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Calendar No. 815

110TH CONGRESS
2d Session

SENATE

REPORT
110–383

RANCHO CALIFORNIA WATER DISTRICT RECYCLED WATER RECLAMATION FACILITY ACT

JUNE 16, 2008.—Ordered to be printed

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

R E P O R T

[To accompany H.R. 1725]

The Committee on Energy and Natural Resources, to which was referred the Act (H.R. 1725) to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Rancho California Water District Southern Riverside County Recycled/Non-Potable Distribution Facilities and Demineralization/Desalination Recycled Water Treatment and Reclamation Facility Project, having considered the same, reports favorably thereon with an amendment and recommends that the Act do pass.

PURPOSE OF THE MEASURE

The purpose of H.R. 1725 is to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Rancho California Water District Southern Riverside County Recycled/Non-Potable Distribution Facilities and Demineralization/Desalination Recycled Water Treatment and Reclamation Facility Project.

BACKGROUND AND NEED

Rancho California Water District (District) in southern California is participating in a Regional Integrated Resources Plan in which it is partnering with Western Municipal Water District and Eastern Municipal Water District to create a new supply of 16,000 acre-feet (AF) of water per year, sustain open space, maximize local water storage, and relieve 144 cubic feet per second (cfs) of treated water demand from Metropolitan Water District of Southern Cali-

fornia (MWD) during peak times. The water recycling projects to be implemented by the District will free up enough treated water supply to meet the demands of up to 70,000 households. Currently, the District imports over half of its water supply from the Sacramento-San Joaquin Bay-Delta, the Metropolitan Water District of Southern California, and the Colorado River. Groundwater resources are used to meet the remainder of the District's water demand. The District is pursuing water recycling and desalination as cost-effective and sustainable methods to reduce dependence on imported water supplies and finite groundwater resources.

LEGISLATIVE HISTORY

H.R. 1725 was introduced in the House of Representatives by Rep. Bono Mack on March 28, 2007, and referred to the Committee on Natural Resources. Under suspension of the rules, H.R. 1725 passed the House of Representatives on July 10, 2007. The bill was received in the Senate and referred to the Committee on Energy and Natural Resources. The Subcommittee on Water and Power held a hearing on H.R. 1725 on April 8, 2008. At its business meeting on May 7, 2008, the Senate Committee on Energy and Natural Resources ordered H.R. 1725 to be favorably reported.

COMMITTEE RECOMMENDATION

The Committee on Energy and Natural Resources, in open business session on May 7, 2008, by voice vote of a quorum present, recommends that the Senate pass H.R. 1725.

SECTION-BY-SECTION ANALYSIS

Section 1 provides the short title of the Act.

Section 2 amends the Reclamation Wastewater and Groundwater Study and Facilities Act by adding a new section authorizing the Secretary of the Interior to participate in a water recycling, demineralization, and desalination project with the Rancho California Water District in California, with a 25 percent federal cost-share in an amount not to exceed $20 million.

COST AND BUDGETARY CONSIDERATIONS

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

H.R. 1725—Rancho California Water District Recycled Water Reclamation Facility Act of 2008

Summary: H.R. 1725 would authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to participate in the design, planning, and construction of permanent facilities for water recycling, demineralization, desalination, and distribution of nonpotable water supplies in Southern Riverside County, California.

Assuming appropriation of the authorized amount, CBO estimates that implementing the legislation would cost $10 million over the 2009–2013 period and another $10 million after 2013 to complete the project. Enacting the legislation would have no effect on direct spending or revenues.

H.R. 1725 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 1725 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars—				
	2009	2010	2011	2012	2013
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	20	0	0	0	0
Estimated Outlays	2	2	2	2	2

Basis of estimate: For this estimate, CBO assumes that the legislation will be enacted near the beginning of fiscal year 2009 and that the authorized amounts will be appropriated for each year.

H.R. 1725 would authorize the Secretary of the Interior to participate in the design, planning, and construction of permanent facilities for water recycling, demineralization, desalination, and distribution of nonpotable water supplies in Southern Riverside County, California. The total estimated cost for the project is $103 million. The legislation would authorize the agency to contribute the lesser of $20 million or 25 percent of the total project costs.

Based on information provided by the agency, CBO estimates that construction on all components of the project would be completed in approximately 10 years. Any funding provided by the Secretary would not be available for operation or maintenance of the project.

Assuming appropriation of the authorized amounts, CBO estimates that implementing the act would cost $10 million over the 2008–2013 period and an additional $10 million after 2013.

Intergovernmental and private-sector impact: H.R. 1725 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The Rancho California Water District would benefit from federal assistance authorized by the act; any costs to the district for the project would be incurred voluntarily.

Previous estimate: On July 5, 2007, CBO transmitted a cost estimate for H.R. 1725, as ordered reported by the House Committee on Natural Resources on June 28, 2007. The versions of the legislation are the estimated costs of implementation.

Estimate prepared by: Federal Costs: Tyler Kruzich; Impact on State, Local, and Tribal Governments: Melissa Merrell; Impact on the Private Sector: Amy Petz.

Estimate approved by: Theresa Gullo, 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. 1725. 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. 1725, as ordered reported.

CONGRESSIONALLY DIRECTED SPENDING

H.R. 1725, as 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 Bureau of Reclamation at the subcommittee hearing on April 8, 2008 on H.R. 1725 follows:

STATEMENT OF KRIS POLLY, DEPUTY COMMISSIONER, BUREAU OF RECLAMATION, U.S. DEPARTMENT OF THE INTERIOR

Mr. Chairman and Members of the Subcommittee, I am Kris Polly, Deputy Commissioner at the Bureau of Reclamation. I am pleased to be here today to give the Department of the Interior's views on H.R. 1725, the Rancho California Water District Recycled Water Treatment and Reclamation Facility Act. Although the project has been deemed technically feasible, the Department does not support H.R. 1725.

H.R. 1725 would amend the Reclamation Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h et seq.), to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Rancho California Water District's facilities for water recycling, demineralization, desalination, and distribution of non-potable water supplies in Riverside County, California.

The Rancho California Water District is located in southwestern Riverside County, which has been experiencing explosive growth. The District is heavily dependent on imported water provided by the Metropolitan Water District of Southern California. In order to lessen this dependence the District has developed a Regional Integrated Resources Plan that includes three components. Together, the component projects will expand local water resources by increasing conjunctive use by about 13,000 acre-feet per year, expanding the use of recycled water by about 16,000 acre-feet per year, and substituting untreated water for the treated water that is currently being used for agricultural irrigation. Implementation of the Regional Integrated Resources Plan would require the construction of pipelines, pumping plants, an advanced water treatment facility, and brine disposal facilities. The total estimated cost is about $350 million.

Reclamation, in collaboration with the District, recently completed work on a feasibility study and, on November 15, 2007, deemed this project feasible. In Fiscal Year 2008, Congress appropriated $123,000 for this project. Using these funds, Reclamation is working with the Rancho Cali-

fornia Water District to complete compliance with the National Environmental Policy Act (NEPA) for this project.

H.R. 1725 authorizes the appropriation of up to $20 million or a maximum of 25 percent of total project costs, whichever is less. The Department supports efforts to increase local water supplies and increase recycled water use in southern California. However, this project would have to compete with other needs within the Reclamation program for funding priority in the President's Budget. While we are committed to working with the District to address its water supply needs, the Department continues to believe it is not prudent to authorize new Title XVI projects in light of the Federal cost share already authorized for Title XVI projects now being actively pursued.

Of the 35 Title XVI projects specifically authorized and 2 demonstration projects undertaken through the general authority, 21 projects are actively being pursued and 4 are complete. The Federal cost share for the active projects, after FY 2008, is nearly $400 million. The Federal cost share for the 12 projects currently not being pursued is estimated at $220 million.

While Reclamation is not supporting new project authorizations at this time, we understand that the projects established by Title XVI are important to many water users in the West. To that end, Reclamation has revised and improved its Directives and Standards that govern reviews of Title XVI projects. By doing so, we believe that Reclamation can play a more constructive role with local sponsors in weighing the merits and ultimate feasibility of proposed water recycling projects.

Mr. Chairman, this concludes my testimony. Thank you for the opportunity to comment on H.R. 1725. I would be happy to answer any questions at this time.

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 H.R. 1725, 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):

RECLAMATION PROJECTS AUTHORIZATION AND ADJUSTMENT ACT OF 1992

Public Law 102–575, Title XVI, Section 16XX (106 Stat. 4663)

AN ACT To authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, Wyoming.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reclamation Projects Authorization and Adjustment Act of 1992".

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TITLE XVI—RECLAMATION WASTEWATER AND GROUNDWATER STUDIES

SEC. 1601. SHORT TITLE.

This title may be referred to as the "Reclamation Wastewater and Groundwater Study and Facilities Act".

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SEC. 16XX. RANCHO CALIFORNIA WATER DISTRICT PROJECT, CALIFORNIA.

(a) AUTHORIZATION.—The Secretary, in cooperation with the Rancho California Water District, California, may participate in the design, planning, and construction of permanent facilities for water recycling, demineralization, and desalination, and distribution of non-potable water supplies in Southern Riverside County, California.

(b) COST SHARING.—The Federal share of the cost of the project described in subsection (a) shall not exceed 25 percent of the total cost of the project or $20,000,000, whichever is less.

(c) LIMITATION.—Funds provided by the Secretary under this section shall not be used for operation or maintenance of the project described in subsection (a).

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