

Statement of John J. Entsminger
General Manager, Southern Nevada Water Authority
Governor's Representative, State of Nevada
In support of
"Large Scale Water Recycling Project Investment Act"
House Natural Resources Committee
Subcommittee on Water, Oceans, and Wildlife
June 29, 2021

Chairman Huffman, Ranking Member Bentz, Representative Napolitano and members of the subcommittee, thank you for this opportunity to testify on this bill which is vitally important to southern Nevada. I serve as both General Manager of the Southern Nevada Water Authority (SNWA) and Governor Sisolak's representative for the state of Nevada regarding Colorado River issues.

I have appreciated the opportunities to engage with you over the last few months on the severity of the drought impacts in the Colorado River Basin. As I mentioned previously, now is the time for strong congressional leadership and significant federal investment, which is needed to reduce risk and improve resiliency to drought and changing climate conditions. I believe you've heard us. The legislation before us today addresses several critical areas of need, and I urge its passage. As proposed, this bill will establish a long overdue, essential new program to support large scale, regional recycling projects in the arid west.

Southern Nevada is unique when it comes to reuse and recycling. We collect and treat nearly every drop of Colorado River water used indoors and return that water to Lake Mead for return-flow credits. This extends the availability of our overall resource supplies by more than 75 percent. Simply put, every gallon of water returned to the river today is a gallon we can access tomorrow.

At least locally, there is little more we can do to expand our resource supplies through reuse. That is why we began working with the Metropolitan Water District of Southern California (Metropolitan) to explore

participation in their Regional Recycled Water Advanced Purification Center or RRWP project. Transfers, exchanges, banking and other types of regional collaborative water supply solutions have been successfully implemented in the lower basin over the last two decades. These have helped secure our community's long-term future water resource needs. From implementing interstate banking programs to developing new major facilities like the Brock Reservoir, regional multi-state partnerships have become synonymous with progress.

Unlike our banked resources, which are temporary in nature, participation in the RRWP project represents a long-term supply option for our community and is reflected in our 50-year Water Resource Plan. We also have built our financial participation in this project into our Major Capital and Construction Plan, and our board has already approved scheduled water rate increases to enable our participation. During this unprecedented drought, regional cooperation on large scale recycling and water conservation projects represents the future of the Colorado River, and this legislation exemplifies what is possible when we encourage opportunities for multi-state, multi-stakeholder win-win solutions.

With continued conservation and implementation of carefully conceived water resource strategies, Southern Nevada has sufficient resources to meet our community's long-term resource needs. Our plan gives us options, providing our community with confidence that we have an adequate long-term reliable water supply that is resilient to evolving hydrologic conditions. One of the project evaluation criteria in the legislation is the financial strength of the project sponsor. SNWA's water security helps to ensure we can access affordable financing needed to develop and maintain essential infrastructure from the markets.

As Representative Napolitano has aptly noted, Federal contributions under Title XVI will not put a dent in the cost of the RRWP project. While Title XVI has supported great community projects, including two in southern Nevada, the federal contributions are capped at \$20 million. Title XVI lacks the capability to

adequately support the type of massive scale recycling projects required to meaningfully address present-day challenges. The RRWP, for example, is anticipated to cost of nearly \$4 billion. Programs like this and others of similar regional scope and benefit will need new financing tools to move forward. This legislation, if authorized, will provide a critical resource to support large-scale, multi-state and regional projects designed to enhance the sustainability of Colorado River water supplies.

SNWA and Metropolitan have a long history of working together, and we have a common interest in developing innovative multistate partnership solutions to our current water supply challenges. When the SNWA needed additional banking capacity, Metropolitan was a willing collaborator. Joint investments in Brock Reservoir, the Yuma Desalting Plant Pilot Run, water efficiency projects in the country of Mexico and the basin-wide system conservation projects have saved hundreds of thousands of acre-feet of water for the system. And when Metropolitan weighed the potential impacts of its participation in the 2019 Drought Contingency Plan, Southern Nevada offered to help by making our banked water available as a drought contribution on Metropolitan's behalf. These collaborations benefit the entire Colorado River and represent the strategic efforts required to support the development and implementation of sustainable solutions.

Nevada remains committed to supporting large scale recycling projects like the RRWP and others as may be enabled by this bill. I urge your support for the passage of the proposed legislation and look forward to offering whatever assistance might be needed. I will be happy to answer any questions you might have. Thank you.