



SIERRA
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Washington State
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TESTIMONY OF THE SIERRA CLUB
before the House Capital Budget Committee on HB 1075
Olympia, WA,
January 13, 2017

Mr. Chairman and members of the Committee, thank you for the opportunity for the Sierra Club to provide testimony on HB 1075, the Governor's proposed FY 17-19 Capital Budget. Overall we support efforts to implement Ecology's Clean Air Rule to reduce greenhouse gas emissions and to increase funding for programs to protect and restore salmon and steelhead and other environmental programs. However, we do not support, at this time, additional funding for the Department of Ecology's Office of Columbia River.

In 2006, the Washington State Legislature tasked the Department of Ecology (Office of Columbia River) to "**aggressively seek out new water supplies**" for both instream and out-of-stream uses (emphasis added). *RCW 90.90.005(2)*. The same legislation set up the Columbia River Basin Development Account and authorized \$200 million to fund it.

In years past we have raised concerns about how the Office of Columbia River has spent money on water projects. To assist in this effort, Power Consulting Inc. (Missoula, MT) whose client list includes the City of Seattle and the WA State Attorney General, prepared a 41 page report: "Department of Ecology Office of Columbia River: The Last Ten Years."

The attached Power Report includes findings that:

- A significant amount of the approximately 400,000 acre-feet of water that the Office of Columbia River (OCR) reports as having been "developed" during the first decade of OCR's operations is not from "new" water supply production.
- The OCR and Bureau of Reclamation funded Yakima Plan is based on speculative fish production benefits to justify funding large and expensive surface water storage facilities.
- Doing an aggregate benefit-cost analysis on the Yakima Plan, as the OCR and Bureau chose to do, hides projects that generate major net costs among those that generate net benefits.
- In addition, within the Yakima Basin, it would be far less costly to provide the planned enhanced in-stream flows through the buying of water rights that divert water flows to out-of-stream uses, leaving the water in the rivers rather than building new or expanded large surface water storage facilities.

The Power Report made the following recommendation:

"Our analysis of OCR provides a critical overview of OCR's expenditures since its creation. In light of our findings, summarized in the following conclusions and supported by the analysis contained in this report, we recommend that the Washington State Legislature not provide additional funding to OCR until a performance audit on OCR is prepared for the Legislature." (*Power Report*, Ex. Summary, page 1).

Therefore, we repeat our request that before any more state taxpayer money is spent on water projects, the Legislature request a performance audit of the Office of Columbia River to review the water supply benefits of the \$200 million provided to OCR since 2006. Thank you.