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SUN RIVER HYDROPOWER PROJECT

OCTOBER 18, 2022.—Ordered to be printed

Filed, under authority of the order of the Senate of October 14, 2022

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

R E P O R T

[To accompany S. 3450]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 3450), to authorize the Secretary of the Interior to construct, operate, and maintain facilities in the Sun River project, Montana, for the purpose of hydroelectric power generation, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of S. 3450 is to authorize the Secretary of the Interior to construct, operate, and maintain facilities in the Sun River project, Montana, for the purpose of hydroelectric power generation.

BACKGROUND AND NEED

The Sun River originates in the Rocky Mountains and flows east into central Montana before emptying into the Missouri River. The Bureau of Reclamation's (Reclamation) Sun River Project uses a group of reservoirs and canals along the Sun River and its tributaries to irrigate roughly 93,000 acres of agricultural land. Gibson Dam, a major structure of the project, is a Reclamation-owned dam located on the Sun River within the Lewis and Clark National Forest, 70 miles west of Great Falls, Montana.

In January 2012, the Federal Energy Regulatory Commission (FERC) granted a license to construct and operate hydropower facilities at Gibson Dam to the Gibson Dam Hydroelectric Company,

co-owned by Greenfields Irrigation District, which manages water from the dam for agricultural use, and Tollhouse Energy Company (138 F.E.R.C. P62,019 (2012)). The project would occupy 68.5 acres of federal lands, including lands administered by Reclamation, the United States Forest Service, and the Bureau of Land Management. The FERC license included a number of measures to protect and enhance water quality, fish, wildlife, recreation, cultural, and aesthetic resources at the project.

The Gibson Dam hydropower project has faced delays in procuring the necessary rights-of-way and obtaining transmission corridor compliance from the U.S. Fish and Wildlife Service (see S. Rept. 115–100 (2017)). In view of these delays, FERC extended the time period during which the licensee was required to commence construction of the project from two to four years, and in 2018, Congress authorized FERC to extend the deadline for an additional six years, until January 2022 (Public Law 115–219 (2018)). Since the project still has not met the deadline for commencing construction, the FERC license expired in January of this year.

S. 3450, as ordered reported, would authorize Reclamation to construct, operate, and maintain hydropower generation facilities at the Sun River Project, including Gibson Dam. This authorization would provide Reclamation permitting authorities over hydropower development at Gibson Dam, rather than FERC.

LEGISLATIVE HISTORY

S. 3450 was introduced by Senator Tester on January 10, 2022. A similar bill, H.R. 6369, was introduced by Representative Rosendale on January 10, 2022. The Subcommittee on Water and Power held a hearing on S. 3450 on May 25, 2022. At its business meeting on July 21, 2022, the Committee on Energy and Natural Resources ordered S. 3450 favorably reported without amendment.

COMMITTEE RECOMMENDATION

The Senate Committee on Energy and Natural Resources, in an open business session on July 21, 2022, by a voice vote of a quorum present, recommends that the Senate pass S. 3450.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title

Section 1 establishes the short title of the Act as “Sun River Hydropower Authorization Act.”

Section 2. Authorization of Sun River Project, Montana

Section 2 authorizes the Secretary of the Interior, acting through the Commissioner of Reclamation to construct, operate, and maintain hydroelectric power generation in the Sun River Project. Subsection (b) has a savings clause that ensures this Act does not impact other authorizations or operations at the Sun River project.

COST AND BUDGETARY CONSIDERATIONS

The Congressional Budget Office estimate of the costs of S. 3450, as ordered reported, has been requested but was not received at the time the report was filed. When the Congressional Budget Of-

fice completes its cost estimate, it will be posted on the Internet at www.cbo.gov.

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. 3450.

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. 3450, as ordered reported.

CONGRESSIONALLY DIRECTED SPENDING

S. 3450, as ordered reported, does not contain any congressionally directed spending items, limited tax benefits, or limited tariff benefits as defined in rule XLIV of the Standing Rules of the Senate.

EXECUTIVE COMMUNICATIONS

The testimony provided by the Department of the Interior at the May 25, 2022, hearing on S. 3450 follows:

STATEMENT OF CAMILLE CALIMLIM TOUTON, COMMISSIONER, BUREAU OF RECLAMATION U.S. DEPARTMENT OF THE INTERIOR

Reclamation is the second largest producer of hydro-power in the country. Reclamation owns and operates 53 hydroelectric plants, comprising over 14.7 million kilowatts of installed capacity. Each year on average, Reclamation plants generate 40 billion kilowatt hours of electricity (the equivalent demand of 3.7 million homes), yield nearly one billion dollars in power revenues, and displace approximately 17 million tons of carbon dioxide. Reclamation's hydropower program supports Administration and Department clean energy and climate change initiatives by increasing hydropower capabilities and value, and facilitating incremental, carbon-neutral energy generation.

The Sun River Hydropower Authorization Act encourages and authorizes the Secretary, through Reclamation, to construct, operate, and maintain hydroelectric power generation facilities in the Sun River project in Montana. S. 3450 creates additional opportunities to work with our federal and non-federal partners and provide them with an additional revenue source to address aging infrastructure and potentially achieve greater financial independence, for a self-sustaining system. Hydropower development on the Sun River Project would create additional clean renewable energy in the region, consistent with Reclamation's mission to manage, develop, and protect water and related re-

sources in an environmentally and economically sound manner, in the interest of the American public.

As I testified in January, Reclamation will continue to review and assess potential new hydropower projects that provide a high economic return for the nation, are energy efficient, and can be accomplished in accordance with protections for fish and wildlife, the environment, or recreation. Reclamation supports the goal of providing clean energy to Americans.

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 bill as ordered report.

