



## Oregon Water Resources Congress

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Commissioner Michael L. Connor  
U.S. Bureau of Reclamation  
1849 C Street NW  
Washington, DC 20240-0001

November 1, 2011 (*transmitted via email*)

Dear Commissioner Connor:

We are writing on behalf of the Oregon Water Resources Congress (OWRC) and its Federal Caucus to request that the U.S. Bureau of Reclamation (Reclamation) withhold public release of the Phase II Resource Assessment of Hydropower Projects Report (Phase II Report), which we understand will identify potential hydropower sites on Reclamation canals. The Federal Caucus includes Reclamation districts that deliver irrigation water in Oregon.

Our concerns stem from a September 22, 2011, presentation at the Northwest Hydroelectric Association's Small Hydro Workshop in Bend, Oregon, that several OWRC members attended. As part of a workshop panel, Michael Gabaldon, Director of Technical Resources, U.S. Bureau of Reclamation, spoke about Reclamation's ongoing resource assessment of hydropower projects in the West. Mr. Gabaldon indicated that Reclamation is identifying hydroelectric opportunities on Reclamation-owned canals as part of the Phase II Report. In particular, Mr. Gabaldon stated that Reclamation has identified hundreds of drops (5 feet or greater) on Reclamation canals and that Reclamation is currently analyzing these sites for capacity and energy potential. Mr. Gabaldon further indicated that the final results will be included in the Phase II Report and released to the public by the end of 2011.

We are extremely concerned with the planned public release of the Phase II Report. Publicly releasing a report that identifies potential sites for in-canal hydro will undoubtedly cause a slew of hydroelectric developers to file unsolicited and unwanted preliminary feasibility permit applications with the Federal Energy Regulatory Commission (FERC) for projects on the identified sites. Not only are these filings a burden to the district's standard water delivery operations, but the district must expend time, energy and finances to refute or respond to the filings whether legitimate or not. The districts' experience has been that some, if not most, developers making unsolicited and unwanted filings do so without performing even the most basic due diligence on a specific site or location, and will often file with FERC without any communication with the district whatsoever. Meanwhile, these often dubious hydropower proposals hinder a districts' ability to pursue legitimate projects on their own or with partners such as Reclamation. Many irrigation districts throughout the West already have had to deal with such filings, and publicizing locations for more potential projects will only add to the burden as developers race to be first in line at FERC.

We are also concerned that in many cases Reclamation does not even "own" the canals or project sites that will be identified in the Phase II Report. In many districts, Reclamation simply holds easements and/or rights-of-way across private property which means that Reclamation has diminished authority at such locations. And the districts' experience has been that once a developer files a preliminary application with FERC for a particular site, Reclamation summarily relinquishes its authority over the site, and FERC becomes the de facto "authority" for the project.

***The mission of the Oregon Water Resources Congress is to promote the protection and use of water rights and the wise stewardship of water resources.***

Indeed, Reclamation itself appears to be struggling with how to address the new influx of hydroelectric filings involving Reclamation facilities. There have been mixed and often conflicting communications from all levels of Reclamation regarding the appropriate processes and procedures for hydro development on canals within Reclamation projects. We are gravely concerned that Reclamation is ill-prepared for what could be hundreds of filings on thousands of sites within Reclamation canals and facilities by developers, many of whom may not be properly equipped to competently develop the proposed projects. Certainly, Reclamation districts are not prepared to handle the tidal wave of coming applications.

At the same time, please do not construe this letter as the districts being opposed to all hydroelectric development on Reclamation canals. To the contrary, we believe hydroelectric development on canals can provide great opportunities for both Reclamation and non-Reclamation districts alike, particularly given the current economic difficulties many districts face. However, if there are hydro opportunities within Reclamation districts, Reclamation should work with the districts to develop those projects, and not simply issue a report that alerts, and provides competitive advantage to, third party speculators.

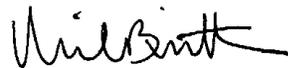
OWRC and its Federal Caucus respectfully request that Reclamation's Phase II Report, as it relates to potential hydro sites on canals, not be made public. Rather, we would request that this information be made available to the irrigation districts that may be directly affected. We strongly believe that Reclamation should work with its existing district partners on potential projects to further advance Reclamation's mission and to ensure the continued success and financial viability of its current partners.

If you need any additional information, please contact April Snell, Assistant Director ([Aprils@owrc.org](mailto:Aprils@owrc.org)). Thank you for the opportunity to share our concerns.

Sincerely,



Anita Winkler  
Executive Director



Mike Britton, OWRC Federal Caucus Chair  
North Unit Irrigation District

On Behalf of OWRC's Federal Caucus:

Hermiston Irrigation District  
Klamath Irrigation District  
Medford Irrigation District  
Ochoco Irrigation District  
Owyhee Irrigation District  
North Unit Irrigation District  
Ridgeview Irrigation District  
Rogue River Valley Irrigation District

Stanfield Irrigation District  
Talent Irrigation District  
The Dalles Irrigation District  
Tualatin Valley Irrigation District  
Vale Oregon Irrigation District  
Warm Springs Irrigation District  
West Extension Irrigation District  
Westland Irrigation District

CC:

David Murillo, Deputy Commissioner  
Michael Gabaldon, Director of Technical Resources  
Donald R. Glaser, Mid-Pacific Regional Director  
Karl Wirkus, Pacific Northwest Regional Director