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SENATE

{ REPORT
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USE OF WEBER BASIN PROJECT FACILITIES FOR NONPROJECT WATER

SEPTEMBER 28 (legislative day, SEPTEMBER 22), 2000.—Ordered to be printed

Mr. MURKOWSKI, from the Committee on Energy and Natural
Resources, submitted the following

REPORT

[To accompany H.R. 3236]

The Committee on Energy and Natural Resources, to which was referred the Act (H.R. 3236) to authorize the Secretary of the Interior to enter into contracts with the Weber Basin Project facilities for the impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes, having considered the same, reports favorably thereon without amendment and recommends that the Act do pass.

PURPOSE OF THE MEASURE

The purpose of H.R. 3236 is to authorize the Secretary of the Interior to enter into contracts with the Weber Basin Water Conservancy District, Utah, to use Weber Basin Project facilities for the impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes.

BACKGROUND AND NEED

The Smith and Morehouse Dam and Reservoir, located near the headwaters of the Weber River in Summit County, Utah, was constructed by the Weber Basin Water Conservancy District (Weber Basin) in the early 1980's, using local funding, to create a supply of non-Federal project water. In 1985, an agreement was reached between Park City and Weber Basin for the purchase of between 1,000 and 5,000 acre feet of water made available by the enlargement of Smith and Morehouse Reservoir. Ten years later, in 1995, talks between Weber Basin and Summit County about securing additional Smith and Morehouse water for use in Summit County culminated in a Memorandum of Understanding Agreement on No-

vember 27, 1996 which discussed the possibility of a future project, to be constructed by Weber Basin, to deliver water to Park City, the Synderville Basin, and other areas of Summit County. Delivery of this water through the Weber Basin project facilities requires congressional approval. Typically, Bureau of Reclamation facilities may not be used to convey non-project water.

H.R. 3236 would authorize the Secretary of the Interior to contract with the Weber Basin Water Conservancy District to use the Bureau's Weber Basin Project facilities for impounding, storing and carrying non-project water intended for domestic, municipal, industrial and other uses, or for the exchange of water for these purposes among Weber Basin Project contractors.

LEGISLATIVE HISTORY

H.R. 3236 passed the House of Representatives by a voice vote on July 25, 2000. Companion legislation, S. 2396 was introduced by Senators Bennett and Hatch on April 11, 2000. The Subcommittee on Water and Power held a hearing on S. 2396 on May 24, 2000. At the business meeting on September 20, 2000 the Committee on Energy and Natural Resources ordered H.R. 3236 favorably reported.

COMMITTEE RECOMMENDATION AND TABULATION OF VOTES

The Committee on Energy and Natural Resources, in open business session on September 20, 2000, by a unanimous voice vote with a quorum present, recommends that the Senate pass H.R. 3236 as described herein.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of costs of this measure has been provided by the Congressional Budget Office.

H.R. 3236—A bill to authorize the Secretary of the Interior to enter into contracts with the Weber Basin Water Conservancy District, Utah, to use Weber Basin Project facilities for the impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes

H.R. 3236 would allow the Secretary of the Interior to enter into contracts with the Weber Basin Water Conservancy District for impounding, storing, or carrying nonproject water using the facilities of the federally operated Weber Basin Project in Utah. The bill also would allow the Secretary to enter into contracts for using facilities at the Weber Basin Project to exchange water among project contractors. Under current law, the federal government may not use its facilities to move nonproject water for nonproject purposes.

H.R. 3236 would not require the Weber Basin Water Conservancy District to reimburse the federal government for the full cost of handling nonproject water. Based on information from the Bureau of Reclamation, however, CBO expects that the Secretary of the Interior would only use the new authority to enter into contracts with the district that would fully reimburse the government. Under H.R. 3236, the federal government would receive reimbursement from the district, and would incur the costs of handling the nonproject water. CBO estimates that the costs of handling the

nonproject water would be less than \$500,000 each year. Because H.R. 3236 would affect direct spending, pay-as-you-go procedures would apply.

H.R. 3236 contains no private-sector or intergovernmental mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. Enacting this legislation would benefit the Weber Basin Water Conservancy District, Summit County, and Park City, Utah, by facilitating water delivery agreements between these governments. The district might incur some costs under the contracts authorized by this bill, but these costs would be voluntary.

The CBO staff contacts for this estimate are Rachel Applebaum (for federal costs), and Marjorie Miller (for the state and local impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out H.R. 3236. The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of H.R. 3236, as ordered reported.

EXECUTIVE COMMUNICATIONS

On May 10, 2000, the Committee on Energy and Natural Resources requested legislative reports from the Department of the Interior and the Office of Management and Budget setting forth Executive agency recommendations on H.R. 3236. These reports had not been received at the time the report on H.R. 3236 was filed. When the reports become available, the Chairman will request that they be printed in the Congressional Record for the advice of the Senate. The testimony provided by the Commissioner of the Bureau of Reclamation at the Subcommittee hearing follows:

STATEMENT OF ELUID L. MARTINEZ, COMMISSIONER BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR

I am Eluid Martinez, Commissioner of the U.S. Bureau of Reclamation (Reclamation). I appreciate this opportunity to present the views of the Department of the Interior (Department) on S. 2396, Warren Act authorization for the Weber Basin Project in Utah.

S. 2396 authorizes the Secretary of the Interior, under the Warren Act (Act of February 21, 1911; 36 Stat. 925), to contract with the Weber Basin Water Conservancy District (District) or any of its member unit contractors to use Reclamation's Weber Basin Project facilities for impounding, storing and carrying non-project water intended for domestic, municipal, industrial, and other uses, or for the

exchange of water for these purposes among Weber Basin Project contractors.

In recent years, Park City, Utah and the Snyderville Basin area of Summit County, Utah, have experienced tremendous population growth, and with it, a tremendous increase in the demand for water. To meet this demand, the Weber Basin Water Conservancy District in 1996 pledge to deliver water to Park City and the Snyderville Basin area of Summit County.

S. 2396 would enable the District or a member unit contractor to use the Weber Basin Project facilities to transport, store, and carry non-project water for non-irrigation purposes to Park City and the Snyderville Basin area of Summit County. It is the Department's understanding that impoundment and storage would be limited to activities necessary to facilitate transport, as opposed to supporting development of a long-term or permanent right to use storage, which the Department could not endorse.

S. 2396 is an amended version of S. 1852, a bill which is identical to H.R. 3236 as introduced. At its markup on March 9, 2000, the House Resources Subcommittee on Water and Power approved a technical amendment to H.R. 3236 which the Administration supported. The technical amendment to H.R. 3236 clarifies that the purpose of the bill is to authorize the use of Reclamation facilities only, not water from the Weber Basin Project. The amendment to S. 1852 represented in S. 2396 is the same as that adopted for H.R. 3236. The Administration supports S. 2396 if amended to reflect one concern. In keeping with Administration policy, the bill should be amended to make clear that the District or a member unit contractor shall reimburse Reclamation for the full cost of using Reclamation facilities, in accordance with current policies and procedures applicable to Warren Act contracts.

The Department believes that broadening the Warren Act to allow transport of non-project water for purposes other than irrigation is generally desirable for all Reclamation projects, as it would provide additional flexibility to meet water supply needs.

This concludes my prepared statement. I would be glad to answer any questions.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the Act, H.R. 3236, as ordered reported.