Statement of Karl Wirkus, Deputy Commissioner for Operations Bureau of Reclamation U.S. Department of the Interior before the Subcommittee on Water and Power Committee on Natural Resources U.S. House of Representatives

March 18, 2010 H.R. 4579

Madam Chairwoman and Members of the Subcommittee, I am Karl Wirkus, Deputy Commissioner for Operations at the Bureau of Reclamation. I am pleased provide the views of the Department of the Interior (Department) on H.R. 4579, the South San Diego County Water Reclamation Project of 2010. For reasons described below, the Department cannot support H.R. 4579.

H.R. 4579 would amend the Reclamation Wastewater and Groundwater Study and Facilities Act (Public Law 102-575, 43 U.S.C. 390h *et seq.*), commonly called Title XVI, to authorize the Secretary of the Interior to participate in the design, planning, and construction of permanent facilities needed to reclaim, reuse, and treat groundwater and wastewater in South San Diego County, California. The project is being implemented by the Sweetwater Authority, the Otay Water District, and the City of Chula Vista.

The partner agencies are proposing this new Title XVI project titled the South San Diego County Water Reclamation Project which would be a separate authorization from an existing Title XVI authorization for the San Diego Area Water Reclamation Program. The original authorization, which dates to 1992 and is part of the original Title XVI program authorization, led to construction of the Richard A. Reynolds Groundwater Desalination Facility. The proposed project consists of three components: (1) the Otay Basin Brackish Groundwater Desalination Facility, which would extract brackish groundwater from the San Diego Formation and treat it to potable standards, similar to the existing Reynolds facility; (2) the Regional Concentrate Conveyance Facility would consist of a brine disposal pipeline that would serve the Otay facility, as well as other possible facilities, to convey brine to the existing South Bay Ocean Outfall; and (3) the Recycled Water Membrane Bioreactor Facility which would consist of a new wastewater treatment facility that would produce up to 6,700 acre-feet of recycled water annually. This would increase the supply of recycled water to be used to replace potable water primarily for landscape irrigation purposes.

H.R. 4579 would authorize the project under Title XVI for Federal funding not to exceed 25 percent or \$20 million, whichever is less. It should be noted that all three components could potentially be funded under the existing authority of the San Diego Area Project; however, doing so would decrease the funds available for other San Diego Area projects due to the appropriations ceiling, which is \$172,590,000. Reclamation met with the project sponsors during the summer of 2009 to exchange information regarding this project and help them understand the process of developing a feasibility study in accordance with existing Title XVI Directives and Standards. Reclamation does not have a complete estimate of costs but is continuing to work with the project sponsors to ascertain this information.

The San Diego Area Project referenced above consists of many components, and some are well

into construction. As discussed, the current ceiling for the San Diego Area Project's authorized Federal cost share is \$172,590,000, and about \$95.3 million has been appropriated to date for the project including funds under the American Recovery and Reinvestment Act (ARRA). The language of H.R. 4579 aims to provide a separate authorization for these additional projects outside the cost ceiling for the San Diego Area Project.

While the Department supports efforts to increase local water supplies and increase recycled water use in Southern California, this project would compete for funds with other needs within the Reclamation program, including other Title XVI projects currently under construction.

In general, the Department supports the Title XVI Reclamation and Reuse program. The 2011 budget proposal includes funding for the Department's WaterSMART Program, and Title XVI is an important element of that program. Specifically, the 2011 budget proposal includes \$29 million for the Title XVI program, a 113% increase over the 2010 enacted level. As part of this total, the Department is requesting \$20 million for Title XVI projects to be selected using criteria to identify activities most closely aligned with Title XVI statutory and program goals. This past Monday, March 15, Reclamation posted an announcement inviting comment on draft funding criteria for Title XVI projects. After these criteria are finalized, Reclamation will review and rank Title XVI project proposals received based on those criteria subject to appropriations in fiscal year 2011.

Separately, in July of 2009, the Department announced the allocation of approximately \$135 million in grants for specific authorized Title XVI projects using funds from the American Recovery and Reinvestment Act, or ARRA. We recognize that water reuse is an essential tool in stretching the limited water supplies in the West, and I believe the FY 2011 Budget request on top of the ARRA funding has demonstrated the emphasis placed by this Administration on this Program. However, given that there are 53 already authorized Title XVI projects and numerous competing mission priorities and demands on Reclamation's budget, the Department cannot support the authorization of new Title XVI projects at this time.

Reclamation will, however, continue to work with project proponents to evaluate the feasibility of their projects.

Madam Chairwoman, this concludes my testimony. Thank you for the opportunity to comment on H.R. 4579. I would be pleased to answer any questions at this time.