

January 10, 2022

The Honorable Joe Manchin Chairman Committee on Energy and Natural Resources **United States Senate** 304 Dirksen Senate Building Washington, DC 20510

The Honorable John Barrasso Ranking Member Committee on Energy and Natural Resources **United States Senate** 304 Dirksen Senate Office Building Washington, DC 20510

Dear Chairman Manchin and Ranking Member Barrasso:

In advance of the Committee's January 11, 2022, hearing on opportunities and challenges for maintaining existing hydropower capacity, expanding hydropower at non-powered dams, and increasing pumped storage hydropower, attached please find the following Western Governors' Association (WGA) policy resolutions:

- WGA Policy Resolution 2022-01, Energy in the West;
- WGA Policy Resolution 2021-10, Water Quality in the West; and
- WGA Policy Resolution 2021-08, Water Resource Management in the West.

The resolutions address state primacy in water management, hydropower project licensing, congressional support for water infrastructure repairs, and the role of basic water data in supporting effective water management.

Please contact me if you have any questions or require further information. In the meantime, with warm regards and best wishes, I am

Respectfully,

Attachments



Policy Resolution 2022-01

Energy in the West

A. BACKGROUND

- 1. Energy policy and the development of sustainable energy resources are major priorities for every Western Governor.
- 2. Western Governors recognize that approaches to energy use and development vary among our states and territories. However, the Governors remain committed to the development of policies and utilization of state energy endowments that result in sustainable practices that can benefit citizens, the region, the nation, and the world.
- 3. Electricity generation and delivery systems are undergoing rapid, significant change across the West. The increasing integration of renewable energy and distributed energy resources, electrification of vehicles and buildings, and retirement of traditional energy generating assets are all contributing to fundamental shifts in the electric sector. Several western states have accelerated these developments by enacting legislation to create targets or deadlines to further support renewable energy.
- 4. In addition, some energy systems face heightened threats from digital and physical sources, including wildfires, severe storms, heat waves, droughts, and other extreme weather events. Ensuring the reliability of energy generation and delivery systems despite these threats is a priority of every Western Governor.
- 5. Western states and communities are served by a diverse mix of electricity providers. Investor-owned utilities, public power utilities, and rural electric cooperatives all serve an invaluable role in delivering reliable, affordable power across the West. These electricity providers are characterized by differences in federal and state oversight, governance structures, capital assets, and geographic service territories.
- 6. The presence of federal lands affects energy projects and infrastructure deployment across the West. Planning, permitting, and siting energy generating assets and transmission and pipeline infrastructure can require close coordination between states, private developers, utilities, and one or more federal agencies. Western Governors are committed to working with federal agencies to create an effective state-federal partnership in energy development, land management, and environmental protection.
- 7. Western energy production is indispensable to meeting national energy demands. Because of this, the West is in a strong position to lead the development of energy systems that make the best use of land and resources and balance technical, economic, environmental and cultural considerations. The West provides a diverse range of energy resources:
 - a. Western states have the vast majority of high-yield geothermal energy capacity in the United States.

- b. Western states supply the majority of non-federal United States petroleum.
- c. Western states are at the forefront of unconventional natural gas production and produce the majority of the nation's natural gas. Natural gas currently accounts for approximately 40 percent of the nation's electricity generation mix.
- d. The West produces the largest output of hydropower in the nation.
- e. Western states have the largest contiguous areas of land-based wind power resources in the nation and have over two-thirds of the nation's installed capacity. In addition, the Pacific Ocean offers some of the best offshore wind resources in U.S. waters.
- f. The West has some of the highest-identified solar energy resource areas in the country and the majority of installed solar capacity.
- g. Western states produce the largest portion of coal in the United States.
- h. The West has the largest contiguous areas of high-yield biomass energy resource potential in the nation.
- i. Western states are uniquely situated to produce low carbon intensity, clean hydrogen to facilitate greater economic development and decarbonization efforts.
- j. Western states have conventional nuclear power generation facilities, produce all domestic uranium, and are at the forefront of advanced nuclear reactor technology development.
- 8. Western states are also leading the way in the development and deployment of innovative energy storage technologies. Utilities across the West have installed a range of battery technologies to improve grid function, flexibility, and resilience.
- 9. Western states and Pacific territories have the resources to drive job creation and economic development through broad growth in the energy industry.
- 10. The Merchant Marine Act of 1920 has prevented certain noncontiguous states and territories from being supplied with domestically produced energy commodities.

B. **GOVERNORS' POLICY STATEMENT**

Governors' Energy Priorities

- 1. Western Governors recognize the following as energy policy priorities for the West:
 - a. Secure the United States' energy supply and systems, and safeguard against risks to cybersecurity and physical security.
 - b. Ensure energy is clean, affordable, equitable, and reliable by providing a balanced portfolio of resources.

- c. Increase energy efficiency associated with electricity, natural gas, and other energy sources and uses to enhance energy affordability and to effectively meet environmental goals.
- d. Advance efficient environmental review, siting, and permitting processes that facilitate clean energy development and the improvement and construction of necessary energy infrastructure, while ensuring environmental and natural resource protection.
- e. Improve the United States' electric grid's reliability and resiliency.
- f. Protect western wildlife, natural resources, and the environment, including clean air and clean water, and reduce greenhouse gas emissions.
- g. Make the West a leader in energy education, technology development, research, and innovation.
- h. Utilize an all-of-the-above approach to energy development and use in the West, while protecting the environment, wildlife, and natural resources, and reducing emissions.

Grid Modernization and Resilience

- 2. A robust, resilient, and well-maintained energy delivery system is vital to the economy and quality of life in the West. Grid infrastructure in the West faces potential disruptions due to natural disasters, particularly wildfires, as well as growing cyber threat landscape. Increased grid threats due to wildfires and extreme weather events highlight the need to use and develop energy systems that are both reliable and combat climate change. Upgrades to transmission and distribution infrastructure, including information technology systems, are needed to properly address these risk factors, as well as anticipated increased electricity demand. Coordination between electricity providers and states in energy markets can lead to cost-effective energy for ratepayers and leverage regional resources.
- 3. Transmission infrastructure in western states often crosses one or multiple federal lands jurisdictions. In these situations, close coordination between states, utilities, and federal agencies is needed to ensure that projects are planned, permitted, and sited in a timely, efficient manner. Western Governors encourage federal agencies to streamline project-permitting reviews to minimize timelines without compromising environmental and natural resource protection or states' roles in those processes.
- 4. Western Governors encourage Congress to provide federal agencies, particularly the Bureau of Land Management (BLM), the Environmental Protection Agency, the Department of Energy (DOE), the Federal Energy Regulatory Commission, U.S. Forest Service (USFS), Bureau of Ocean Energy Management, and U.S. Fish and Wildlife Service with additional support to enhance staff and resource capacity to conduct environmental review and permitting activities associated with transmission infrastructure.
- 5. Western Governors recommend federal agencies leverage designated West-wide Energy Corridors to support the effective and efficient permitting and siting of energy infrastructure assets. Where applicable, Western Governors encourage the BLM and USFS to integrate designated corridor specifications into local land use plans.

6. Western Governors believe clear, coordinated and consistent wildfire mitigation strategies including application of federal vegetation management practices is integral to maintaining the health of western forests, preventing dangerous and damaging wildfires, and maintaining grid reliability. The Governors support effective and efficient crossjurisdictional coordination that enables vegetation management for federal transmission rights-of-way.

Innovation and Technology

- 7. Western Governors encourage innovation and application of energy storage, including battery, hydrogen, pumped hydropower, and compressed air technologies, where costeffective.
- 8. The U.S. has the opportunity to continue global leadership in carbon capture and storage (CCUS) research and technology development, while further deploying CCUS technologies, where cost-effective, that provide financial benefits to our nation's entire value chain.
- 9. The President and Congress should consider federal incentives to expand cost-effective deployment of carbon dioxide (CO2) capture at power plants and other industrial sources.
- 10. Federal policies aimed to limit CO2 emissions should promote, and not impede, development and deployment of CO2 capture and commoditization. Federal regulations should allow states to create programs tailored to individual state needs, industries and economies and consider permanent CO2 storage that results from enhanced oil recovery in meeting federal regulatory objectives.
- 11. Western Governors are committed to considering advanced and small modular reactors as an energy resource.
- 12. Western Governors are committed to developing regional hydrogen hubs to spur economic development and add more clean energy sources to the region's resource mix.
- 13. The developing floating offshore wind industry presents a strong economic and sustainable energy generation opportunity for the West. Western states can work collectively, and in consultation with Tribal governments and in coordination with stakeholders, to address workforce, economic, infrastructure, social, environmental, and manufacturing challenges associated with offshore wind planning, siting, and deployment.
- 14. Western Governors commend efforts by the United States Geological Survey and state geological surveys to identify potential, critical minerals deposits for alternative energy technologies and other consumer products vital to modern society.
- 15. Governors also support development of emerging tools and technologies that address barriers to mineral supply chain reliability, including technologies that help recycle or reuse existing critical mineral resources for use in electric vehicles and other clean energy technologies.
- 16. Western Governors are committed to leveraging the vast expertise in the West's industry, academic institutions, and national laboratories to make the region an international hub for new energy technology research and development, as well as energy education.

- 17. Western Governors encourage Congress and DOE to support and fund research, development, demonstration, and deployment of advanced energy technologies.
- 18. Western Governors support the creation of public-private research and development partnerships among industry, academia, the national labs, and federal agencies to identify promising new technologies, including energy efficiency technologies that advance clean energy with reduced environmental impacts.

Economic and Workforce Development

- 19. Western Governors and states are committed to encouraging training and education in energy-related fields and ensuring there is an adequate workforce operating under the highest safety standards.
- 20. Many western states and communities have been affected by localized job losses due to changes in the energy sector and the closure of coal power plants. Western Governors and states are working diligently to facilitate the creation of employment opportunities for displaced energy sector workers.
- 21. Western Governors offer their support for the U.S. Department of Agriculture (USDA) Rural Energy for America program, which has benefited farmers, ranchers and rural businesses that are often underserved by other federal energy efforts.
- 22. Western Governors support funding and long-term authorization for the State Energy Program (SEP), Weatherization Assistance Program (WAP), and Low-Income Home Energy Assistance Program (LIHEAP).
- 23. Western Governors support legislative measures that promote flexibility for rural electric cooperatives to refinance or adjust loans secured through the USDA Rural Utilities Service.
- 24. Western Governors support increasing the development and use of energy storage and lowand zero-emissions vehicles and associated infrastructure. WGA's Electric Vehicles Roadmap Initiative Report provides valuable insights on strategies to effectively integrate electric vehicle charging equipment with local grid infrastructure.
- 25. Western Governors call on the federal government to lift a barrier to domestic free trade between the contiguous United States and the noncontiguous states and territories by the Merchant Marine Act of 1920 by allowing those jurisdictions to receive energy commodities produced in the mainland but transported by foreign vessels, should those jurisdictions, and the jurisdictions whose ports are being used to ship these materials, desire it.
- 26. Redundant federal regulation of energy development, transport, and use is not required where sufficient state or territorial regulations exist. Existing state authority should not be replaced or impeded by Congress or federal agencies. Where additional regulations are necessary, federal agencies should consult and coordinate with states and tribes to ensure collaboration and understanding of unique circumstances within individual states and tribal nations.

C. GOVERNORS' MANAGEMENT DIRECTIVE

- 1. The Governors direct WGA staff to work with congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
- 2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in December 2024. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult http://www.westgov.org/resolutions for the most current copy of a resolution and a list of all current WGA policy resolutions.



Policy Resolution 2021-10

Water Quality in the West

A. BACKGROUND

- 1. Clean water is essential to strong economies and quality of life. In most of the West, water is a scarce resource that must be managed with sensitivity to social, environmental, and economic values and needs. Because of their unique understanding of these needs, states are in the best position to manage and protect their water resources.
- 2. Through the Clean Water Act (CWA), Congress has codified its policy "to recognize, preserve, and protect the primary responsibilities and rights of states to prevent, reduce, and eliminate pollution, to plan the development and use (including restoration, preservation, and enhancement) of land and water resources, and to consult with the [EPA] Administrator in the exercise of his authority under [the CWA]."
- 3. The CWA further expresses Congress's policy that "the authority of each state to allocate quantities of water within its jurisdiction shall not be superseded, abrogated, or otherwise impaired by this chapter...Federal agencies shall co-operate with state and local agencies, including authorized tribes, to develop comprehensive solutions to prevent, reduce, and eliminate pollution in concert with programs for managing water resources."
- 4. States and the Environmental Protection Agency (EPA) work together as co-regulators in the administration and implementation of the CWA and the Safe Drinking Water Act (SDWA). Congress has delegated to states, by statute, the authority to obtain approval to implement certain federal program responsibilities. When a state has been approved to implement a program and the state is meeting minimum program requirements, the role of federal agencies should be limited to funding, technical assistance, and research support. States should be free to develop, implement, and enforce statutory requirements using an approach that makes sense in their specific jurisdiction, subject to the minimum requirements of the federal acts.
- 5. The CWA was last reauthorized in 1987; attempts to reauthorize the Act since then have failed. Current federal regulations, guidance, and programs pertaining to the CWA do not always recognize the specific conditions and needs of most of the West, where water is scarce and even wastewater becomes a valuable resource to both humans and the environment. The West includes a variety of waters; small ephemeral washes, large perennial rivers, effluent-dependent streams, and wild and scenic rivers. In addition to natural rivers, streams and lakes, there are numerous man-made reservoirs, waterways and water conveyance structures. States need more flexibility to determine how to best manage these varying resources.

B. **GOVERNORS' POLICY STATEMENT**

Clean Water Act (CWA)

- 1. **State Authority and Implementation of CWA:** States have jurisdiction over water resource allocation decisions and are responsible for how to balance state water resource needs within CWA objectives. New regulations, rulemaking, and guidance should recognize this state authority.
 - a) **CWA Jurisdiction:** Western Governors urge EPA and the U.S. Army Corps of Engineers to engage the states as sovereigns and co-regulators in the development of any rule, regulation, policy, or guidance addressing the definition of "waters of the United States" as that term applies to the jurisdictional scope of the CWA. Specifically, federal agencies should engage with states through Governors or their designees with early, meaningful, substantive, and ongoing consultation that adequately supports state authority. Such consultation should begin in the initial stages of development before irreversible momentum precludes effective state participation.
 - b) **Total Maximum Daily Loads (TMDLs)/Adaptive Management:** States should have the flexibility to adopt water quality standards and set total maximum daily loads (TMDLs) that are tailored to the specific characteristics of western water bodies, including variances for unique state and local conditions.
 - c) Anti-degradation: CWA Section 303 gives states the primary responsibility to establish water quality standards (WQS) subject to EPA oversight. Given the states' primary role in establishing WQS, EPA should directly involve the states in the rulemaking process for any proposed changes to its existing regulations. Before imposing new antidegradation policies or implementation requirements, EPA should document the need for new requirements and strive to ensure that new requirements do not interfere with sound existing practices.
 - d) **Groundwater:** States have primary authority over the protection of groundwater and exclusive authority over the management and allocation of groundwater resources within their borders. The regulatory reach of the CWA does not extend to the management and protection of groundwater resources unless the activity in question is the functional equivalent of a direct discharge from a point source. In addressing pollution to groundwater resources, the federal government must recognize and respect state authority, work in collaboration with states, and operate within the designated scope of federal statutory authorities. EPA should engage with states with early, meaningful, substantive, and ongoing consultation on any regulatory processes focused on groundwater resources or the development and application of the meaning of "functional equivalent."
- 2. **Permitting:** Actions taken by EPA in its CWA permitting processes should not impinge upon state authority over water management or the states' responsibility to implement CWA provisions.
 - a) **State Water Quality Certification:** Section 401 of the CWA requires applicants for a federal license to secure state certification that potential discharges from their activities

- will not violate state water quality standards. Section 401 embodies cooperative federalism. States' mandatory conditioning authority should be retained in the CWA.
- b) **General Permits:** Reauthorization of the CWA must reconcile the continuing administrative need for general permits with their site-specific permitting requirements under the CWA. EPA should promulgate rules and guidance that better support the use of general permits where it is more effective to permit groups of dischargers rather than individual dischargers.
- c) Water Transfers Rule: Western Governors support EPA's current Water Transfers Rule, which exempts water transfers between waters of the United States from the CWA National Pollutant Discharge Elimination System (NPDES) permitting requirements when such transfers do not involve the addition of any pollutants. States possess adequate authority to address the water quality issues associated with such transfers. Western Governors believe that transporting water through constructed conveyances to supply beneficial uses should not trigger duplicative NPDES permit requirements.
- d) **Pesticides:** Western Governors generally support the primary role of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) in regulating agriculture and public health related pesticide applications to waters of the U.S. and will seek state-based solutions that complement rather than duplicate FIFRA in improving, where possible, environmental resources.
- 3. **Nonpoint Source Pollution:** Nonpoint source pollution requires state watershed-oriented water quality management plans; federal agencies should collaborate with states to carry out the objectives of these plans. The CWA should not supersede other ongoing federal, state, and local nonpoint source programs. Federal water policies must recognize that state programs enhanced by federal efforts could provide a firm foundation for a national nonpoint source policy that maintains the non-regulatory and voluntary nature of the program. In general, the use of point source solutions to control nonpoint source pollution is also ill-advised.
 - a) **Forest Roads:** Stormwater runoff from forest roads has been managed as a nonpoint source of pollution under EPA regulation and state law since enactment of the CWA. Western Governors support solutions that are consistent with the long-established treatment of forest roads as nonpoint sources, provided that forest roads are treated equally across ownership within each state.
 - b) **Nutrient Pollution:** Nitrogen and phosphorus (nutrient) pollution is a significant cause of water quality impairment across the nation, and continued cooperation between states and EPA is needed. This impairment is a serious concern across western states and additional resources to make investments in wastewater treatment infrastructure are needed as part of a strategy to address it.

States should be allowed sufficient flexibility to utilize their own incentives and authorities to establish standards and control strategies to address nutrient pollution, rather than being forced to abide by one-size-fits-all federal numeric criteria. Successful tools currently in use by states include best management practices, nutrient trading, controlling other water quality parameters, and other innovative approaches.

- 4. **CWA Reauthorization:** Western Governors support reauthorization of the CWA, provided that it recognizes the unique hydrology and legal framework in western states. Further, any CWA reauthorization should include a new statement of purpose to encourage the reuse of treated wastewater to reduce water pollution and efficiently manage water resources.
- 5. **Good Samaritan Legislation:** Congress should enact a program to protect volunteering remediating parties who conduct authorized remediation of abandoned hardrock mines from becoming legally responsible under the CWA and/or the Comprehensive Environmental Response, Compensation, and Liability Act for any continuing discharges after completion of a remediation project, provided that the remediating party or "Good Samaritan" does not otherwise have liability for that abandoned mine or inactive mine site.
- 6. **Stormwater Pollution:** In the West, stormwater discharges to ephemeral streams in arid regions pose substantially different environmental risks than do the same discharges to perennial surface waters. Western Governors emphasize the importance of state expertise in water management, including management of ephemeral streams. The federal government must recognize and respect state authority and work in collaboration with state agencies to support tailored approaches that reflect the unique management needs of ephemeral streams.
- 7. **State-Tribal Coordination:** Western Governors endorse government-to-government cooperation among the states, tribal nations, and EPA in support of effective and consistent CWA implementation. While retaining the ability of the Governors to take a leadership role in coordination with the tribal nations, EPA should promote effective consultation, coordination, and dispute resolution among the governments, with emphasis on lands where tribal nations have treatment-as-state status under Section 518 of the CWA.

Safe Drinking Water Act (SDWA)

- 8. **Federal Assistance in Meeting SDWA Standards:** Western Governors believe that the SDWA and its standards for drinking water contaminants have been instrumental in ensuring safe drinking water supplies for the nation. It is essential that the federal government, through EPA, provide adequate support to the states and water systems to meet federal requirements. Assistance is particularly needed for small and rural systems, which often lack the resources needed to comply with federal treatment standards.
- 9. **Drinking Water Standards:** Contaminants such as arsenic, chromium, perchlorate, and fluoride often occur naturally in the West. Western Governors support EPA technical assistance and research to improve both the efficiency and affordability of treatment technologies for these contaminants. In any drinking water standards that the EPA may revise or propose for these and other contaminants, including disinfection byproducts, EPA should consider the disproportionate effect that such standards may have on western states and give special consideration to feasible technology based on the resources and needs of smaller water systems.
- 10. **Risk Assessments:** Analysis of the costs of treatment for drinking water contaminants should carefully determine the total costs of capital improvements, operation, and maintenance when determining feasible technology that can be applied by small systems.

- These costs should be balanced against the anticipated human health benefits before implementing or revising drinking water standards.
- 11. **Emerging Contaminants/Pharmaceuticals:** The possible health and environmental effects of emerging contaminants, including per- and polyfluoroalkyl substances (PFAS) and cyanotoxins produced by harmful algal blooms, and pharmaceuticals are of concern to Western Governors. Although some states have existing authorities to address possible risks associated with emerging contaminants and pharmaceuticals, there is a need for continued investment in scientific research regarding human health effects of these contaminants.

Compliance with Federal Water Quality and Drinking Water Requirements

- 12. **State Revolving Funds:** Western Governors support EPA's Clean Water State Revolving Fund (SRF) and Drinking Water SRF as important tools that help states and local communities address related water infrastructure needs and comply with federal water quality and drinking water requirements. Western Governors also urge Congress and the Administration to ensure that the SRF Programs are adequately funded and provide greater flexibility and fewer restrictions on state SRF management.
- 13. **Restoring and Maintaining Lakes and Healthy Watersheds:** Historically, the Section 314 Clean Lakes Program and the Section 319 Nonpoint Source Management Program provided states with critical tools to restore and maintain water quality in lakes and watersheds. Western Governors urge the Administration and Congress to support these programs. Such support should not come at the expense of other federal watershed protection programs.
- 14. **EPA Support and Technical Assistance:** The federal government, through EPA, should provide states and local entities with adequate support and technical assistance to help them comply with federal water quality and drinking water requirements. EPA should also collaborate with and allow states to identify and establish priority areas, timelines, and focus on programs that provide the largest public health and environmental benefits.
- 15. **EPA Grant Funding for Primary Service Rural Water Programs:** Some rural communities still lack basic water and sanitary services needed to assure safe, secure sources of water for drinking and other domestic needs. Adequate federal support, including but not limited to the Rural Utilities Service programs of the U.S. Department of Agriculture and SRFs through EPA, are necessary to supplement state resources.

Water Quality Monitoring and Data Collection

16. **Water Data Needs:** Western water management is highly dependent upon the availability of data regarding both the quality and quantity of surface and ground waters. Western Governors urge the federal government to support and develop programs that can be utilized by states for water resource management and protection and to provide assistance to states in developing innovative monitoring and assessment methods, including making use of biological assessments, sensors and remote sensing, as well as demonstrating the value to the states of the national probabilistic aquatic resource surveys.

C. GOVERNORS' MANAGEMENT DIRECTIVE

- 1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
- 2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in June 2024. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult http://www.westgov.org/resolutions for the most current copy of a resolution and a list of all current WGA policy resolutions.



Policy Resolution 2021-08

Water Resource Management in the West

A. <u>BACKGROUND</u>

- 1. Water is a crucial resource for communities, industries, habitats, farms, and western states. Clean, reliable water supplies are essential to maintain and improve quality of life. The scarce nature of water in much of the West makes it particularly important to our states.
- 2. States are the primary authority for allocating, administering, protecting, and developing water resources, and they are primarily responsible for water supply planning within their boundaries. States have the ultimate say in the management of their water resources and are best suited to speak to the unique nature of western water law and hydrology.
- 3. Many communities in the West anticipate challenges in meeting future water demands. Supplies are nearly fully allocated in many basins across the West, and increased demand from population growth, economic development, and intensifying extreme weather and fire events places added stress on those limited water resources. Sustainability of our natural resources, specifically water, is imperative to the foundations upon which the West was developed. Growth and development can only continue upon our recognition of continued state stewardship of our unique resources and corresponding responsibilities.
- 4. Strong state, regional and national economies require reliable deliveries of good-quality water, which in turn depend on adequate infrastructure for water and wastewater. Investments in water infrastructure also provide jobs and a foundation for long-term economic growth in communities throughout the West. Repairs to aging infrastructure are costly and often subject to postponement.
- 5. Western Governors recognize the essential role of partnership with federal agencies in western water management and hope to continue the tradition of collaboration between the states and federal agencies.
- 6. Tribal nations and western states also share common water resource management challenges. The Western Governors Association and Western States Water Council have had a long and productive partnership with tribal nations, working to resolve water rights claims.

B. GOVERNORS' POLICY STATEMENT

1. **State Primacy in Water Management:** As the preeminent authority on water management within their boundaries, states have the right to develop, use, control and distribute the surface water and groundwater resources, subject to international treaties and interstate agreements and judicial decrees.

a. **Federal Recognition of State Authority:** The federal government has long recognized the right to use water as determined under the laws of the various states; Western Governors value their partnerships with federal agencies as they operate under this established legal framework.

While the Western Governors acknowledge the important role of federal laws such as the Clean Water Act (CWA), the Endangered Species Act (ESA), and the Safe Drinking Water Act (SDWA), nothing in any act of Congress or Executive Branch regulatory action should be construed as affecting, usurping, or intending to affect or usurp states' primacy over the allocation and administration of their water resources.

Authorization of federal water resources development legislation, proposed federal surplus water rulemakings, and/or storage reallocation studies should recognize natural flows and defer to the states' legal right to allocate, develop, use, control, and distribute such waters, including but not limited to state storage and use requirements.

- b. **Managing State Waters for Environmental Purposes:** States and federal agencies should coordinate efforts to avoid, to the extent possible, the listing of water-dependent species under the ESA. When ESA listings cannot be avoided, parties should promote the use of existing state tools, such as state conservation plans and in-stream flow protections, to conserve and recover species.
- 2. **Infrastructure Needs:** Aging infrastructure for existing water and wastewater facilities and the need for additional water projects cannot be ignored. Water delivery and wastewater infrastructure investments are essential to our nation's continued economic prosperity and environmental protection, and they assist states in meeting federally-mandated standards under the CWA, SDWA, and other federal statutes. Western Governors support efforts to make the most of existing infrastructure while seeking creative solutions to add more infrastructure with limited resources.
 - a. **Federal Support for Infrastructure Investment:** Congress should provide adequate support for the CWA and SDWA State Revolving Funds. Further, Congress should support restoration and repair of aging water infrastructure, commit to aiding efforts to address the recurring drought conditions across the West, and fully utilize the receipts accruing to the Reclamation Fund for their intended purpose in the continuing conservation, development and wise use of western resources to meet western water-related needs, including the construction of Congressionally-authorized Bureau of Reclamation rural water projects and facilities that are part of Congressionally-authorized Indian water rights settlements.

Congress should authorize federal water resources development legislation on a regular schedule and appropriate sufficient funding so that all projects and studies authorized in such legislation can be completed in a timely manner.

The Bureau of Reclamation's WaterSMART Program provides valuable support to states, tribal nations, water and irrigation districts, and local entities to invest in water conservation projects and modern water delivery infrastructure.

The U.S. Army Corps of Engineers' Planning Assistance to the States (PAS or "Section 22") Program also funds critical work in western states as a program focused on comprehensive water resources planning.

Congress also should recognize the potential of greater private investment in water infrastructure, utilizing, where appropriate, such tools as loan guarantees, revolving funds, infrastructure banks and water trust funds.

Capital budgeting and asset management principles should be used to determine funding priorities based on long-term sustainability and not annual incremental spending choices. It should be accompanied by dedicated sources of funding with appropriate financing, cost-sharing, pricing and cost recovery policies.

b. **Additional Investment Tools:** Federal and state policymakers should also consider additional tools to promote investment in water infrastructure and reduce financing costs, including: public-private partnerships, bond insurance, risk pooling, and credit enhancements.

Congress should remove the state volume caps for private activity bonds used for water and wastewater projects, provide guaranteed tax-exempt status for bonds issued by state or local agencies to finance water infrastructure, provide loan guarantees, and otherwise support and encourage the use of other financing tools.

- c. **Hydropower:** In consultation with affected states, Congress and the Administration should optimize federally-owned or licensed hydropower resources by increasing turbine efficiency and investing in conduit hydropower in irrigation canals and wastewater systems consistent with existing water diversions. Congress and the Administration should also authorize and implement federally-owned or licensed hydropower projects and programs through efficient permitting processes that: utilize new technology to improve renewable electric generation capacity, promote economic development, are consistent with the needs of native fisheries and riverine processes, and safeguard and solidify states' permitting and certification authority and indigenous peoples' rights.
- d. **Infrastructure Planning and Permitting:** Federal infrastructure planning and permitting guidelines, rules and regulations should be coordinated with state processes, and sufficiently flexible to: (1) allow for timely decision-making in the design, financing and construction of needed infrastructure; (2) account for regional differences; (3) balance economic and environmental considerations; and (4) minimize the cost of compliance.
- 3. **Western States Require Innovative and Integrated Water Management**: Western Governors believe effective solutions to water resource challenges require an integrated approach among states and with federal, tribal and local partners. Federal investments should assist states in implementing state water plans designed to provide water for municipal, rural, agricultural, industrial and habitat needs, and should provide financial and technical support for development of watershed and river basin water management plans when requested by states.

Integrated water management planning should also account for flood control, water quality protection, and regional water supply systems. Water resource planning must preserve state authority to manage water through policies which recognize state law and financial, environmental and social values of water to citizens of western states today and in the future.

- a. **Water Transfers:** Western Governors recognize the potential benefits of market-based water transfers, meaning voluntary sales or leases of water rights. The Governors support water transfers that avoid or mitigate damages to agricultural economies and communities without causing injury to other water rights, water quality, and the environment.
- b. **Energy Development:** Western Governors recognize that energy development and electricity generation may create new opportunities for limited water resources. Western Governors recommend increased coordination across the energy and water management communities and support ongoing work to assess interactions between energy generation and water availability in the Western Interconnection.
- c. **Conservation and Efficiency:** Because of diminished water resources and declining and inconsistent snowpack, Western Governors encourage adoption of strategies to sustain water resources and extend existing water supplies further through water conservation, water reuse and recycling, desalination and reclamation of brackish waters, and reductions in per capita water use. The Governors encourage the use of and research into promising domestic, municipal, industrial, produced, and agricultural water conservation strategies and technologies.
- d. **Local Watershed Planning:** Western Governors encourage federal agencies and Congress to provide resources such as technical support to states and local watershed groups. States may empower these watershed groups to address local water issues associated with water quality, growth and land management to complement state water needs.
- e. **Forest Health and Soil Stewardship:** Better land management practices for forests and farmland may help improve water availability and soil moisture retention. Wildfires can cause sediment runoff in water systems, leading to problems for reservoir management and water quality. Governors support policies and practices that encourage healthy and resilient forests and soils in order to make the most of existing water supplies.
- f. **Intergovernmental Collaboration and Conflict Resolution:** Western Governors support the settlement of interstate water disputes, Indian and Native Hawaiian water rights claims, and other federal water needs and claims, the settlement of which are in the best interest of western states.
- g. **State-Federal Coordination:** Western Governors recognize the important role of federal agencies in water resource management in the western states. Governors appreciate the efforts of federal agencies to coordinate water-related activities, particularly through the Western States Water Council, and support the continuation of these key state-federal partnerships.

- 4. **Western States Need Reliable Water Resource Information:** Basic information on the status, trends and projections of water resource availability is essential to sound water management.
 - a. Basic Water Data: Western Governors support federal programs dedicated to the improvement of data on snowpack, streamflow, soil moisture, and forecasting, including the Natural Resources Conservation Service's Snow Survey and Water Supply Forecasting Program; the National Oceanic and Atmospheric Administration's weather and hydrology-related data collection, monitoring, and drought information programs, including the National Integrated Drought Information System; the U.S. Geological Survey's Groundwater and Streamflow Information Program; and the National Aeronautics and Space Administration's National Land Imaging (Landsat) Program. Western Governors further support federal efforts to coordinate water data gathering and information programs across multiple agencies.
 - b. **Extreme Weather Events Planning:** Western Governors recognize the significant effects posed by extreme weather events and variability in water supplies. Western Governors urge Congress and the Administration to work closely with states and other resource managers to improve predictive and adaptive capabilities for extreme weather variability and related impacts. We specifically urge the federal government to place a priority on improving the sub-seasonal and seasonal precipitation forecasting capabilities that could support water management decision-making.
 - c. **Water Data Exchange:** The Western Governors' Association and the Western States Water Council have worked together to create the Water Data Exchange, an online portal that will enable states to share their water data with each other, federal agencies, and the public via a common platform. The Governors encourage the use of state water data in planning for both the public and private sectors.

C. GOVERNORS' MANAGEMENT DIRECTIVE

- 1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
- 2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in June 2024. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult http://www.westgov.org/resolutions for the most current copy of a resolution and a list of all current WGA policy resolutions.