

## Calendar No. 279

112TH CONGRESS }  
2d Session }

SENATE

{ REPORT  
{ 112-117

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### LAKE THUNDERBIRD EFFICIENT USE ACT

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JANUARY 13, 2012.—Ordered to be printed

Filed, under authority of the order of the Senate of December 17, 2011

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Mr. BINGAMAN, from the Committee on Energy and Natural Resources, submitted the following

### R E P O R T

[To accompany S. 802]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 802) to authorize the Secretary of the Interior to allow the storage and conveyance of nonproject water at the Norman project in Oklahoma, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

#### PURPOSE

The purpose of S. 802 is to authorize the Secretary of the Interior to allow the storage and conveyance of nonproject water at the Norman project in Oklahoma.

#### BACKGROUND AND NEED

S. 802 authorizes the Secretary of the Interior to enter into a contract with the Central Oklahoma Master Conservancy District for the storage and conveyance of non-project water at Lake Thunderbird, a Norman project facility, to augment municipal and industrial supplies for the cities served by the District. The Norman Project was authorized in 1960 (Public Law 86-529) and is located in central Oklahoma. Its primary purpose is to provide municipal water for several communities by pumping from Lake Thunderbird. The Central Oklahoma Master Conservancy District operates the Norman Project under contract with the United States. Additional water is required to meet existing municipal and industrial needs and S. 802 authorizes the Secretary of the Interior to allow non-

project water to be stored and conveyed in Lake Thunderbird, should the Secretary determine that the reservoir has excess capacity for additional supplies. The District has agreed to pay for any additional costs associated with purchasing, storing, and conveying the water at Lake Thunderbird.

#### LEGISLATIVE HISTORY

Senator Inhofe introduced S. 802 on April 13, 2011. The Subcommittee on Water and Power of the Committee on Energy and Natural Resources held a hearing on S. 802 on June 23, 2011 (S. Hrg. 112–129). The Committee on Energy and Natural Resources ordered S. 802 favorably reported without amendment at its business meeting on November 10, 2011.

During the 111th Congress, Senator Inhofe introduced similar legislation, S. 3573. No further actions were taken.

#### COMMITTEE RECOMMENDATION

The Senate Committee on Energy and Natural Resources, in open business session on November 10, 2011, by a voice vote of a quorum present, recommends that the Senate pass S. 802.

#### SECTION-BY-SECTION ANALYSIS

*Section 1* identifies the short title of the bill as the “Lake Thunderbird Efficient Use Act of 2011”.

*Section 2* amends Public Law 86–529 (74 Stat. 225) by specifying that the Secretary of the Interior may amend an existing contract or enter into a new contract with the Central Oklahoma Master Conservancy District to store and convey nonproject water in Norman project facilities to augment municipal and industrial supplies for the cities served by the District. Costs associated with any additional infrastructure required to store and convey the additional water supplies are specified to be the responsibility of the non-Federal entity contracting with the Secretary of the Interior.

*Section 3* specifies that this Act does not authorize any expansion of the storage capacity of Lake Thunderbird.

#### COST AND BUDGETARY CONSIDERATIONS

The Congressional Budget Office estimate of the costs of this measure has been requested but was not received at the time the report was filed. When the Congressional Budget Office completes its cost estimate, it will be posted on the Internet at [www.cbo.gov](http://www.cbo.gov).

#### REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 802.

The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 802, as ordered reported.

#### CONGRESSIONALLY DIRECTED SPENDING

S. 802, as reported, does not contain any congressionally directed spending items, limited tax benefits, or limited tariff benefits as defined in rule XLIV of the Standing Rules of the Senate.

#### EXECUTIVE COMMUNICATIONS

The testimony provided the Department of the Interior at the June 23, 2011, Subcommittee hearing on S. 802 follows:

#### STATEMENT OF GRAYFORD F. PAYNE, DEPUTY COMMISSIONER FOR POLICY, ADMINISTRATION AND BUDGET, BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR

Madam Chairman and members of the Subcommittee, I am Grayford Payne, Deputy Commissioner for Policy, Administration and Budget at the Bureau of Reclamation (Reclamation). I am pleased to present the views of the Department of the Interior (Department) on S. 802, a bill to authorize the Secretary of the Interior to allow the storage and conveyance of non-project water at the Norman Project in Oklahoma. For reasons I will discuss below, the Department supports this bill.

Lake Thunderbird, located on the Little River in central Oklahoma, was constructed as part of the Norman Project for municipal and industrial water supply, flood control, recreation, and fish & wildlife purposes. The Central Oklahoma Master Conservancy District (District) operates the Norman Project under contract with the United States. The District holds all Project water rights and currently provides water to the member cities of Norman, Del City and Midwest City.

The Lake Thunderbird watershed experienced a major drought between 2005 and 2006 which resulted in unprecedented low lake levels. Shortly thereafter, the District and Reclamation jointly determined that the stored water supply in the lake would require augmentation in the future to meet demands of the member cities during potential reoccurring drought periods.

S. 802 would facilitate a proposal by the District to purchase raw water from the City of Oklahoma City in times of drought and store it in Lake Thunderbird to augment the yield of the reservoir. The water would come from Atoka Reservoir in southeast Oklahoma, which is owned and operated by Oklahoma City. Oklahoma City conveys this water approximately 100 miles through the existing Atoka pipeline which crosses the Lake Thunderbird watershed just upstream of the reservoir. The District and Oklahoma City would tap the Atoka pipeline and construct a short pipeline to Lake Thunderbird. Because the purchased water does not originate within the Lake Thunderbird watershed, Reclamation does not have authority to approve this action. If S. 802 were enacted, Reclamation

could approve a water service contract and provide the means for the action to move forward.

The Department supports this legislation because: (1) Reclamation has confirmed an immediate and critical water need exists; (2) studies conducted in 2010 indicate that Lake Thunderbird can be used to store up to 4,600 acre feet of non-project water, if and when space is available, with no adverse impacts to operations, the environment, recreation, and the local economy; (3) the action would be carried out solely by the District at no cost to the Federal government; and (4) based on a well attended public meeting in 2009 and on comments received on the environmental compliance document, the proposed action is generally supported by interested parties and no known opposition exists.

Madam Chairman, this concludes my written statement. I am pleased to answer any questions.

#### CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill S. 802, as ordered reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

#### Public Law 86-529 (74 Stat. 225)

An Act to authorize the Secretary of the Interior to construct, operate, and maintain the Norman project, Oklahoma, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized to construct, operate, and maintain the Norman Federal reclamation project, Oklahoma, in accordance with the Federal reclamation laws (Act of June 17, 1902, and Acts amendatory thereof or supplemental thereto), except so far as those laws are inconsistent with this Act, for the principal purposes of storing, regulating, and furnishing water for municipal, domestic, and industrial use, and for controlling floods, and, as incidents to the foregoing for the additional purposes of regulating the flow of the Little River, providing for the conservation and development of fish and wildlife, and of enhancing recreational opportunities. The Norman project shall consist of the following work: A reservoir on Little River near Norman, Oklahoma, pumping plants, pipelines, and other conduits for furnishing water for municipal, domestic, and industrial use.

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#### SEC. 9.

Section 5(f) of the Act entitled "An Act to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes", approved April 11, 1956 (70 Stat. 109), is amended effective June 1, 1960, to read as follows: "The interest rate applicable to each unit of the storage project and each participating project for

purposes of computing interest during construction and interest on the unpaid balance shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is initiated, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from the date of issue.”

**SEC. 10. LAKE THUNDERBIRD.**

*(a) IN GENERAL.—If the Secretary of the Interior determines that there is enough excess capacity in the reservoir on the Little River known as ‘Lake Thunderbird’ that nonproject water can be stored in Lake Thunderbird, the Secretary of the Interior may, in accordance with the reclamation laws, amend an existing contract, or enter into 1 or more new contracts, with the Central Oklahoma Master Conservancy District for the storage and conveyance of non-project water in Norman project facilities to augment municipal and industrial supplies for the cities served by the Central Oklahoma Master Conservancy District.*

*(b) COSTS.—If any additional infrastructure is needed to enable the storage and conveyance of non-project water in Norman project facilities under subsection (a) or any other provision of this Act, the costs of constructing, operating, and maintaining the infrastructure shall be the responsibility of the non-Federal entity contracting with the Secretary of the Interior for storage and conveyance rights.*

