

**Texas Water Day
Cannon House Office Building
Washington, DC
February 1, 2012**

Commissioner Michael Conner: ... redundancy, options, flexibility so that we can better address these situations in the future. The President, in his State of the Union address, talked about an economy built to last. He mentioned Hoover Dam, he did mention water mining, the water resources programs, he talked about manufacturing, about training, about energy, of course all of those are foundational to our economy.

I believe that water is foundational to our economy also. I think from that standpoint we've been pretty successful at the Bureau of Reclamation of making that point, getting support for our programs.

The reality is that the needs will, as far as I can see, outstrip the available resources. We are getting, in this budget climate, I think the Bureau of Reclamation, is in some pretty good support both on Capitol Hill and within the administration for gearing up our programs. We kind of look at that message threefold.

We stress the value of the investments in the Bureau of Reclamation projects and programs, and the Department of the Interior Secretary Salazar's been blazed with focus on stressing the economic benefits from the programs and Interior. We've done a couple of economic reports. The last one that came out was June of last year that showed the value, water, energy, and recreation services that the Bureau of Reclamation's facilities are able to provide, the raw value of that is \$19.6 billion per year.

The economic spin-off benefits associated with those commodities, energy, recreation, etc. is \$55 billion in the economy, and overall that supports about 416,000 jobs per year. So, I look at that as a pretty good story to tell for an agency that survives on about a billion dollars of appropriated dollars every year, to have those kinds of benefits.

The value of our programs, basically at the end of the day, we're mostly a construction agency still. It may not be the large dam reservoir, but there was a lot of infrastructure that we are still constructing or we're taking care of that creates jobs in the short term. It sustains jobs in the long term. There's economies that have grown up around Bureau of Reclamation facilities. We stress that message, and we get support from the administration because of that message.

We also talk about the impacts of cuts that will come, the programs and authorized projects that won't get done if we don't have the resources that we need to carry out those programs. People understand that the work that's not going to get done.

Then finally, we have a responsibility under the administration to continue to improve the way we do business, to continue to reduce our administrative costs. We want more dollars that come into

the Bureau of Reclamation being out on the ground, taking care of issues, short term, long term, going to work for folks like you. So, that's our message.

I think in the era of double digit budget cuts for a lot of federal agencies, we've been able to hold steady or keep ourselves in the low single digits with respect to budget reductions, as we have a responsibility, and all the agencies do, to help address the federal deficit situation.

I recognize though that Reclamation's role in Texas is a little different than in other places. We don't have the huge projects that dominate the landscape such as we do in California, such as we do in the Colorado River basin. When drought hits, it immediately impacts our operations as well as our contractors, and we're immediately in the midst of the whirl the crises that are associated with drought.

I think in Texas, recognizing that you all do a great job of taking care of your own issues, and I understand that the Water Development Board got \$6 billion in additional bonding authority if I've got my information right, to take care of needs as you move forward in the future.

What is Reclamation's role? I think it's continuing to partner up with the different Texas agencies. I recognize as Tom said, that there's a lot more that we can do. I think overall as we're moving forward in Texas, we've got a lot of programs that we have been using that we hope to use in the future.

We've got our WaterSmart program, our water and energy efficiency grants where we've, just in the last couple of years, I think, have invested \$4 million, leveraged another \$10 million of state and local funding.

We've managed to conserve 8,000 acre feet and save 1.3 million kilowatt hours of electricity. That's small. Hopefully, we can continue to build more support for our WaterSmart program, and continue to heighten that level of activity in Texas. We've got an active basin studies program over all west, now, for the first time, we're partnering up with the Rio Grande Region Water Authority on a basin study in the lower Rio Grande.

I think we need to understand the resource; we need to understand how the resources change in the future as well as taking those immediate actions that are going to help address Texas' water issues.

Title 16, I think we're in our infancy of what it is that we could be doing in Texas. We've invested over the last few years \$3.7 million, mostly El Paso, Round Rock, Title 16 facility. I know, I think under the Texas Water Plan that water we're using, the water's supposed to comprise at least 10 percent of Texas water supply. It's a good program.

We've tried to increase the support for the Title 16 program to the \$25 to \$30 million level per year in the last couple of budgets. That's a significant increase over what it was in prior years. We want to keep focus on that.

Lastly, we've got our R&D program. We're partnering up with, particularly the community in Brownsville on some advanced water treatment technologies. R&D is going to be a very important part of what we can bring to the table.

That's an array of programs. I think we're also working on drought management strategies.

We've got programs, expertise that we can bring to the table. We recognize you're in control of your future, that you're investing most of the resources. Let us know how we can help. Let us know where you need more resources, help us advocate for more resources, and hopefully we can do more work in Texas.

The last thing I'll just say is the Secretary and I, we were in El Paso a few weeks ago, taking a tour of the Kay Bailey Hutchinson Desalination Facility. The Secretary did ask why it was named the Kay Bailey Hutchinson Desalination Facility, but having served with her in the Senate, he very much admires and respects the senator, and understood her assistance to that facility.

Great facility, but overall we talked with Ed Archuleta, and El Paso Water Utilities, and Congressman Reyes down there about the transition that's been made over the last decade in El Paso. It was a community on the edge with respect to its water resources. It's a community that's on the leading edge of implementing all of the right tools necessary to address water resources issues. It started with their understanding of the limits of the Hueco Bolson aquifer, down there of really mapping modeling resource.

It then started water reuse, they implemented that. Desalination, then into advanced purification technologies. They've also entered into as part of that operating agreement I talked about in the Rio Grande project; they've entered into local agreements with the water district. They're talking to the suppliers of surface water. It's a great story of the array of things you need to do to address water resource issues. It was a fun time being down there demonstrating the value of foresight with leadership investment. We look forward to working with other Texas communities.

I think that I've used my allotted time. Question or two? I'm happy to hit the road if you've got to the program rolling.

Man 2: We have time for a question or two. I do want to say Commissioner that we work with Mark and Collins in Texas and they're very helpful. They tell us about WaterSmart, what those opportunities there. They give us the heads up to come to our meetings in Texas. We do get that, and I think we're starting to find ways to work with the Bureau of Reclamation in Texas in a way that fits in with the way we do the water business here in Texas. I appreciate your tolerance on the time, I know you were scheduled for 10:40, and you tolerated some adjustments to your schedule, but any quick question for the Commissioner?

Commissioner Michael Conner: I'm not a fast talker usually, so don't hold that against me.
[Audience laughs]

Man 2: Thank you.

Commissioner Michael Conner: All right, thank you. [Audience claps]