

**Statement of Robert Quint, Senior Advisor
Bureau of Reclamation
U.S. Department of the Interior
before the
Committee on Energy and Natural Resources
Subcommittee on Water and Power
S. 1965, East Bench Irrigation District Contract Extension
February 27, 2014**

Chairman Schatz and members of the Subcommittee, I am Bob Quint, Senior Advisor at the Bureau of Reclamation (Reclamation). I am pleased to provide the views of the Department of the Interior (Department) on S. 1965, to amend the East Bench Irrigation District Water Contract Extension Act to permit the Secretary of the Interior to extend the contract for certain water services. The Department supports S. 1965.

Reclamation's Clark Canyon Dam and Reservoir are located in southwest Montana and supply irrigation water under contract to the East Bench Irrigation District (EBID). EBID's water service contract with Reclamation was first executed in October 1958 and expired on December 31, 2005. Pursuant to Section 1 of the Act of May 15, 1922 (42 Stat. 541), Section 46 of the Omnibus Adjustment Act of 1926 (44 Stat. 649), and Section 85-7-1957, Montana Code Annotated, execution of a new contract between the United States and any irrigation district requires confirmation by a Montana District court..

In 2006, EBID filed a petition with the Montana Fifth Judicial District Court seeking confirmation of the execution of their renewed contract with Reclamation. A hearing was convened on December 14, 2006, in Dillon, MT, and one objection to the confirmation was filed.

A part of the legal challenge to confirmation of the contract involves the proper place of use of the water, which is an element of a water right which the Montana Water Court has sole jurisdiction over. Therefore, the case was certified from the Montana District Court to the Montana Water Court.

Once the Montana Water Court addresses the proper place of use for the subject water right, it will send the case back to the Montana District Court for further proceedings on the various additional legal challenges to the contract. A decision by either the Montana Water Court or the Montana District Court may be appealed directly to the Montana Supreme Court, which is the court of last resort.

Prior year appropriations bills have extended the contracts for terms of up to two years. Most recently, in the 112th Congress, Public Law 112-139; 126 Stat. 390 extended the contract for four years (to December 31, 2013) or until the date on which a new long-term contract is executed. EBID remains concerned about losing their right to renew their 1958 contract if it is allowed to expire prior to securing court confirmation of the renewed 2006 Contract. For this reason they are pursuing extension of the 1958 contract.

Under current law, the 2006 contract is not binding on the United States until court confirmation is secured. A final decree from the court confirming the 2006 contract has not occurred. Therefore,

EBID is seeking authority under S. 1965 to extend the 1958 contract. S. 1965 would extend the contract for six years beyond Public Law 112–139 for a total of ten years (to December 31, 2019) or until a new contract is executed and still defer to the court to take up the issue again at a time of its choosing. The Department believes that a 10 year extension under S. 1965 will allow adequate time for confirmation by the Montana Fifth Judicial District Court. The Department supports this legislation because it would allow water service to the EBID to continue and protects the right for contract renewal while the court confirmation process is given time to be completed.

This concludes my statement. Again, the Department supports S. 1965. I would be pleased to answer questions at the appropriate time.