

**REMARKS OF BENNETT RALEY,
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Colorado River Water Users Association
Las Vegas, Nevada
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Good morning. My name is Bennett Raley. I am the Assistant Secretary of the Interior for Water and Science. It is an honor to be here on behalf of Secretary Norton to discuss issues of vital importance to the Colorado River basin.

Two days ago President Bush observed that "We will never forget where we were, and how we felt, on September 11th." On that day I was with many of you in Mexicali at the bi-national symposium on the Colorado River Delta. Early that morning I was reviewing the message from the Department of the Interior that I was to deliver at the symposium. Bob Snow, of the Solicitor's office, knocked on my door and told me about the first plane. We turned on the TV in time to watch the first video of the attack on the second World Trade Center tower. With great difficulty, we returned to the work at hand.

Our decision to proceed that morning was based on our instinctive desire to prove that the United States will never yield to terror. Today, I know that this was the right decision. The President and Secretary Norton want us to "stay the course."

I am here today to tell you that with respect to the Colorado River, that is exactly what the Department of the Interior intends to do. Our course has been set by the concepts of federalism embedded in the United States Constitution, the Colorado River Compact, the Treaty with Mexico, and the rest of the Law of the River. And as we work together in the coming years, it is important that you know that we are committed to preserving and defending the sanctity of

...treaties, the integrity of compacts, and the enforceability of contracts. We also believe in limited government, because we know that when the people of this great nation work together to solve complex problems the results will be superior to and more enduring than anything the federal government has to offer. Finally, I want you to know that the Secretary and I are proud, very proud, of the Bureau of Reclamation.

Standing here, so near Hoover Dam, we can justly take pride in the efforts of our predecessors that brought electric energy to this region, and water for great cities and world-class agriculture. And while there are very important and difficult issues that must be addressed in this basin in the next year, Secretary Norton has made an unqualified commitment to consult, cooperate, and communicate with you to address these issues.

During the past few years, we have witnessed something that many in the basin had long thought impossible -- a coming together of the seven Basin States in a way that has not existed since 1922. We believe that this triumph of federalism has generated a successful mix of programs and plans that will permit us to make the best and fullest use of this vital, but limited, resource while ensuring that each State and our neighbors in Mexico are able to enjoy their full legal entitlements. At the same time, these programs should enable us to meet the new and challenging demands on the River.

It is a tribute to those of you who have worked together over the past decade on these issues that every element of the programs you have fashioned is in accord with the compacts, treaties, statutes and contracts, upon whose faithful implementation the integrity of the law of the river rests -- and must continue to rest.

Among the essential elements of your work are:

Arizona's Outstream Irrigation program, and the federal regulations for implementing it that were called for by Arizona's law; Nevada and Arizona are putting the final touches on the arrangements necessary to allow this program to meet Nevada's emerging needs;

- The crafting of a long-awaited California 4.4 Plan so that California can bring its demands on the River within its legal entitlement;
- A quantification settlement among the California agricultural agencies that is essential to the voluntary re-allocation of Colorado River water within California. This agreement allows for the transfer of water between the Imperial Irrigation District and San Diego. This point highlights the importance of respecting existing water rights in the west if we are to have the certainty necessary to encourage the use of market mechanisms to meet the needs of the future;
- The emergence of a framework for resolving tribal water entitlement claims for the San Luis Rey bands of Indians;
- The development of interim surplus guidelines agreed to by all the basin states, so that the needs of users within California can be reliably met during the interim period required to bring California's Colorado River Water Use Plan to fruition.

At the same time that we move forward with these efforts, we are working to fulfill our conservation and trust responsibilities throughout the basin. As we near the centennial of the landmark decision in *Winters*, we are working to facilitate tribal utilization of their reserved water rights. We recognize the importance of facilitating Indian water rights settlements and this Administration strongly favors negotiated settlements where possible. Secretary Norton has

convened a working group of senior Departmental officials to guide, and facilitate, progress on settlements. In Colorado, we are pressing forward with construction of the Animas-LaPlata Project which will allow the United States to meet its promises to the Colorado Ute Tribes. We are also actively pursuing a Global Arizona Water Rights Settlement involving the Gila River Indian Community.

In addition, we are moving ahead to meet our environmental obligations. In the Upper Basin, the well-established Recovery Implementation Program is an example of a collaborative program that works - as recently as last Thursday agreements were reached to extend this essential program. In the Lower Basin, many stakeholders are working together on the Multi-Species Conservation Plan to craft a viable conservation plan designed to address the needs of listed species and water users for decades to come. I would encourage the various environmental groups to take a renewed interest in this program - and work with us on its implementation. The MSCP offers the best chance to address the needs of currently listed species and to prevent the need for additional listings in the Lower Basin.

We continue to work toward an appropriate resolution of Salton Sea restoration issues. And we are engaged cooperatively with Mexico in order to facilitate bi-lateral discussion regarding the future of the Delta.

These are extraordinary steps toward resolving issues that have haunted us for most of the last century. But the job that has been begun so impressively is by no means finished. We still have a long way to go. We must not falter, and we must rededicate ourselves to work together to finalize these initiatives, and in particular the efforts to bring California's use in line with its apportionment. As you know, California's commitment to live within an apportionment of 4.4

million acre-feet was one of the conditions that allowed ratification of the 1922 Compact and construction of Hoover Dam to proceed.

I must say that with every passing day the Secretary and I grow more concerned about the ability of entities in California to comply with the commitments in the California 4.4 Plan. Time is of the essence, and it is vital that we together complete each of the required elements of the 4.4 Plan implementation - and complete them on schedule. And while the Department strongly prefers to implement the solution crafted by all of you, in the end the Secretary, as watermaster of the Lower Basin, will enforce the law of the River.

The interim surplus guidelines depend on attaining benchmarks -, i.e., specific reductions - of Colorado River water use in California. If California is not successful in implementing the 4.4 Plan, the results could be grave for California. The Secretary is enjoined by the Supreme Court Decree from delivering water to California beyond its 4.4 million acre-feet allocation unless surplus water is available. If we experience several more dry years like 2001, and if the required benchmarks are not met, California would have to reduce its usage in a much shorter time frame than currently planned under the interim surplus guidelines. While such an eventuality would immediately impact urban water users in Southern California, they would not be the only ones harmed.

The risk of loss of surplus water for urban users in California would undoubtedly provoke renewed demands to investigate beneficial use by agricultural users in California, a longstanding source of conflict within that state. This would certainly be an extremely divisive matter that could undo much of the progress we have collectively been making on river management in the basin.

California's water needs from existing sources tends to set off a controversy that reverberates up through the Central Valley and the Sacramento River basin. We do not want anything to ignite North-South conflicts in the Golden State.

Neither are the other basin states immune from the troubles that could arise. If California's performance benchmarks for implementing the interim surplus guidelines are not met, and if we experience several dry years, water availability would be determined by enforcement of the Supreme Court Decree, and we could find California and the other basin states in contention over the criteria that should be applied to define surplus and shortage. In short, trouble in California growing out of controversy on the Colorado River is adverse to the interests of all of the basin states and their citizens.

In contrast, we all have so much to gain from successes. Secretary Norton has identified further progress on the Colorado as one of her top priorities for the Department and has asked me to work actively and intensively with the California parties to help achieve reasonable resolution of problems that remain. Secretary Norton has committed to make the staff and expertise of the Department available, as needed and desired, to help you fashion those solutions.

As we proceed, Secretary Norton believes that the Colorado River agenda for the coming year should address at a minimum the following:

- Environmental compliance on the Imperial/San Diego transfer and the Quantification Settlement Agreement needs to move along more expeditiously.
- We need to work together to find acceptable resolution of Endangered Species Act issues on the Salton Sea. While a long term approach, with a habitat conservation plan under section 10

of the ESA is preferable, the Department will consider moving forward under Section 7 of the
Endangered Species Act.

While we must focus on these issues in the short-term, there are two large and long-term
issues that demand our continuing attention: the fate of the Salton Sea, and the issues surrounding
the Mexican Delta.

As to the first,

- It is important to keep in mind that restoration of the Salton Sea, in all its complexities, is separate from what is necessary to implement the California 4.4 Plan. The continuing efforts to determine a long-term resolution of Salton Sea issues should go forward on their own schedule. The California 4.4 Plan cannot and should not be held hostage to the larger issues presented by the Salton Sea.

As to the Delta;

- We support Minute 306 adopted by the International Boundary and Water Commission calling for a framework of cooperation between the two countries. In partnership with the IBWC, we will continue working with the Mexican government on a bilateral basis, in an effort to identify programs consistent with our treaty commitments, that can aid conservation efforts for the Colorado River Delta in Mexico. We recognize that this process will only succeed if the Basin States, along with the other stakeholders in the basin, are included in the search for creative, and acceptable solutions. Of course, there must be a sound scientific basis for any proposed solution, which will require additional research to fill existing data gaps. However, while these efforts proceed, we cannot ignore the

pressing needs of the growing communities in Mexico along our shared border and the challenges our neighbors are facing in this regard. Any continuing dialogue on the Delta issues must recognize the sovereignty of Mexico, the bilateral agreements forged in the 1944 Treaty and the full spectrum of water issues facing Mexico in the Delta region.

In conclusion, I want to express my congratulations and appreciation to all of you who have worked so hard for so long to bring us so far toward success on the Colorado River issues I have outlined today. On behalf of Secretary Norton, I want to assure you of the Department's -- along with my personal -- support and commitment -- to work with you to get the job done.