question 9. The LMR study also includes a requirement that the Secretary submit an annual report of any interim actions undertaken to support the goals of the study under existing authorities as well as any recommendations to Congress developed in that annual period. This interim reporting requirement was meant to ensure that Congress did not need to wait for the study to be completed in full in order to take necessary actions to support a modernized approach to the Mississippi River

in the WRDA process. Stating it another way: LMR is intended to provide a long-term vision while also allowing for incremental improvements to existing management processes. How does the Corps intend to make incremental improvements and recommendations while the study is ongoing?

ANSWER. A response was not received at the time of publication.

Regarding SELA interest renegotiation:

Question 10. CPRA Chairman Chip Kline wrote to ASA in September of 2022 requesting engagement to renegotiate interest for the SELA Project, pursuant to Sec. 351 of WRDA 2020.

In May, we were made aware that you had responded to Chairman Kline stating that you had “directed USACE to complete a review” of the request.

We submitted these questions to the ASA team on May 16; however, we have never received a response despite numerous follow ups.

Asst. Secretary Connor:

Question 10.a. What was ASA doing between September when the request was sent, and April when the “review process” was begun?

ANSWER. A response was not received at the time of publication.

Question 10.b. What does this review process consist of? How long will it take? Which official or office is conducting the review?

ANSWER. A response was not received at the time of publication.

Question 10.c. The Corps stated that no implementation guidance was necessary on this provision when WRDA 2020 was enacted. There was no review process for the implementation of Sec. 351 WRDA 2020 authorities as they relate to the WBV and LPV projects. So, what necessitates the need for review for the SELA project?

ANSWER. A response was not received at the time of publication.

Maj. Gen. Graham:

Question 10.d. What role is the Corps taking in this review process? Is there any additional information you would like to add?

ANSWER. A response was not received at the time of publication.

Regarding IIJA implementation of regulatory funds:

Question 11. In April, our office, along with a bipartisan group of members of this committee, sent a letter to General Spellmon requesting information on how the Corps had allocated the \$160 million in regulatory budget from IIJA. We have not received a response.

Congress’s message on regulatory streamlining has been clear: more efficient permitting processes support better environmental outcomes.

Question 11.a. How did the Corps spend that \$160 million? Did it go toward making a gain on the backlog, or were there any long-term investments to support a more efficient regulatory program?

ANSWER. A response was not received at the time of publication.

Question 11.b. How is the Corps using technology—including online permitting processes (originally required by WRDA 2007, with additional requirements in WRDA 2022)—to support better processes?

ANSWER. A response was not received at the time of publication.

Regarding the Mississippi River Gulf Outlet:

Question 12. Last year, we reaffirmed that the restoration of MRGO is fully a federal responsibility. This issue continues to serve as an unkept promise to South Louisiana following Hurricane Katrina.

What specifically is USACE proposing to do this upcoming fiscal year on this project and how much more funding and time will be needed to complete the project?

ANSWER. A response was not received at the time of publication.

**QUESTIONS FROM HON. MIKE BOST TO HON. MICHAEL L. CONNOR,
ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS, DEPARTMENT OF THE ARMY**

Question 1. Are you aware that no other federal agency can provide the data that Institute of Water Resources and Waterborne Commerce Statistics Center provides?

ANSWER. A response was not received at the time of publication.

Question 2. Were you aware that the Waterborne Commerce Statistics Center is operating on a 1990's MS DOS computer system?

ANSWER. A response was not received at the time of publication.

Question 3. Are you aware that the system experienced a 3-month meltdown in 2022, resulting in the delay of data available for healthy investment decisions?

ANSWER. A response was not received at the time of publication.

Question 4. Is there an identified path forward for modernization of the computer systems?

ANSWER. A response was not received at the time of publication.

QUESTIONS FROM HON. BRIAN J. MAST TO HON. MICHAEL L. CONNOR, ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS, DEPARTMENT OF THE ARMY

Question 1. Are there any updates on how harmful algal blooms (HABs) impact health for nearby residents?

ANSWER. A response was not received at the time of publication.

Question 2. What is the latest on HAB predictive models you are developing?

ANSWER. A response was not received at the time of publication.

Question 3. There was a test above the federal recording requirement level at S-308 on 6/15/2023. Did you record this?

ANSWER. A response was not received at the time of publication.

Question 4. Why did no water flow from S-308 until 22nd of January?

ANSWER. A response was not received at the time of publication.

Question 5. Why did you stop discharges from S-308 on February 27th?

ANSWER. A response was not received at the time of publication.

Question 6. Why did you stop flowing water from S-308 on April 15th?

ANSWER. A response was not received at the time of publication.

Question 7. Why did you increase discharges from S-308 in May?

ANSWER. A response was not received at the time of publication.

Question 8. Why were overall discharges from Lake Okeechobee in March 57% higher than previous months despite inflows being 44% less that month?

ANSWER. A response was not received at the time of publication.

QUESTION FROM HON. GARRET GRAVES TO HON. MICHAEL L. CONNOR, ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS, DEPARTMENT OF THE ARMY

Regarding 3x3 studies:

Question 1. The ability of the Corps to deliver a comprehensive feasibility study for \$3 million has been constrained by inflation.

Secretary Connor, what should Congress be doing to streamline requirements of the 3x3 and ensure they can be delivered on-time and on-budget?

ANSWER. A response was not received at the time of publication.

QUESTIONS FROM HON. PATRICK RYAN TO HON. MICHAEL L. CONNOR, ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS, DEPARTMENT OF THE ARMY

Question 1. Mr. Connor, President Biden's Executive Order 14603, issued February 4, 2023, requires the use of Project Labor Agreements for federal construction projects over \$35 million, which builds upon 75 FR 19168.

Question 1.a. Does the U.S. Army Corps plan to follow the guidelines set in 75 FR 19168, which encourages the use of PLAs where the cost of the project to the U.S. government is valued at \$25 million or more for the Lincoln Hall Repair, Building 607 at the United States Military Academy at West Point?

ANSWER. A response was not received at the time of publication.

Question 1.b. Does the USACE plan on using PLAs for any additional construction projects over \$25 million?

ANSWER. A response was not received at the time of publication.

Question 1.c. If not, why does the USACE not plan on following the encouraged guidance?

ANSWER. A response was not received at the time of publication.

QUESTION FROM HON. MIKE BOST TO MAJOR GENERAL WILLIAM H. “BUTCH” GRAHAM, DEPUTY CHIEF OF ENGINEERS AND DEPUTY COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS

Question 1. As the T&I Committee is considering funding levels for the U.S. Army Corps activities for FY24, this Committee has asked for a report of all operation and maintenance backlog of projects within the Corps. This ‘request’ was directed in Section 1154(a) of WRDA 2018 with the first report due in 2020. Why has the report not been filed and do you expect to produce this report within adequate time for this committee to make healthy funding considerations?

ANSWER. A response was not received at the time of publication.

QUESTION FROM HON. DOUG LAMALFA TO MAJOR GENERAL WILLIAM H. “BUTCH” GRAHAM, DEPUTY CHIEF OF ENGINEERS AND DEPUTY COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS

Question 1. General Graham, in California’s First Congressional District, project work along the Feather River in the Sutter Basin has resulted in excess credits. In partnership with the California Department of Water Resources, the Sutter Butte Flood Control Agency (SBFCA) is working to utilize these excess credits by transferring them to another project in the State. This transfer is in-line with Congressional intent from previous WRDA bills in 2014 and 2016. The goal here is for us to have an executed project partnership agreement amendment by May of 2024—which might seem like a far way off, but I know you are well aware of the long timelines for each step of a project.

Can you and General Spellmon commit to assisting my office and SBFCA to make sure we can stay on track, hit the project milestones, and get an executed PPA by next May?

ANSWER. A response was not received at the time of publication.

QUESTIONS FROM HON. GARRET GRAVES TO MAJOR GENERAL WILLIAM H. “BUTCH” GRAHAM, DEPUTY CHIEF OF ENGINEERS AND DEPUTY COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS

Regarding Morganza to the Gulf:

Question 1. Maj. Gen. Graham, as you heard during a recent visit to Louisiana, a pivotal strategy to reducing the cost of constructing the Morganza to the Gulf system is to allow for borrow material to be sourced from local resources. This drives down cost by providing ample opportunities to identify materials.

Maj. Gen. Graham, are you committed to providing the requisite flexibilities regarding borrow material sourcing for this critical project? What is USACE doing to provide these flexibilities?

ANSWER. A response was not received at the time of publication.

Regarding Southwest Coastal:

Question 2. Now that a Project Partnership Agreement has been signed for the Southwest Coastal project, will USACE prioritize providing funding to the NER project component? Will USACE consider shifting allocated funding to see a better balance between addressing the NED and NER?

ANSWER. A response was not received at the time of publication.

Regarding Permanent Canal Closures & Pumps:

Question 3. USACE has responded quickly and transparently to the corrosion issues identified within the Permanent Canal Closures & Pumps in the New Orleans HPS.

Maj. Gen. Graham, can you detail to this Committee what funds the USACE has available this fiscal year to address the issues in the immediate to ensure pumps work during hurricane season and for next fiscal year to implement a permanent fix?

ANSWER. A response was not received at the time of publication.

Regarding Mitigation Banking Delays:

Question 4. Compensatory mitigation through approved mitigation banks and in-lieu fee programs, as opposed to applicants performing their own mitigation, is supposed to substantially decrease the time it takes for USACE to approve Clean Water Act Section 404 permits—while ensuring high quality environmental outcomes. However, a recent analysis of timelines associated with decisions for mitigation banking instruments indicates USACE is taking years to approve them—on average, 1.5 times longer than the 225 day requirement. This delay negates the Corps’ ability to take advantage of this tool to increase permitting efficiency. What is USACE doing to remedy the delay in mitigation banking Instrument approval?

ANSWER. A response was not received at the time of publication.

Regarding Permitting Technologies:

Question 5. It is our understanding USACE is working on the development of an electronic joint application permitting system. When do you anticipate the system being online and what are the anticipated benefits of the system? For example, will the system allow for electronic submission of Clean Water Act Section 404 permit applications or supporting documents such as jurisdictional wetland delineations or mitigation banking and in-lieu fee instruments?

ANSWER. A response was not received at the time of publication.

Question 6. Are there other ways USACE is embracing the use of new technology in Section 404, or other, permitting work or allowing applicants or mitigation providers to make use of new technology?

ANSWER. A response was not received at the time of publication.

QUESTION FROM HON. EMILIA STRONG SYKES TO MAJOR GENERAL WILLIAM H. “BUTCH” GRAHAM, DEPUTY CHIEF OF ENGINEERS AND DEPUTY COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS

Question 1. In response to Representative Scholten’s question during the hearing asking how much FY24 funding for the Corps’ Soo Lock project capability for FY24 would be required to fund construction contract options that are set to expire by the end of FY24, you responded by saying that the USACE could expend all of the difference between the requested amount and the capability amount during FY24 if funded.

Since this response didn’t really answer Representative Scholten’s question, please tell us how much FY24 funding for the Soo Lock project would be needed to fully fund all construction contract options that expire by the end of FY24 so the price for those options would not have to be renegotiated?

ANSWER. A response was not received at the time of publication.

QUESTIONS FROM HON. DAVID ROUZER TO JEFFREY J. LYASH, PRESIDENT AND CHIEF EXECUTIVE OFFICER, TENNESSEE VALLEY AUTHORITY

Question 1. Please describe TVA’s energy strategy on long-term grid dependability.

ANSWER. The Tennessee Valley Authority (TVA) maintains one of the largest, most diverse, reliable and cleanest generation systems in the nation. We are committed to maintaining the characteristics of this system as we work to meet rising customer expectations, electrification and economic growth. After nearly a decade of flat growth, we are experiencing unprecedented increases in electric load across the TVA service territory.

To meet this new growth in the region, we are aggressively investing in generation—solar, gas, energy storage, and nuclear—and working with industry and local power companies on demand response efforts and expanded energy efficiency programs. We are currently building more than 3,800 MWs of new generation that includes solar, energy storage, combustion turbines and combined-cycle natural gas. This is enough power to serve as many as 2 million homes and helps TVA maintain reliability.

Additionally, we plan to invest \$2.8 billion in transmission system improvements between 2023–2027, including our new state-of-the-art Primary System Operations Center (SOC). The new SOC will employ smart technologies to manage power grid

operations more reliably and efficiently. The center's energy management system will provide more flexibility by integrating and monitoring distributed energy resources (small-scale resources that connect to the power grid at individual locations) and demand response (which enables customers to shift electricity usage to non-peak hours in return for incentives). The SOC also will feature robust security systems to ensure our assets are protected from everything from cyberattack to an electromagnetic pulse. It is expected to open in 2024.

TVA also works directly with its 153 local power companies (LPCs) to advance grid reliability for the future. For example, the Regional Grid Transformation (RGT) initiative is a collaboration between LPCs and TVA to transform the power grid into a more resilient, flexible and integrated system to meet customer expectations and changing world conditions. Working together, the partnership can understand and implement the grid-related initiatives necessary to address current and future needs of the TVA service region.

The RGT released a Strategic Roadmap¹ in August 2022 which highlights the regional opportunities and capabilities needed to achieve grid transformation, and it also released a Tactical Roadmap² in April 2023 which highlights the individual actions and anticipated timelines of example tactical roadmaps from LPCs and TVA.

TVA's Integrated Resource Plan (IRP)³ serves as a compass for how to best meet forecasted energy demand in the coming decades. The comprehensive study includes TVA describing resource needs, policy goals, physical and operational constraints, risks, and proposed resource choices. The IRP process is critical in ensuring we are seeking input from our customers, stakeholders, and the public in preparing energy options to serve the Valley long term.

The most recent IRP was completed in 2019 and has served as the basis for TVA's asset strategy over the course of the past four years. In recognition of the pace of change occurring in our industry and the dynamic growth we are experiencing in the Valley, we launched our next IRP this year, and it is slated to be complete in 2024. We are exploring options for future power generation with a focus on innovation, reliability, resiliency and environmental stewardship.

The stability of our regional economies and the lives of the people we serve depend on a safe, secure energy supply, and TVA is committed to an energy strategy that provides long term grid dependability.

Question 2. How does TVA's debt compare to other private utilities and Federal Power Marketing Administrations in the United States?

ANSWER. TVA works to fulfill its mission of supplying low-cost and reliable energy, providing environmental stewardship, and stimulating economic development while effectively managing debt and living within its means. In achieving its mission while following sound financial principles, TVA generally uses financing to fund capital investments for new generation capacity and environmental controls. TVA's use of debt allows it to spread the costs of capital investments over the lifetime of those investments, rather than charging existing customers the entire costs of these investments up-front. In addition, bonds and notes are generally the lowest-cost form of financing available to TVA, making them the most fiscally responsible choice for our ratepayers.

TVA has the authority per the TVA Act to issue bonds, notes, and other evidence of indebtedness subject to a \$30 billion limit, sometimes referred to as TVA's statutory debt limit. While the \$30 billion limit on bonds and notes has not been raised since 1979, TVA's business and operations have continued to grow along with the power needs of the Tennessee Valley. Since 1979, TVA has increased its total assets from \$13 billion to \$51 billion as of September 30, 2022. With growing power demand across the TVA service territory, there will be a need for additional investment in assets in the near-term. Other public power entities with statutory debt limits have experienced similar changes to their systems and needs. For example, Bonneville Power Administration (BPA), a large federal power marketer, recently received a \$10 billion increase to its borrowing authority with the U.S. Treasury.

It is important to note that TVA borrows in the public capital markets, and TVA's bonds are not guaranteed by the federal government. TVA's bonds and notes do not count against US Treasury borrowing limits, and new bonds would not burden the US Treasury's borrowing needs.

¹ https://tva-azr-eastus-cdn-ep-tvawcm-prd.azureedge.net/cdn-tvawcma/docs/default-source/energy/technology-innovation/connected-communities/rgt-strategic-roadmap-june.pdf?sfvrsn=94b984c_1

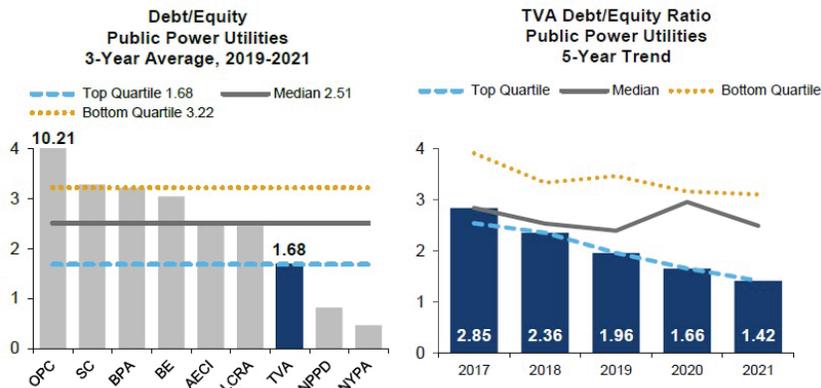
² https://tva-azr-eastus-cdn-ep-tvawcm-prd.azureedge.net/cdn-tvawcma/docs/default-source/energy/technology-innovation/connected-communities/rgt-tactical-roadmap.pdf?sfvrsn=2ed18c87_1

³ <https://www.tva.com/environment/environmental-stewardship/integrated-resource-plan/2019-integrated-resource-plan>

TVA serves a critical role in the nation’s infrastructure, with the responsibility of managing the Tennessee River system, and functioning as the largest public power provider in the US, supplying power to 10 million people, businesses and industries in the seven-state Tennessee Valley region. TVA also operates the third largest operator of nuclear power plants in the U.S., performs an important role in supporting national defense and executes a crucial part in maintaining the reliability of the eastern power grid.

Despite TVA’s large size and scope, financial comparisons show that TVA does not use more financing to fund its power system investments than public or private peer utilities. In fact, TVA’s debt levels are low in comparison to other public power utilities. Comparing the debt-to-equity ratios of TVA and public utility peers, TVA’s ratio of 1.68 is among the lowest (see Figure 1). Since 2018, TVA’s debt/equity ratio has been at or near top quartile among this peer group.

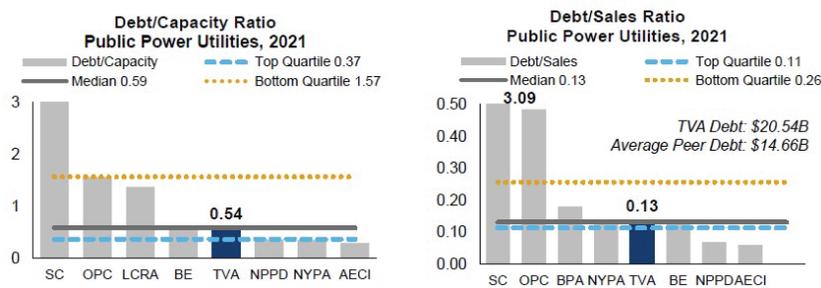
Figure 1



Source: 10-K filings and Bloomberg

TVA’s debt levels also perform well among public power peers in comparisons of debt to capacity and debt to total sales. Though TVA is a much larger entity, both ratios are generally better. (See Figure 2)

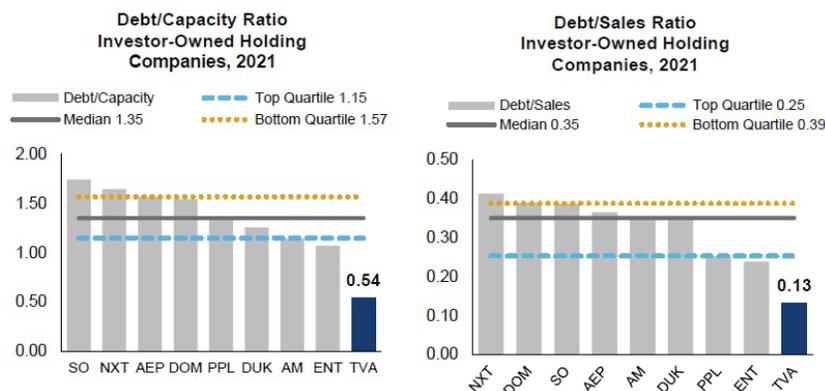
Figure 2



Source: 10-K filings and S&P Global

As compared to investor-owned utilities, TVA compares even more favorably, with the lowest debt to capacity and debt to sales ratios as compared to regional peer holding companies (see Figure 3).

Figure 3



Source: 10-K filings and S&P Global

TVA's balance of total financing obligations ("TFOs"), which includes statutory debt and other financing obligations, decreased by \$0.2 billion in FY 2022. This reduction, which follows a FY 2021 reduction of \$0.9 billion, has allowed TVA to achieve its lowest debt level in over 30 years. As of September 30, 2022, TVA had \$19.3 billion of bonds and notes outstanding.

TVA's strong financial health enables access to low-cost debt financing for future investments in the power system. TVA is committed to its statutory mission to provide power rates as low as feasible, in part, through its use of the statutory debt authority, but it is also bounded by that same debt limit. As the Tennessee Valley region continues to experience growth at six times the national average due to in-migration, on-shoring of domestic manufacturing, and electrification, extensive new capital investments in generating capacity and environmental controls will be necessary. As discussed, it would be most prudent to utilize low-cost financing for these future investments if TVA's borrowing ability were to allow for this option.

Question 3. As TVA looks to the future of its power generation system, what is the contribution of your existing nuclear fleet to your asset planning?

ANSWER. Nuclear power is the best option for generating large amounts of electricity that's safe, clean, reliable, and cost-effective—allowing us to keep our rates competitive and reliability high.

TVA operates the nation's third-largest nuclear fleet, which meets approximately 40% of the energy needs of TVA's service territory. TVA operates seven nuclear plants at three sites, which generate enough low-cost, clean, and reliable energy to power about a third of our customers—more than 4.5 million homes and businesses.

Question 3.a. How are you also building in new nuclear energy technologies?

ANSWER. TVA continues to evaluate emerging nuclear technologies, including small modular reactors, as part of technology innovation efforts aimed at developing the energy system of the future. While TVA actively works to extend the life of our existing reactors, we are also taking steps to be able to add next-generation nuclear power, such as advanced light water small modular reactors (SMRs) and advanced non-light water reactors, to the TVA portfolio. TVA's goal is to identify an economically viable advanced nuclear technology to generate carbon-free electricity in the 2030s and beyond.

In February 2022, TVA's Board of Directors announced the launch of TVA's New Nuclear Program and approved up to \$200 million to explore advanced reactor technology options to help meet its clean energy goals. The New Nuclear Program provides a disciplined, systematic roadmap for TVA's exploration of advanced nuclear technology, both in terms of various reactor designs being proposed and potential locations where such facilities may be needed in the region to support future energy needs—as outlined in TVA's Strategic Intent and Guiding Principles.⁴

⁴TVA, Strategic Intent and Guiding Principles, <https://tva-azr-eastus-cdn-ep-tvawcm-prd.azureedge.net/cdn-tvawcma/docs/default-source/about-tva/board-of-directors/may-6-2021/strategic-plan-documentc67079e2-d479-4f3d-a13b-1fa6fd714cde.pdf>.

TVA's New Nuclear Program is looking at a variety of advanced nuclear technology options that might help meet both our near- and long-term generation needs including SMRs. SMRs are advanced reactors, such as the BWRX-300, with an electric generating capacity of up to 300 MW, in contrast to an average of about 1,000 megawatts for existing commercial reactors. Some SMR designs, such as the BWRX-300, use elements of proven technology and new innovations that simplify construction, maintenance, and operations to achieve a cost efficient and reliable design. These designs can also leverage the existing nuclear supply chain, including fuel supply, to increase cost effectiveness and reduce risk.

TVA has the nation's first early site permit for SMRs from the Nuclear Regulatory Commission (NRC) for the Clinch River Nuclear Site in Roane County, Tennessee. Advanced reactor designs under evaluation for the Clinch River Site Advanced Nuclear Technology Park include both light-water and non-light-water cooled reactors, with more than a dozen vendors providing TVA detailed information to support the Programmatic Environmental Impact Statement. Light-water reactor technology is considered most ready for deployment near-term. TVA's New Nuclear Program is preparing an NRC construction permit application for a BWRX-300, small modular reactor at the Clinch River Nuclear Site, subject to required environmental reviews and Board approval.

TVA's efforts are supporting a path from first-of-kind technology deployment to cost effective commercial deployment at scale, but additional support and collaboration will be needed.

Question 3.b. What are the benefits of nuclear to your generation system, especially in times of increasing electrification and demands in your system?

ANSWER. Nuclear energy is carbon-free and can run 24/7. It plays a critical role in generating power that is both reliable and affordable for the 153 local power companies and 57 industrial customers that TVA serves. Last year alone, TVA had three nuclear units that ran consecutively from one refueling outage to the next (between 18 and 24 months depending on the technology), providing megawatts to the grid 24/7 during that time.

Carbon-free nuclear is essential to our energy supply as we work to electrify the economy, drive down customer costs and eliminate emissions. Advanced nuclear technologies, like small modular reactors (SMRs), have the versatility to serve as baseload power or as a complement to renewables.

Question 4. The Committee has discussed the risks of China and other countries surpassing the United States in critical technology areas, such as nuclear.

Question 4.a. Can you describe the importance of deploying technologies successfully at home before competing in global markets?

ANSWER. Deploying SMR technology successfully in the U.S. will position the U.S. to compete with foreign adversaries by deploying civil nuclear technology internationally, including by establishing the supply chain for exports. Russian, and increasingly Chinese, technologies are outcompeting the U.S. for deployment of nuclear energy technologies on the international market. The risks of being outcompeted are not limited to commercial competition but extend to U.S. geopolitical and national security interests. Each new nuclear plant is a firm lever of influence for our adversaries that lasts for the 80–100-year life of a nuclear plant. What is more, the country exporting the technology is able to drive the safety and security standards of the various components.

Building a North American or nationally centered supply chain promotes energy security and drives U.S. innovation and economic growth. TVA is already working within an international collaboration agreement to advance the design of the BWRX-300, which could result in further global deployment of the technology with the supply chain based in North America.

Question 4.b. How is TVA helping to enable deployment of new nuclear technology domestically?

ANSWER. TVA is well positioned to serve as a catalyst that launches widespread adoption of new nuclear generation III+ technology that will serve as a flexible, reliable, scalable source of clean energy benefiting our customers and all Americans. As highlighted in the Department of Energy's Pathways to Commercial Liftoff: Advanced Nuclear report, deliberate action by both the public and private sectors is needed now to advance new nuclear U.S. industry growth and increase national security and economic competitiveness. Utilities are ready and capable of building and operating nuclear power plants, positioning the utility industry at the forefront of facilitating the commercial deployment of new nuclear technology. Multiple new technologies will likely emerge as viable over the next several decades, and Genera-

tion IV reactors will play an important role in nuclear deployments in the longer term.

In the near-term, advanced Generation III+ new nuclear technologies are the most likely to immediately unlock domestic industry growth and international exports. TVA has taken significant steps to be a first mover in deploying Generation III+ technology through its Clinch River Nuclear (CRN) Project near the Department of Energy Oak Ridge Reservation in Roane County, Tennessee. These steps include:

- Securing the nation's first and only NRC early site permit for an SMR at the CRN Site.
- Establishing a new nuclear program approved by the TVA Board of Directors and supported by a \$200 million investment.
- Working toward an NRC construction permit application for a BWRX-300 SMR at the CRN Site, the submission of which is subject to required environmental reviews and Board approval.
- Developing a contractual Integrated Project Delivery Model (IPD), an industry success model based on lessons learned to ensure shared accountability and support the delivery of projects on time and on budget consistent with the DOE Liftoff report and Electric Power Research Institute standards.
- Conducting a study to identify locations beyond the CRN Site that may be suitable for future SMR deployment using guidance from EPRI's Advanced Nuclear Technology Siting Guide.
- Collaborating with federal and state partners to ensure the Tennessee Valley area supports the workforce and supply chain needs of new nuclear technology commercialization to position the region and United States as a global industry leader.

TVA has also joined with GE Hitachi Nuclear Energy (GEH), Ontario Power Generation (OPG) in Canada, and Synthos Green Energy (SGE) in Poland in a historic investment of around \$400 million to enable the kind of innovations necessary to develop the first GEH BWRX-300 small modular reactors for the US, Canada and Poland. This is a historic partnership that spans three countries and two continents. By collectively investing in the development of the BWRX-300 standard design and the detailed design for key components of the reactor, we are utilizing our partnership to reduce risk and enable a faster and more cost-effective deployment of new nuclear technology in the U.S. and throughout the world.

TVA has taken these significant steps because we believe advanced nuclear technologies will play a critical role in our region and our nation's drive toward energy security and a clean energy future—focusing on reliability, affordability, resiliency and sustainability. Using light water technology, such as that in the GEH BWRX-300 SMR design, builds on the success of earlier light water technology and has significant innovations but fewer first-of-a-kind features, which should greatly improve reliability while minimizing new risks. Existing boiling water reactor (BWR) technologies have a mature supply chain that could support the development of new BWR technologies. Moreover, TVA brings BWR operating experience to the partnership, and the expertise from completing the construction and safe commercial online operation of Watts Bar Unit 2 in 2016.

To enable deployment of new nuclear technology domestically, an SMR must be successfully licensed, constructed, and operationalized in the United States, and the right partnerships need to be in place to quickly capitalize on the opportunity to deploy additional units. TVA is laying the groundwork to be a first mover, but bringing a domestic first-of-a-kind (FOAK) SMR technology online is inherently expensive and comes with unique costs. Any first utility mover will need direct investment in the first units to offset first-of-a-kind costs and decrease uncertainties and risks to help enable fast followers. Waiting to deploy the technology will only make deployment more expensive; DOE estimates that waiting just a decade to launch will increase costs by as much as 50%.⁵

At a pivotal moment where we have the opportunity to reshape the future of American energy with Generation III+ new nuclear, TVA is putting the necessary parts in place to serve as the catalyst that launches widespread adoption of this carbon-free energy source. TVA looks forward to keeping the Committee updated on progress at the Clinch River Nuclear Site and discussing federal support opportunities to enable domestic deployment at commercial scale.

⁵U.S. Department of Energy, Pathways to Commercial Liftoff: Advanced Nuclear, page 2.

QUESTIONS FROM HON. DAVID ROUZER TO ADAM TINDALL-SCHLICHT,
ADMINISTRATOR, GREAT LAKES ST. LAWRENCE SEAWAY DEVELOP-
MENT CORPORATION, U.S. DEPARTMENT OF TRANSPORTATION

Question 1.a. How does GLS work with its Canadian counterpart, the St. Lawrence Seaway Management Corporation, to manage the locks of the Seaway?

Question 1.b. Does Canada pay its expected share and maintain its sections of the system properly?

ANSWER to 1.a. & 1.b. The St. Lawrence Seaway was built in the 1950s as a binational partnership between the United States and Canada through international agreements that carry the weight of treaties and continues to operate in that manner. Administration of the binational waterway is shared by two entities, the GLS in the United States and the Canadian St. Lawrence Seaway Management Corporation (SLSMC), a not-for-profit corporation established by the Government of Canada in 1998.

The two Seaway corporations communicate regularly at every organizational level, to include the intentional integration of operational efforts and collaboration on policy making. The geography of the St. Lawrence Seaway necessitates this close collaboration as vessels transiting from Montréal to Lake Ontario cross the international boundary 27 times. Both Seaway corporations also continue to meet regularly to strategize and develop joint initiatives to address four common objectives: to manage the waterway as one seamless system for its customers; to increase trade; to improve economic competitiveness; and to increase customer satisfaction. The St. Lawrence Seaway has been a model of binational cooperation for more than 60 years.

The GLS operates and maintains its two locks in Massena, N.Y., with appropriated funding. The SLSMC charges tolls to Seaway commercial users to fund the operations and maintenance of its 13 locks, which include five locks on the St. Lawrence River and eight locks at the Welland Canal connecting Lakes Ontario and Erie. The St. Lawrence Seaway has a historical reliability rate of 99 percent due largely to funding levels being sufficient to properly operate and maintain the locks and channels of the binational waterway and address infrastructure renewal.

Question 2. As a wholly owned Federal government corporation, GLS possesses certain powers uncommon to most Federal agencies. These include the ability to generate non-federal revenues, own and sell real property, borrow money, and make and carry out certain contracts or agreements necessary in the conduct of its business.

Question 2.a. How have these authorities made GLS operations more efficient?

Question 2.b. Are there any additional opportunities available to GLS to increase its non-Federal revenues to help meet the growing costs of Seaway operations?

ANSWER to 2.a. & 2.b. Like most Federal government corporations, the GLS performs a business-like function in the public interest. As such, government corporations are given expanded authorities to generate funding to address unexpected or unplanned operational and preventative maintenance needs. This flexibility has allowed the GLS to fund necessary operational and infrastructure projects to maintain its near-perfect reliability rate.

Since its creation in 1954, the GLS has generated offsetting collections primarily from rental payments of tenants at its facilities in Massena, N.Y., pleasure craft tolls, concession operations, and interest payments from its investments in the government's Minority Bank Deposit Program. The GLS has not identified any additional opportunities to increase future offsetting collections. It is worth noting that beginning in FY 2024, the GLS will no longer generate rental payments as its final tenant at the Administration Building relocates to another location in New York State.