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GLENDO UNIT OF THE MISSOURI RIVER BASIN PROJECT CONTRACT EXTENSION ACT OF 2005

OCTOBER 27, 2005.—Ordered to be printed

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

R E P O R T

[To accompany S. 592]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 592) to extend the contract for the Glendo Unit of the Missouri River Basin Project in the State of Wyoming, having considered the same, reports favorably thereon with an amendment to the title and recommends that the bill, as amended, do pass.

The amendment is as follows:

Amend the title so as to read: "To amend the Irrigation Project Contract Extension Act of 1998 to extend certain contracts between the Bureau of Reclamation and certain irrigation water contractors in the States of Wyoming and Nebraska."

PURPOSE OF THE MEASURE

The purpose of S. 592 is to extend certain contracts between the Bureau of Reclamation and certain irrigation water contractors in the States of Wyoming and Nebraska.

BACKGROUND AND NEED

The Glendo Dam and Reservoir system is one of several projects on the North Platte River that are operated by the Department of the Interior's Bureau of Reclamation (Bureau) as integrated systems. Pursuant to the Endangered Species Act (ESA), the Bureau is currently consulting on the operations of the entire reservoir system in order to address the habitat needs of the following four threatened and endangered species: whooping cranes; piping plovers; interior least terns; and pallid sturgeons.

Since entering into a July 1, 1997, cooperative agreement, the States of Wyoming, Nebraska, and Colorado, along with the Department of the Interior, have studied the Platte River in an effort to develop a basin-wide program to improve the habit of the four listed species. The goal is to reach agreement on a Recovery Implementation Program (Program) as the reasonable and prudent alternative for the Platte River ESA consultation.

In order to renew long-term contracts for Glendo Reservoir water, the ESA consultation on the Bureau's North Platte River system operations must be completed. The final programmatic environmental impact statement is expected to be completed in the fall of 2005, and the Record of Decision should be issued by December 2005. According to the Department of the Interior, consultation will not be considered complete until the above-referenced Program is achieved. The Interior Department expects the States of Wyoming, Nebraska, and Colorado to enter into the reasonable and prudent alternative Program in April 2006. S. 592 is needed to extend the contracts at issue until the contemplated Program is in place.

LEGISLATIVE HISTORY

S. 592 was introduced by Senators Thomas, Hagel, Enzi, and Nelson of Nebraska on March 10, 2005 and referred to the Committee on Energy and Natural Resources. The Water and Power Subcommittee held a hearing on S. 592 on April 19, 2005 (S. Hrg. 109-96). At the business meeting on September 28, 2005, the Committee on Energy and Natural Resources ordered S. 592 favorably reported, with an amendment to the title.

COMMITTEE RECOMMENDATION

The Committee on Energy and Natural Resources, in open business session on September 28, 2005, by unanimous vote of a quorum present, recommends that the Senate pass S. 592, if amended as described herein.

COMMITTEE AMENDMENT

An amendment was adopted to the bill's title.

SECTION-BY-SECTION ANALYSIS

Section 1 sets forth the short title.

Section 2 amends the Irrigation Project Contract Extension Act of 1998 to require the Secretary of the Interior to extend each of the water service repayment contracts for the Glendo Unit of the Missouri River Basin Project from December 31, 2005 until December 31, 2007.

COST AND BUDGETARY CONSIDERATIONS

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

S. 592—Glendo Unit of the Missouri River Basin Project Contract Extension Act of 2005

S. 592 would extend—for up to two years—contracts between the Bureau of Reclamation and purchasers of irrigation water in Wyoming and Nebraska that receive water from the Glendo Reservoir. The existing contracts will expire on December 31, 2005; however, the Secretary of the Interior has the authority under current law to renew these contracts on an annual basis. Such annual renewals require the Secretary to prepare an environmental impact statement and carry out mitigation efforts. Under S. 592, the bureau would avoid the costs associated with annual renewals.

CBO estimates that enacting S. 592 would have no significant impact on the federal budget. Based on information provided by the Bureau of Reclamation, CBO estimates that enacting S. 592 would allow the bureau to avoid costs of less than \$500,000 in 2006 and smaller amounts in future years. Those costs are subject to the availability of appropriated funds, but the agency is reimbursed by individuals contracting for water and the reimbursements are deposited in the Treasury as offsetting receipts (a form of direct spending). The potential loss of offsetting receipts would match the potential reduction in spending subject to appropriation, and we estimate that both would be insignificant.

S. 592 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. Enacting this bill would benefit the water purchasers (generally government entities) affected by this bill, because it would allow them to avoid the costs of annual renewals.

The CBO staff contact for federal costs is Rachel Milberg. The contact for the impact on state and local governments is Lisa Ramirez-Branum. 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 S. 592.

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 S. 592, as ordered reported.

EXECUTIVE COMMUNICATIONS

The testimony provided by the Department of the Interior at the Subcommittee hearing on S. 592 follows:

STATEMENT OF WILLIAM RINNE, DEPUTY COMMISSIONER OF
RECLAMATION, DEPARTMENT OF THE INTERIOR

Madam Chairman and Members of the Subcommittee, I am William Rinne, Deputy Commissioner of Reclamation. Thank you for the opportunity to testify on S. 592. The Department supports the goals of S. 592.

On July 1, 1997, the States of Wyoming, Nebraska, and Colorado and the United States Department of the Interior entered into a cooperative agreement for Platte River research and other efforts relating to endangered species habitats along the Central Platte River in Nebraska. The purpose of the cooperative agreement is to jointly undertake a basin-wide effort to improve the habitat of four threatened and endangered species along the Platte River. The cooperative study is designed to help develop a basin-wide program to be the reasonable and prudent alternative to minimize the effects of existing and new water related activities in the Platte River Basin.

Glendo Dam and Reservoir is one of several Bureau of Reclamation dams and reservoirs on the North Platte River that operate as an integrated system. The Bureau of Reclamation is required to consult under the Endangered Species Act (ESA) on the operations of the entire reservoir system.

Successful consultation completion will be dependent upon achieving a Recovery Implementation Program (Program) that will serve as a reasonable and prudent alternative for the ESA consultation. A final programmatic environmental impact statement which leads to a Program is scheduled to be completed in the fall of 2005, with a record of decision to follow in December 2005. We anticipate the Governors of the States of Colorado, Nebraska, and Wyoming and the Secretary of the Interior will enter into such a Program in April 2006. S. 592 will allow Reclamation to renew the Glendo contracts when the Program is in place.

The intent of S. 592 is to amend the Irrigation Project Contract Extension Act of 1998 to require the Secretary of the Interior to extend each of the water service or repayment contracts for the Glendo Unit of the Missouri River Basin Project for a period of 2 years until December 31, 2007, or for the term of the cooperative agreement entered into by the State of Wyoming, Nebraska, Colorado and the Secretary of the Interior.

To ensure that the intent of this bill to amend the Irrigation Project Contract Extension Act of 1998 is clearly identified, the Department recommends the long title of the bill read as follows: "To amend the Irrigation Project Contract Extension Act of 1998 to extend certain contracts between the Bureau of Reclamation and certain irrigation water contractors in the States of Wyoming and Nebraska."

With this clarification, the Department supports S. 592. Thank you for the opportunity to appear before you today.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill S. 592, as ordered reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

**IRRIGATION PROJECT CONTRACT EXTENSION ACT OF
1998**

(112 Stat. 2816, 114 Stat. 1441, 117 Stat. 1827)

AN ACT to extend certain contracts between the Bureau of Reclamation and irrigation water contractors in Wyoming and Nebraska that receive water from Glendo Reservoir

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SEC. 2. EXTENSION OF CONTRACTS.

(a) IN GENERAL.—The Secretary of the Interior shall extend each of the water service or repayment contracts for the Glendo Unit of the Missouri River Basin Project identified in subsection (c) until **[December 31, 2005]** *December 31, 2007*.

(b) EXTENSIONS COTERMINOUS WITH COOPERATIVE AGREEMENT.—If the cooperative agreement entitled “Cooperative Agreement for Platte River Research and other Efforts Relating to Endangered Species Habitats Along the Central Platte River, Nebraska,” entered into by the Governors of the States of Wyoming, Nebraska, and Colorado and the Secretary of the Interior, is extended for a term beyond December 31, 2000, the contracts identified in subsection (c) shall be extended for the same term, but not to go **[beyond December 31, 2005]** *beyond December 31, 2007*. If the cooperative agreement terminates **[before December 31, 2005]** *before December 31, 2007* the contracts identified in subsection (c) shall be subject to renewal on the date that the cooperative agreement terminates.

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