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OROVILLE-TONASKET UNIT EXTENSION OF THE
CHIEF JOSEPH DAM PROJECT

GOVERNMENT

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DOCUMENTS

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HEARING

BEFORE THE

SUBCOMMITTEE ON
ENERGY RESEARCH AND WATER RESOURCES

OF THE

COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS

UNITED STATES SENATE

NINETY-FOURTH CONGRESS

SECOND SESSION

ON

S. 3283

A BILL TO AUTHORIZE THE SECRETARY OF THE INTERIOR
TO CONSTRUCT, OPERATE, AND MAINTAIN THE OROVILLE-
TONASKET UNIT EXTENSION, OKANOGAN-SIMILKAMEEN
DIVISION, CHIEF JOSEPH DAM PROJECT, WASHINGTON,
AND FOR OTHER PURPOSES

MAY 5, 1976

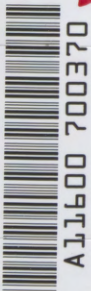


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REPORT

The following report was prepared by the Committee on the part of the Board of Directors of the American Association of Economic Geologists, and is published for the information of the members of the Association.

REPORT OF THE COMMITTEE ON THE PART OF THE BOARD OF DIRECTORS OF THE AMERICAN ASSOCIATION OF ECONOMIC GEOLOGISTS

The Committee on the part of the Board of Directors of the American Association of Economic Geologists, has the honor to acknowledge the receipt of the report of the Committee on the part of the Board of Directors of the American Association of Economic Geologists, and to publish the same for the information of the members of the Association.

OROVILLE-TONASKET UNIT EXTENSION OF THE CHIEF JOSEPH DAM PROJECT

WEDNESDAY, MAY 5, 1976

U.S. SENATE,
SUBCOMMITTEE ON ENERGY RESEARCH AND
WATER RESOURCES, OF THE COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 9 a.m., Hon. Henry M. Jackson, chairman, presiding.

Present: Senator Jackson.

Also present: Daniel A. Dreyfus, deputy staff director for legislation and Russell R. Brown, professional staff member.

OPENING STATEMENT OF HON. HENRY M. JACKSON, A U.S. SENATOR FROM THE STATE OF WASHINGTON

The CHAIRMAN. The subcommittee will come to order. The purpose of this hearing before the Energy Research and Water Resources Subcommittee is to take testimony on S. 3283, a bill introduced by me and cosponsored by Senator Magnuson, which would authorize the Secretary of the Interior to construct, operate, and maintain the Oroville-Tonasket unit extension of the Chief Joseph Dam project.

Let me say that I am personally familiar with the existing Oroville-Tonasket reclamation project and the great need for this legislation. I have been to the Okanogan Valley many times, and I have personally discussed the problems associated with the existing project facilities with local orchardists and officers of the Oroville-Tonasket Irrigation District.

The history of the district and irrigation in the area goes back to the early 1900's. Unfortunately, much of the present irrigation system also dates back to that time and that is the reason for my introduction of S. 3283. The present system delivers water to about 10,000 acres of productive apple orchards which are the mainstay of the area's economy. However, the existing irrigation system is not reliable and should the system fail during a critical time in the irrigation season, the effect on the economy would be disastrous.

S. 3283 would authorize the replacement of the existing water delivery facilities with modern pumps and pipe replacing wooden flumes and open ditches. Not only would the reliability of the system be improved, there would be other benefits as well, such as water conservation and fishery enhancement.

Certainly one of the more imaginative aspects of the proposed plan of development is the opening up of 40 miles of stream for anadromous fish propagation.

I can say without qualification this is a good project, and I am pleased that representatives of the Oroville-Tonasket Irrigation District are with us today. You are most welcome.

The text of S. 3283 will appear in the record at this point.

[The text of S. 3283 follows:]

IN THE SENATE OF THE UNITED STATES

APRIL 9, 1976

Mr. JACKSON (for himself and Mr. MAGNUSON) introduced the following bill; which was read twice and referred to the Committee on Interior and Insular Affairs

A BILL

To authorize the Secretary of the Interior to construct, operate, and maintain the Oroville-Tonasket unit extension, Okanogan-Similkameen division, Chief Joseph Dam project, Washington, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That (a) for purposes of supplying water to approximately
- 4 ten thousand acres of land and for enhancement of the fish
- 5 resource of the Similkameen, Okanogan, and Columbia
- 6 Rivers and the Pacific Ocean, the Secretary of the Interior
- 7 (hereinafter referred to as the "Secretary") is authorized
- 8 to construct, operate, and maintain the Oroville-Tonasket
- 9 unit extension, Okanogan-Similkameen division, Chief Joseph

1 Dam project, Washington, in accordance with the Federal
2 reclamation laws (Act of June 17, 1902, 32 Stat. 388,
3 and Acts amendatory thereof or supplementary thereto).
4 The principal works of the Oroville-Tonasket unit extension
5 (hereinafter referred to as the project) shall consist of pump-
6 ing plants, distribution systems; necessary works incidental
7 to the rehabilitation or enlargement of portions of the exist-
8 ing irrigation system to be incorporated in the project; drain-
9 age works; and measures necessary to provide fish passage
10 and propagation in the Similkameen River. Irrigation works
11 constructed and rehabilitated by the United States under the
12 Act of October 9, 1962 (76 Stat. 761), and which are not
13 required as a part of the project shall be dismantled and re-
14 moved with funds appropriated hereunder and title to the
15 lands and right-of-way thereto which were conveyed to the
16 United States shall be reconveyed to the Oroville-Tonasket
17 Irrigation District. All other irrigation works which are a
18 part of the Oroville-Tonasket Irrigation District's existing
19 system and which are not required as a part of the project
20 or that do not have potential as rearing areas for fish shall
21 be dismantled and removed with funds appropriated here-
22 under.

23 SEC. 2. The Secretary is authorized to terminate the
24 contract of December 26, 1964, between the United States
25 and the Oroville-Tonasket Irrigation District and to execute

1 new contracts for the payment of project costs, including
2 the then unpaid obligation under the December 26, 1964,
3 contract. Such contracts shall be entered into pursuant to
4 section 9 of the Act of August 4, 1939 (53 Stat. 1187),
5 The term of such contract shall be fifty years, exclusive
6 of any development period authorized by law. The contracts
7 for irrigation water may provide for the assessment of an
8 "account charge" for each identifiable ownership receiving
9 water from the project. Such charge, together with the
10 acreage or acre-foot charge, shall not exceed the repay-
11 ment capacity of commercial family-size farm enterprises
12 as determined on the basis of studies by the Secretary. Proj-
13 ect construction costs covered by contracts entered into pur-
14 suant to section 9 (d) of the Act of August 4, 1939, as
15 determined by the Secretary, and which are beyond the
16 ability of the irrigators to repay shall be charged to and re-
17 turned to the reclamation fund in accordance with the pro-
18 visions of section 2 of the Act of June 14, 1966 (80 Stat.
19 200), as amended by section 6 of the Act of September 7,
20 1966 (80 Stat. 707).

21 SEC. 3. Power and energy required for irrigation water
22 pumping for the project, including existing irrigation works
23 retained as a part of the project, shall be made available by
24 the Secretary from the Federal Columbia River power sys-
25 tem at charges determined by him,

1 SEC. 4. The provision of lands, facilities, and any proj-
2 ect modifications which furnish fish and wildlife benefits in
3 connection with the project shall be in accordance with the
4 Federal Water Project Recreation Act (79 Stat. 213) as
5 amended. All costs allocated to the anadromous fish species
6 shall be nonreimbursable.

7 SEC. 5. For a period of ten years from the date of en-
8 actment of this Act, no water from the project authorized by
9 this Act shall be delivered to any water user for the produc-
10 tion on newly irrigated lands of any basic agricultural com-
11 modity, as defined in the Agricultural Act of 1949 (63 Stat.
12 1051; 7 U.S.C. 1421), or any amendment thereof, if the
13 total supply of such commodity for the marketing year in
14 which the bulk of the crop would normally be marketed is
15 in excess of the normal supply as defined in section 301 (b)
16 (10) of the Agricultural Adjustment Act of 1938 (62 Stat.
17 1251; 7 U.S.C. 1301), as amended, unless the Secretary of
18 Agriculture calls for an increase in production of such com-
19 modity in the interest of national security.

20 SEC. 6. The interest rate used for purposes of computing
21 interest during construction and, where appropriate, interest
22 on the unpaid balance of the reimbursable obligations as-
23 sumed by non-Federal entities shall be determined by the
24 Secretary of the Treasury, as of the beginning of the fiscal
25 year in which construction is initiated, on the basis of the

1 computed average interest rate payable by the Treasury
2 upon its outstanding marketable public obligations which are
3 neither due nor callable for redemption from fifteen years
4 from the date of issue.

5 SEC. 7. There is hereby authorized to be appropriated
6 for construction of the works and measures authorized by this
7 Act the sum of \$35,740,000 (January 1975 prices), plus
8 or minus such amounts, if any, as may be required by reason
9 of changes in the cost of construction work of the types in-
10 volved therein as shown by engineering cost indices. There
11 are also authorized to be appropriated such sums as may be
12 required for the operation and maintenance of the project.



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

MAY 4 - 1976

Dear Mr. Chairman:

This responds to your request for the views of this Department with respect to S. 3283, a bill "To authorize the Secretary of the Interior to construct, operate, and maintain the Oroville-Tonasket Unit Extension, Okanogan-Similkameen Division, Chief Joseph Dam Project, Washington, and for other purposes."

We are opposed to consideration of the bill at this time.

The proposed feasibility report on the Oroville-Tonasket Unit Extension is presently undergoing the 90 day review by Federal agencies, the Columbia River Basin States, and other interested entities. A draft environmental statement has been filed with the Council on Environmental Quality and also is under review. Until the final report has been reviewed and processed in accordance with established procedures and forwarded to the Congress, we are unable to make any recommendations with respect to the enactment of S. 3283.

We wish to stress the undesirability of commenting on, or making recommendations on, proposed legislation for reclamation projects before the related feasibility studies have been completed pursuant to statutory requirements. Until the feasibility report is completed and reviewed, we cannot make soundly based recommendations or comments. It is clearly important that statutory review requirements be followed so that affected States and other administrative agencies be given the opportunity to comment on our proposed feasibility report, and the report which we finally submit to the Congress reflects their views.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

Assistant

John Kyl
JOHN KYL
Secretary of the Interior

Honorable Henry M. Jackson
Chairman, Committee on
Interior and Insular Affairs
United States Senate
Washington, D. C.



The CHAIRMAN. I also have for the record a strong statement of support for S. 3283 from Senator Magnuson.

[The prepared statement of Senator Magnuson follows:]

STATEMENT OF HON. WARREN G. MAGNUSON, A U.S. SENATOR FROM THE STATE OF WASHINGTON

Mr. Chairman, I am certainly pleased to offer my personal strong support for quick passage of S. 3283, which you and I have co-sponsored in the Senate.

When I say quick passage, this is a reflection of how badly this legislation is needed by the people of the Okanogan Valley. The testimony by the Bureau of Reclamation and the representatives of the Oroville-Tonasket Irrigation District, Mr. Felt and Mr. Thayer, will provide the facts and numbers surrounding the project, but I would like to address myself to the human conditions.

As you know, up in the Okanogan Valley we have one of the finest apple producing areas in the United States. The people who have orchards there have established themselves over the past 50 years as some of the best farmers in the country. The early pioneers in the Valley saw the productive potential of fertile soils combined with hot summers. The only thing lacking was water. They joined together to bring water to their lands resulting in the highly productive family farms that fill the valley today.

Mr. Chairman, these farms support the Valley, the towns, the schools, the economy of a hard working community. But water is the lifeblood of those farms and that water supply is threatened. It takes years to bring an orchard to productivity, but only days to ruin an entire season's crop if there is no water. It has taken generations to establish the productive capability of the Okanogan Valley, but a season without water could destroy what has been handed down from father to son.

I am well aware of the cold hard facts of the Bureau of Reclamation's economic analysis of the proposed project and the favorable result of that analysis. But I would stress to you and the other members of the Committee, that analysis leaves out the human costs, should the existing irrigation system fail.

Mr. Chairman, I offer to you as a matter of record, my strongest personal support for this legislation.

The CHAIRMAN. Our first witness will be the Commissioner of the Bureau of Reclamation, Mr. Gilbert Stamm.

Mr. Stamm, we are delighted to have you with us. Do you have a prepared statement?

Commissioner STAMM. Yes, I do, Mr. Chairman.

The CHAIRMAN. You may wish to put the whole statement in the record, or summarize, whichever you wish.

STATEMENT OF HON. GILBERT G. STAMM, COMMISSIONER, BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR; ACCOMPANIED BY JAMES D. ELLINGBOE, CHIEF, DIVISION OF PLANNING; JOHN MANAGAN, REGIONAL PLANNING OFFICER, BOISE, IDAHO; AND JOHN ANDERSON

Commissioner STAMM. It is comparatively short. I think I can run through it in a short period of time. I would like to introduce those with me. Mr. James D. Ellingboe, on my right, the Chief of the Division of Planning, and on my left, Mr. John Mangan, Regional Planning Officer, from Boise, Idaho. And John Anderson is at the map to point out areas specifically to the chairman and to the committee.

We are appearing today to present the views of the Department of the Interior on S. 3283 which would authorize the Secretary of the Interior to construct, operate, and maintain the Oroville-Tonasket unit extension, Chief Joseph Dam project, Wash.

As indicated in the legislative report of May 4, 1976, the Department of the Interior opposes consideration of the bill until the feasibility report on the project is completed, approved by the administration, and forwarded to the Congress.

The report was prepared in accordance with established procedures and in March 1976 was approved by the Deputy Assistant Secretary for further processing. Currently, the report is undergoing a 90-day review by various Federal agencies, the Columbia River Basin States, and other interested entities in accordance with law. Upon completion of that review, the final report will be prepared and submitted to the Secretary for approval and transmittal to the President through the Office of Management and Budget for advice concerning the relationship of the unit to his program. Formal transmittal of the report to the Congress would follow that action.

Selection of a plan for improving irrigation to the 10,000-acre service area considered three basic approaches. First, consideration was given to rehabilitating the existing distribution system utilizing major conveyance facilities built during the 1968 reconstruction program and incorporating some new canal sections and open laterals. Second, an evaluation was made for replacement of the present system with a new pipe distribution system with the water-users providing their own sprinkler pressure. The third was a variation of the second in that it provided for project-supplied sprinkler pressure. Each approach showed economic justification; however, approach three showed greater net benefits.

If constructed, the Oroville-Tonasket unit extension, Chief Joseph Dam project, would replace the existing irrigation system serving 10,000 acres along the river between the towns of Oroville and Tonasket in north-central Washington. The system, which serves orchard lands principally, is in bad condition because of age, location with respect to chronic slide areas, and damaging effects of the 1972 flood. Water losses in the present system are about 40 percent. The economy of the Okanogan River Valley is based substantially on apple orchards which in turn are dependent on the irrigation water supply system. Several attempts to rehabilitate damaged portions of the system have not been effective as a permanent solution to the problem.

The potential project would serve the functions of irrigation and fishery enhancement. A total of 10,000 acres would receive water through a pipe distribution system operating with project supplied pressure for sprinkler irrigation. Of those lands, 9,320 acres are in the Oroville-Tonasket Irrigation District and the remaining 680 acres are now supplied from private sources, but under the plan would be added to the district. Six pumping plants, one on the Similkameen River and five on the Okanogan River, would lift water into eight adjacent closed-pipe distribution systems. Thirteen relift pumping plants would be required to provide sprinkler pressure. Existing irrigation facilities would be removed except for the upper Okanogan siphon and two short reaches of canal which would be incorporated in the new distribution system. The initial 2½-mile unlined section of the existing main canal also would be retained as it may have potential as fish rearing habitat. Power for irrigation pumping would be obtained from the Federal Columbia River power system and would be wheeled to project installations over facilities of the Okanogan County Public

Utility District. Drainage facilities would be installed on agricultural lands as the need arises and as described in the report and would be federally funded.

In the course of the investigation, State and Federal fish resource management agencies identified potential opportunities for enhancement of coho and Chinook salmon and steelhead trout fisheries. As a result, provision for fish passage at Enloe Dam on the Similkameen River to open up new anadromous fish spawning and rearing areas and a fish stocking program are incorporated in the development plan.

Alternatives for providing passage at Enloe Dam include dam laddering or dam removal. Economic costs for the two alternatives are similar. Dam removal would provide unrestricted fish passage and return the Similkameen River to free-flowing status. Although that alternative has been used in evaluating the fishery function, we expect that both the laddering and removal alternatives would be reevaluated prior to construction to take advantage of any related technological advances.

Owners of several thousand acres of good quality dry land located on benches and fans adjacent to irrigated lands in the irrigation district expressed interest in having their lands included in an expanded irrigation service area. Because of the interest by those landowners, an alternative development plan expanding the irrigation service area to embrace those lands was formulated. The alternative plan, in addition to meeting the emergency needs of 10,000 acres now irrigated and providing for fishery enhancement, would develop about 5,000 acres of new orchard. An intensive big-game habitat program would be necessary to compensate for the conversion of deer wintering range to orchards and to help offset other wildlife losses.

During the field level review of the preliminary feasibility report and preliminary draft environmental statement, the question of Indian water rights on the Okanogan River was raised. At that time, the Colville Confederated Tribes and the Portland area office of the Bureau of Indian Affairs expressed opposition to the expansion plan from an Indian water rights standpoint. In view of that opposition the large plan was dropped, and the plan adopted was confined to the 10,000-acre area currently under irrigation.

In the development plans studied, full irrigation service would be provided through a pipe distribution system. The lands generally are free of salt problems and would be used primarily for orchard fruit production. Most lands in the service area are considered to have soil and topographic conditions which provide adequate drainage for fruit production. The project would provide for $3\frac{1}{2}$ miles of interceptor drains to capture ground water seepage from the irrigation of surrounding higher lands. About 250 acres are affected by seepage or high water tables and are not well adapted to fruit production. Those lands likely would continue to be used for forage crop production. Actual construction of project drains would occur as drainage needs develop.

Land ownership sizes generally are small, with less than 1 percent of them being in excess of 160 acres.

Determination of the irrigation water requirement is based on climatic conditions, land classification, present and expected cropping patterns, crop consumptive use, effective natural precipitation, farm efficiency in the application of irrigation water, and distribution system losses and wastes. The average water requirement is 4 acre-feet

per acre which amounts to a total annual irrigation diversion of 40,000 acre-feet.

A water supply to meet project requirements would be obtained by pumping from the Oganogan and Similkameen Rivers. Chemical analyses of water samples taken from those two rivers during the early 1970's show that the water quality is satisfactory for irrigation, domestic, municipal, and industrial uses.

The increased efficiency in water use, from a closed pipe pressure system, would reduce significantly the volume of return flows from agricultural lands. At present there is no evidence of pesticide or herbicide contamination of the area's water bodies as a result of agricultural return flows. Water quality would need to be monitored following development in order to identify and determine the extent of any project-related incidents.

With the project, it is estimated that diversions from the Okanogan and Similkameen Rivers would decrease by 22,200 acre-feet annually and agricultural return flows would decrease by 21,000 acre-feet. This would result in increased streamflow in the Okanogan River below the project area of 1,200 acre-feet annually.

Federal and State public health agencies are interested in the beneficial effect that project development would have on reduction of mosquito breeding areas. Replacement of the irrigation district's open lateral system with a pressure pipe system would eliminate many breeding areas.

The total estimated construction cost is \$35,740,000—January 1975 price levels. In addition there would be an irrigation power suballocation of \$1,187,000, which is based on the annual energy required to be reserved by the Federal Columbia River power system to operate the irrigation water supply pumps.

Annual operation, maintenance, replacement, and power costs for the project are estimated at \$236,600 with project-supplied pressure. With user-supplied pressure, total power costs would be somewhat higher and water user repayment capacity would be somewhat less.

Annual equivalent benefits would total \$4,801,700 based on a 100-year period of analysis at $5\frac{7}{8}$ percent interest. Benefits include \$3,918,000 for irrigation, \$502,600 for anadromous fishery enhancement and \$381,100 for area development. Annual equivalent costs would total \$2,456,200. The ratio of benefits to costs is 1.95 to 1.

All costs are specific either to irrigation or anadromous fishery enhancement and are allocated to those two purposes in the amounts of \$38,090,000 and \$1,776,000, respectively. The allocations for benefit-cost calculations include interest during construction. Project costs allocated to irrigation are reimbursable over a 50-year repayment period without interest. Based on their estimated repayment ability of \$13,327,000, and after allowing for existing indebtedness of about \$2 million, irrigation water users would repay about 34 percent of the construction cost allocated to irrigation and would pay all operation, maintenance, replacement, and power costs. It is proposed that the remainder of the irrigation costs be repaid from net revenues from power marketed from the Federal Columbia River power system in accordance with the provisions of Public Law 89-448, as amended by Public Law 89-561. The Federal Columbia River power system repayment study for fiscal year 1974 indicates that surplus funds would be

available for irrigation assistance. The costs associated with the enhancement of the anadromous fishery are proposed to be nonreimbursable.

Mr. Chairman, this completes my statement. We would be happy to answer any questions.

The CHAIRMAN. Thank you, Mr. Stamm. I appreciate having this comprehensive statement and the material for the record. When will the 90-day review period be up?

Commissioner STAMM. The review period started last month so the 90 days will be up in July 1976.

The CHAIRMAN. As I understand it, your objection runs solely to the issue of complying here with the 90-day review time and, of course, the matter to be submitted to OMB, but as far as the Department is concerned they find the project in order at this time; is that correct?

Commissioner STAMM. We have no knowledge of any disagreement with the proposal. The feasibility report has been approved within the Department. The objection of the Department's legislative report relates to statutory review requirements. Of course, it is the purpose of the review period to provide interested parties with the opportunity to discover and raise substantive objections they may have.

The CHAIRMAN. I meant the procedural not the substantive issues. Now, do you have any suggestions for perfecting amendments to the bill? First on class I equivalency?

Commissioner STAMM. Yes, sir. I do have. I personally feel every new project authorization ought to include the class I equivalency concept. The Congress has included it in quite a number of projects in recent years and I believe as a matter of policy the Congress ought to do it in all new project authorizations. The Department and the administration have not yet adopted policy with respect to class I equivalency.

The CHAIRMAN. We have tried this once in the Senate, we acted on it, but we ran into trouble in the House, that was that overall omnibus comprehensive bill which you may recall.

Commissioner STAMM. I am not aware of that as an issue.

The CHAIRMAN. We wanted to apply it to all future projects and the House would not buy it. We have been doing it on individual projects.

Commissioner STAMM. We have been doing it on individual projects and there are a number of projects that have previously been authorized where the addition of this concept would be highly beneficial. I am not aware that this has been an issue before either House, on the class I equivalency. There are other issues that have been controversial and we are suggesting here that only the class I equivalency concept be considered for addition to this bill and we are recommending it in connection with all other proposals.

The CHAIRMAN. Now, No. 2, what about provision for payback of recreational water use with interest. We are referring to the golf course.

Commissioner STAMM. We think there ought to be some language added that could be added on page 3 of the bill, line 20, which would provide that irrigation costs that are properly assignable to privately owned recreation lands shall be repaid in full within 50 years with interest.

In other words, we feel that the power assistance should not be accorded to lands that are privately owned and used simply for recreational purposes.

The CHAIRMAN. For any other nonirrigation purposes?

Commissioner STAMM. That is correct.

The CHAIRMAN. To cover it, there may be something in the future?

Commissioner STAMM. That is correct. It should be confined to the agricultural use.

The CHAIRMAN. What about the authorization up to January 1976 so we get more current price levels?

Commissioner STAMM. We have updated the costs and we think that section 7 ought to be revised to show that the amount required for construction is \$39,370,000 based on January 1976 prices.

[The suggested changes in S. 3283 referred to by Commissioner Stamm follow:]

SUGGESTED CHANGES IN S. 3283

CLASS EQUIVALENCY

Add a new section to read as follows:

"The provisions of the third sentence of section 46 of the Act of May 25, 1926 (44 Stat. 649, 650), and any other similar provisions of Federal Reclamation laws as applied to the Oroville-Tonasket Unit Extension, Chief Joseph Dam Project, are hereby modified to provide that lands held in a single ownership which may be eligible to receive water from, through, or by means of unit works shall be limited to one hundred and sixty acres of class I land or the equivalent thereof in other land classes, as determined by the Secretary of the Interior."

CONSTRUCTION COST

Sec. 7 should be revised to show that funds in the amount of \$39,370,000, based on January 1976 prices, be provided for the construction of project works.

P. 3, line 20, new sentence added to section

"The aforesaid contract shall provide that irrigation costs properly assignable to privately owned recreational lands shall be repaid in full within 50 years with interest."

The CHAIRMAN. All right, sir. Let me ask you this. The draft of the report contains copies of statements of the cooperating agencies such as the Corps, the Environmental Protection Agency, and others. Notably absent is a comment from the BIA, the Bureau of Indian Affairs. I wonder if we could have that?

Commissioner STAMM. We certainly could supply that for the record. I have a letter which I received from Morris Thompson, who is Commissioner of the Bureau of Indian Affairs, dated December 15, 1975, in which he states expansion of the project is not acceptable, and we also have a November 5, 1975, letter from the Regional Director, Bureau of Indian Affairs in Portland, and he indicates that expansion is unacceptable.

The CHAIRMAN. And the proposal before us does not involve expansion?

Commissioner STAMM. That is correct.

The CHAIRMAN. On the basis of that letter there was no objection?

Commissioner STAMM. That is my assumption. We have accommodated their exceptions.

The CHAIRMAN. We want to make that clear.

Commissioner STAMM. We will be happy to supply copies of those letters for the record, Mr. Chairman.

The CHAIRMAN. Do you have any additional information you wish to submit for the record?

Commissioner STAMM. No. I think otherwise my statement here is complete.

The CHAIRMAN. We want to thank you very much, Mr. Stamm. We appreciate the cooperation of the Department.

[The information referred to follows:]

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF INDIAN AFFAIRS,
Portland, Oreg., November 5, 1975.

MEMORANDUM

To: Rodney J. Vissia, Regional Director, Bureau of Reclamation, Box 043-550, West Fort Street, Boise, Idaho 83702.

From: Office of the Area Director.

Subject: Review of Oroville-Tonasket unit extension, Okanogan-Similkameen division, Chief Joseph Dam project.

Alternate "A" which would rehabilitate the existing project appears to be acceptable. Improvements in water use efficiency which should allow an increase in streamflow of 1200 acre feet would be beneficial to the stream biotic environment. Elimination of Enloe Dam should enhance the Okanogan fishery which could benefit the reservation community.

Alternate "B" is not acceptable. This would increase irrigated acreage and would deplete streamflow. No additional irrigated acreage should be initiated until plans and project implementation occurs to irrigate Indian lands that are feasible to irrigate from the Okanogan River.

Another matter that should be mentioned and understood is the nontaxable status of trust land parcels located within the project area.

CHARLIE MOSER, Jr.,
Acting Assistant Area Director,
Economic Development.

DECEMBER 15, 1975.

MEMORANDUM

To: Commissioner of Reclamation.

From: Commissioner of Indian Affairs.

Subject: Draft environmental statement Oroville-Tonasket unit extension, Okanogan-Similkameen division, Chief Joseph Dam project.

The section concerning historical and archeological sites should receive more study than the present draft indicates. In addition to the National Park Service archeologists, the project could have a review by university archeologists to assure a fully adequate study of areas that the proposed facilities will disrupt.

Increased energy requirements of the project will apparently contribute heavily towards the need for additional BPA distribution facilities after 1982. The Colville Reservation is opposed to additional transmission lines crossing the reservation. Therefore, the impact of the resulting increased transmission installation wherever proposed should be considered in this statement.

Alternative 2, page 50, which would place an additional 5,090 acres under irrigation is not acceptable. The gains in reduced consumption, through more efficient use of the water, would be offset by the increased needs of the new acreage. Other factors such as erosion and increased use of chemicals and fertilizers related to return flows would contribute towards deterioration of water quality. As the Colville Tribes continue to develop reservation areas in the future, the need for water will increase and right to use water from the Okanogan River will be exercised.

The basic results of the project proposal, to increase efficiency of water use and to increase areas available for anadromous fish spawning and rearing are very constructive. Improved quality and increased quantity of water in a river system that appears to be essentially overcommitted will have beneficial results for the people in the Okanogan Valley.

MORRIS THOMPSON,
Commissioner of Indian Affairs.

The CHAIRMAN. We will call now the two witnesses, Mr. Lowell Felt who is secretary-manager of the Oroville-Tonasket Irrigation District, and Mr. Pete Thayer, who is president of the district, and an orchardist.

I think both of you gentlemen can come up together.

We will call on Mr. Felt first and then Mr. Thayer.

STATEMENT OF LOWELL FELT, SECRETARY-MANAGER, OROVILLE-TONASKET IRRIGATION DISTRICT

Mr. FELT. Thank you, Mr. Chairman. I am Lowell Felt. I am secretary-manager of the Oroville-Tonasket Irrigation District. I reside in Oroville, Wash., and have been employed as secretary-manager of the district for 61½ years.

I first want to thank the committee for their time and consideration in hearing our statements and their consideration of S. 3283. Without going into the past history of our present irrigation system, suffice it to say it is some 60 years old, and also, without dwelling on the technical advantages of the proposed new system, which has been so aptly addressed in the Bureau of Reclamation's feasibility report, I will confine my comments to a grassroot level of the day-to-day problems with our antiquated irrigation system.

We are experiencing daily failures and several major disasters each season. It's a fact we live with, knowing any time a series of major flume breaks, canal washouts or woodstave pipe ruptures could occur, and no amount of money or labor could rebuild these facilities in time to stave serious financial loss to the growers.

Our irrigation district has the undesirable distinction of assessing one of the highest, if not the highest operation and maintenance costs in the Northwest. This distinction would be more palatable if the money being spent were bettering the system, or even maintaining it in a status quo condition. It isn't, and with each day this fact is becoming more evident. With the type of gravity system we have, it would take many times the amount we are currently assessing to formulate an improvement program and even then we would still have a costly annual maintenance, and open above-the-ground system subject to all the natural hazards. Some of these hazards being spring floods, rock slides, wind, which can jam the system with weeds, and the ever present dry rot occurring continually on the many miles of wooden flume.

The program as planned by the Bureau of Reclamation in the project feasibility report offers a pressurized, underground pipe system, which conforms to present-day sprinkler irrigation methods and indicates a major conservation of our most precious resource. It would also give our valley a reliable and dependable irrigation service which to an orchardist is the single most important ingredient of his business.

The members of the Oroville-Tonasket irrigation district and the landowners within said district sincerely urge this committee to approve S. 3283.

Again, I offer my appreciation for the opportunity of being able to come to the Nation's Capital and expressing my views before this honorable body.

Thank you.

The CHAIRMAN. Thank you, Mr. Felt. Before asking any questions, I will call on Mr. Thayer who is the president of the irrigation district and, of course, a very active orchardist.

STATEMENT OF PETE J. THAYER, PRESIDENT, OROVILLE-TONASKET IRRIGATION DISTRICT, OROVILLE, WASH.

Mr. THAYER. Mr. Chairman, my name is Pete Thayer. I am an apple grower and president of the Oroville-Tonasket Irrigation District. Our district lies in the Okanogan Valley in the State of Washington.

The Okanogan Valley has long been noted as a prime producer of quality deciduous fruit for our Nation. We are now at a period of do or die as we face each year with the bleak threat of a major breakdown or washout which would leave acres of orchards without life-giving water. Our area is very arid, which, of course, is the type of climate and topography necessary for raising apples. Sun for the growing season, and ample winter for dormancy. But one must have a plentiful and dependable water supply to raise apples instead of sagebrush.

In my representation of the Oroville-Tonasket growers, my ranch is a good example of the devastation that would occur in the economy of the Okanogan Valley in the event of a major failure of our water system. Daily I am reminded of the half-century age of the timbered flume spanning a draw on my 80 acres, located midway between Oroville and Tonasket. This particular flume is a main artery to many acres to the south and to the north, and is just one of many more miles of flume of the same age.

This project being placed before you has many other benefits, two of which I shall mention.

One, the great value in relieving the present persistent unemployment problem in this Okanogan area, and two, the potential advantages foreseen by the Fish and Wildlife Commission.

It should be noted that years of past research and knowledge by experience, has shown orcharding does not lend itself to large corporate type of farming. The orchards in our district have always been operated by numerous small orchardists giving the land personal supervision.

Our irrigation district had diligently undertaken a yearly rehabilitation program on our lateral distribution facilities; however, the 1972 devastating flood took an unforeseen bite out of our operating funds, and inflation has in turn left our proposed plans reduced to a bare yearly repair program instead of rehabilitation.

Orchards are not similar to row crop farming, as it takes 10 years to grow a producing tree and a very few days without water to kill that tree.

Survival of the Oroville-Tonasket fruit producing area depends on providing an adequate water supply for the existing lands served under our district.

At this time I wish to extend my appreciation for this opportunity to appear before this committee on this very urgent hearing. Mr. Chairman, I have a letter from Gov. Daniel J. Evans for the record.

The CHAIRMAN. It will be inserted in the record.

[The letter from Governor Evans follows:]

STATE OF WASHINGTON,
OFFICE OF THE GOVERNOR,
Olympia, Wash., April 29, 1976.

Re: Oroville-Tonasket unit extension.

HON. FRANK CHURCH,

*U.S. Senator, Chairman, Subcommittee on Energy Research and Water Resources,
U.S. Senate, Washington, D.C.*

DEAR SENATOR CHURCH: The State of Washington strongly supports affirmative action by your committee to authorize the plan recommended by the Secretary of the Interior which would greatly improve the old, inefficient irrigation system in the Oroville-Tonasket Unit, Okanogan-Similkameen Division, Chief Joseph Dam Project.

Old timers in our state did a marvelous job of putting wooden flume along the rough hillsides some 60 years ago and the Works Project Association provided major replacements of district facilities 35 years ago. The system now is critically in need of the major rescue effort proposed in the Bureau of Reclamation's recommended plan.

The state, recognizing certain institutional and physical constraints, did provide comments to the Bureau in 1972 specifically requesting that two alternative plans be presented. The Bureau has done an excellent job of presenting the two alternative plans and, while the state would like to see the expansion provided for in the alternative plan not recommended by the Secretary, I do believe the recommendation before you is both realistic and a very necessary action. Most of the area covered by this project is in orchards where any system failure during the irrigation season could result in permanent damage to the existing trees.

I look forward to your committee's favorable consideration and action on this matter.

Sincerely,

DANIEL J. EVANS, *Governor.*

The CHAIRMAN. Thank you, Mr. Thayer, and thank you, Mr. Felt.

If I read you gentlemen correctly, what you are saying here is that this project which covers 10,000 acres of very fine apple producing orchards is really surviving on sort of a day-to-day basis. Is that about right?

Mr. FELT. That is correct.

Mr. THAYER. Correct.

The CHAIRMAN. It is one of the more productive areas of the valley, is it not? I mean from the standpoint of productivity?

Mr. THAYER. I would say it is one of the best in the Nation.

The CHAIRMAN. One of the best in the Nation. I believe you have some pictures. Give them to Mr. Brown. I will ask that the pictures submitted by Mr. Felt be filed so we will have them for the record.

[The pictures were retained in committee files.]

The CHAIRMAN. The dam certainly serves no useful purpose at this time since the abandonment of the power facilities, is that correct?

Mr. FELT. That is correct. You are referring to the Enloe Dam.

The CHAIRMAN. It doesn't provide storage that you need?

Mr. FELT. No, there isn't any usable storage with that dam.

The CHAIRMAN. So the removal of the dam which is one of the options available here would help to improve the anadromous fish supplies, is that correct?

Mr. FELT. That is what I understand.

The CHAIRMAN. That is at least one of the options I understand the Bureau of Reclamation is considering.

Do you have any figures on the value of the current production of apples in the area?

Mr. FELT. Mr. Chairman, our 1976 crop would indicate an overall value of somewhere between \$12 to \$15 million, depending on how you are priced out.

The CHAIRMAN. I think, Mr. Thayer, your point here that this is the kind of agricultural activity that really does lend itself to individual farming, is an important one. Historically, this type of operation is more susceptible to better farming when it is handled on an individual farm ownership basis. Is that not correct?

Mr. THAYER. That is correct.

The CHAIRMAN. From a management point of view, the size of the unit is relatively small compared with other agricultural pursuits such as wheat and so on, right?

Mr. THAYER. That is right.

The CHAIRMAN. You have a rather large unit, when you say 80 acres. What is the average unit?

Mr. THAYER. I would say the average grower would be around 30 acres.

The CHAIRMAN. And a lot of them are 10 and 12?

Mr. THAYER. That is correct.

The CHAIRMAN. You are right about it, the maximum, unless you have separate units around with someone else managing it, is about 80 acres, which is the maximum that any one farm family can handle.

Mr. THAYER. That is correct.

The CHAIRMAN. Gentlemen, do you have anything additional you wish to say? I think the record is complete here. We have been interested in this project for many years. I have been over there many, many times and we have looked at various alternatives. It would appear, and I take it you agree, that this proposed approach as embodied in S. 3283 is about the best from a feasibility standpoint; is that not correct?

Mr. FELT. Yes, sir.

The CHAIRMAN. How long have you been reviewing the various proposals now? It goes back many years, I know.

Mr. FELT. Approximately 7 years.

The CHAIRMAN. Are the orchardists in general agreement on this now?

Mr. THAYER. Yes, sir.

The CHAIRMAN. There is very little division, as far as you know?

Mr. THAYER. Very little. Very little.

The CHAIRMAN. No more than you get in any project?

Mr. THAYER. That is correct.

The CHAIRMAN. But the overwhelming majority favor support and would agree on repayment contracts and so on, in your judgment?

Mr. THAYER. Yes.

The CHAIRMAN. They will be negotiated but they all know what is involved here and they will all have an estimate of what they will be getting into?

Mr. THAYER. Yes, that is correct.

The CHAIRMAN. As I recall, roughly speaking 34 percent of the project would be repaid by the users of the water and the balance comes under the power subsidy program in connection with the Chief Joseph project; is that right?

Mr. FELT. That is right.

The CHAIRMAN. I have no further questions. I just wanted to express to you, Mr. Felt, and you, Mr. Thayer, deep appreciation for your coming in here. We are glad we were able to set the hearing date ahead so that you would not be unnecessarily detained in the city. We want to thank you very much and we will move expeditiously on this in the Senate and the matter will go before the full committee in due course.

We do have the 90-day timeframe for agencies to comment. That, as you know, includes the three States, Oregon, Washington, and Idaho, that are in the so-called basin area. So we wish to thank you very much.

The committee will stand in adjournment.

[Whereupon, at 9:37 a.m., the committee adjourned.]

