

# Ukraine: Russia and Ukraine export about 30% of world's wheat

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devoid of selling, there's no way of picking a top."

Russia and Ukraine export about 30% of the world's wheat, raising concern about the potential impact to Black Sea ports.

Any wheat coming out of the Black Sea region must move through the Bosphorus strait near Istanbul, Turkey, Steiner said.

"There's a couple chokepoints that are pretty important," Steiner said. "You start sailing warships around and this is a major conflict that blows up, the United States is really the only other viable place that has a supply of exportable



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quantity and quality of wheat."

But the U.S., Canada and Australia have had their own production issues in recent years. If Russia and Ukraine's production is suddenly off the market, those countries will have to cover some of that business, Newsum said.

"There's no reason to sell (wheat at) \$8.50, \$8.60, \$8.70 (per bushel)

if it's going to go up to \$9.50, \$10, \$10.50," he said. "We won't ever run out of wheat — globally, it's just not going to happen, but we are tightening the supplies."

Early U.S. wheat scores indicate poor crops in Kansas, Oklahoma, South Dakota and Texas, Steiner said. He expects an overall below-average crop out of the Pacific Northwest.

"The reality is, I think there's room for prices to go higher," he said. "I certainly wouldn't want to short this market."

Until a good Northern Hemisphere wheat crop is secured, prices have a reason to be higher than normal, Behne echoed.

He recommends wheat farmers contract new crop sales for cash or with hedge to arrive contracts in which farmers promise to deliver wheat at a set time and the elevator establishes a hedge.

"In history, you don't get very many opportunities to forward contract new crop wheat at \$9," he said.

It's unclear how U.S. sanctions might affect Russian grains, since

food or humanitarian aid are not typically covered, Behne said.

"Is Russian wheat going to still be available to the market this spring?" he asked. "Is Russia going to decide they don't want to export wheat if everyone's mad at them? Who knows?"

Russia is slated to have a large wheat crop, Behne said.

"If this thing doesn't turn into World War III, probably whatever's going to happen is going to be solved by the time we get to harvest and Russian wheat is probably available to the market," he said. "This is probably temporary. Now, temporary meaning, does this last a few weeks? A few months? I don't know."

## Q&A:

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Wymer Dam in the Yakima Basin. And we're exploring enlargement of the Bumping Reservoir, Upper Yakima System Storage and North Fork Cowlitz Creek.

**CP: Do you have timelines yet?**

**Coffey:** They're all at different phases. For Kachess, we're looking to put out a notice of intent for an Environmental Impact Statement sometime in 2022.

**CP: You didn't mention Oregon. Does Oregon have storage projects on the horizon?**

**Coffey:** No, there's not really anything to my knowledge that we're doing in Oregon.

**CP: Why? Is there anything holding Reclamation back from doing big storage projects in Oregon?**

**Coffey:** You know, that's kind of a tough question. Each state has its own dynamics. I would say there are probably things that are happening outside of Reclamation. It doesn't have to do with irrigation districts not being engaged, because they're very engaged.

I think what sometimes happens is dollars can be a challenge. There's a cost share that the state or district has to come up with. We don't fund 100% of a storage project. So, it could be something as simple as coming up with the money. But I can't speak for the state of Oregon.

**CP: What's the plan for fixing dams in disrepair in the region?**

**Coffey:** We have a Safety of Dams program that's a model worldwide. I'll call out three specific projects we're working on right now.

One is in Oregon: Scoggins Dam in the Tualatin Basin. We're looking to reduce seismic risk at that dam. Clean Water Services (a water resources management utility) is our partner, and the infrastructure law (that Congress passed in 2021) could potentially help us, because it includes about \$500 million for our Reclamation-wide Safety of Dams program.

The second one is Kachess (Reservoir). That dam was built in 1912. Over the years, voids have formed along the outlet works because of erosion from seepage. We're looking to reduce risk of failure.

The third one is Conconully Dam in northcentral Washington. The dam is a major storage component for irrigation of the Okanogan Project. That's another dam with issues — built in 1910. In the event of an earthquake, you could see high risk to that dam.

**CP: What's the timeline on these?**

**Coffey:** We've still got a ways to go on Scoggins and Conconully.

On Kachess, we're at the final design stage, and by 2024 we'll be in construction. So that one's a little further along.

**CP: Is Reclamation expanding hydropower in the Columbia-Pacific Northwest Region?**

**Coffey:** There are big maintenance projects and small expansion projects planned.

Reclamation works with the U.S. Army Corps of Engineers and Bonneville Power Administration on hydropower.

The big project the agencies work together on is the Columbia Basin Project.

In Washington, we in coopera-



U.S. Bureau of Reclamation

Work in the Eastern Snake Plain region of Idaho.



U.S. Bureau of Reclamation

Scoggins Dam, northwest Oregon.

tion with the other two agencies are doing an overhaul of the Grand Coulee Dam powerplant. Grand Coulee is the crown jewel of Reclamation. You're looking at the capacity to provide power to 2 million households in eight states and Canada. The overhaul won't expand power generation. It will just maintain it. Think about a car. Like, the light just came on in my car that says, hey, it's time for an oil change. That's what the overhaul is. It's about ensuring reliability for the next 30 years.

That's versus a smaller set of projects that are about expansion. They're called LOPP, or "lease of power privilege," projects. It works like this: Let's say a non-federal entity wants to build a pump-storage project for electric power generation at a Reclamation facility. They need to propose that to Reclamation and to the Federal Energy Regulatory Commission. If it fits Reclamation's purposes, they may be able to do some power generation.

We have three active LOPP projects right now: the Cat Creek Energy Generation Facility at Anderson Ranch Reservoir in Idaho, the Banks Lake Pumped Storage Project at Banks Lake in Washington, and the Halverson Canyon Pumped Storage Project at Lake Roosevelt in Washington.

**CP: Scientists in some states, like Idaho, are studying "cloud seeding" and other weather modification schemes that attempt to change how much rain falls. Are these unrealistic pipe dreams, or is Reclamation on board with considering seeding?**

**Coffey:** We've been actively engaged in cloud seeding work for decades, but legal and efficacy concerns effectively ended those efforts. However, we're continuing to monitor the state of the science, and we're currently supporting a research investigation on the potential of cloud seeding to enhance pre-

cipitation in the East River Basin of Colorado.

### California Great Basin Region

California's Central Valley, most of Nevada, Klamath Basin

To preview upcoming projects in the California Great Basin Region, the Capital Press interviewed Ernest Conant, the region's director.

**CP: What's the game plan for the Klamath Basin? I'm looking for specific ideas or plans that are under consideration to alleviate the crisis there.**

**Conant:** As you know, (2021) was a terrible year for the Klamath Basin. It was the first year since the project was put in place in 1907 that we delivered no project water. So, I'm not happy to have been the regional director that delivered no water to the Klamath Project.

We don't have any specific plans right now. We're looking at a lot of different options to take a more strategic long-term approach. It's just a very difficult situation because we have all these competing interests over endangered species, the interests of various tribes and farmers.

**CP: That's still pretty broad. Can you be more specific about the "different options" you're looking at?**

**Conant:** I can't be much more specific at this point. There may be opportunities because of the bipartisan infrastructure law to do some projects in the Klamath. That's one of the focuses.

**CP: So, you expect the infrastructure funding will help with some Klamath projects?**

**Conant:** Yeah. The bipartisan infrastructure law has \$162 million that goes to projects in the Klam-

ath Basin the U.S. Fish and Wildlife Service will be handling. There are a number of things that could be done to improve the fishery, for example, thereby taking off some pressure.

**CP: Could federal funds also invest in Klamath Basin infrastructure, such as better piping?**

**Conant:** Yeah. I think those are all possibilities. There's a process being set up for people to apply for the bipartisan infrastructure money, so different districts in Klamath could apply for conservation or infrastructure grants like you're referring to.

I'm sorry I can't give you more specifics about grand plans. There is no grand plan at this point.

**CP: Let's shift topics. What specific projects does the California Great Basin Region have planned to expand water storage in the near future?**

**Conant:** I'll highlight four projects that we've prepared feasibility reports for and advanced to Congress, which makes them eligible for certain types of funding.

First of all, there's the Sites Reservoir Project, located in the San Joaquin Valley. That project is a plan for 1.5 million acre-feet of storage capacity. There's no dam there now; this would be a brand-new dam where water would be diverted off the Sacramento River (and) put into storage.

Then there's the Los Vaqueros (Reservoir) expansion in northeastern California. The reservoir is owned by Contra Costa Water District, one of our contractors. They've expanded the reservoir once and now they're expanding it again, adding 160,000 acre-feet to the existing reservoir.

We're also doing a project at B.F. Sisk Dam in Merced County. With our partner San Luis & Delta-Mendota Water Authority, we're looking at adding another 130,000 acre-feet.

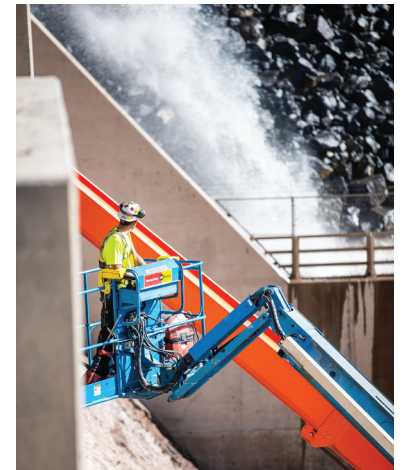
The last one is another potential new reservoir — the Del Puerto Canyon Reservoir — that would be in the Coast Range foothills west of Patterson. It's planned for 82,000 acre-feet.

There's also a lot of interest in groundwater storage.

We've got to be able to capture water in wet years and store it for dry years. It's absolutely essential to have sustainable agriculture.

**CP: What's the timeline on these projects?**

**Conant:** On Los Vaqueros, I anticipate various stages of it are



U.S. Bureau of Reclamation

The Snake River region of Idaho.

going to start in the next couple (of) years.

The objective is to have Sites completed by the end of the next decade.

Congress is very keen on Sisk; \$60 million has been allocated for planning and development.

Del Puerto is not quite as far along as the other three.

**CP: Do you foresee any major conflicts surrounding these projects?**

**Conant:** Dam projects always have controversy.

There's some concern from environmental groups and tribes about the proposed Sites Reservoir. But it also receives a lot of support. I envision it'll ultimately get built.

I fully expect Los Vaqueros' expansion is going to move forward. I don't even think I've heard of any opposition on that one.

**CP: Are there any big upcoming repair projects for aging dams?**

**Conant:** The main one is Sisk. We're doing an approximately \$1 billion safety-of-dams project there because of faults discovered.

I see the dam program as a three-legged stool. First, we gotta fix what we have. Secondly, we need new capacity. And the third thing we've got to have is regulatory certainty.

**CP: What do you mean by regulatory certainty?**

**Conant:** Under the Reclamation Act, the federal government must follow the water appropriations of the particular states. So, for instance, for the Central Valley Project, we have permits from the state that dictate how much water we can store in a reservoir (and) how much water we have to release. With the proposed new Sites Dam, we'll need permits from the state to divert water from the Sacramento River.

Somehow the state of California and our public agency water districts have to come together to have a better approach and more certainty as to what regulatory requirements are going to be.

**CP: Does the region have any big hydropower expansion plans?**

**Conant:** We're maintaining and upgrading plants. We're not really contemplating any new power plants.

**CP: With money on the way via the infrastructure package, do you have any advice for farmers or districts that want to get in on the action?**

**Conant:** Most of these are competitive programs. People throughout the West are going to be competing for infrastructure money, so you've got to hire your engineers and economists and so on to put these applications together and develop meaningful plans.

# Reservoirs: 'We're in the middle of refill season for the Willamette and Rogue'

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"We may catch up a little, but we would have preferred this front had expanded farther south. It could have helped a lot more," Petersen said. "We're in the middle of refill season for the Willamette and Rogue. We still have time before summer, but we sure need rain."

The Willamette Valley Project is primarily a rainfall-driven system, as opposed to streams and reservoirs east of the Cascades that rely more on mountain snowpack.

Each year, the Corps operates the dams on a "rule curve," meaning the reservoirs are gradually drained in fall and winter to capture

rainfall during the typically wet spring months.

Refill generally begins Feb. 1, minimizing downstream flooding and building stored water supplies for other authorized purposes throughout the summer. The "rule curve" is the daily maximum elevation in each reservoir needed to achieve these goals.

As of Feb. 28, year-to-date precipitation for the water year dating back to Oct. 1 was 93% of median for the Willamette Valley. That might not seem so bad, though February precipitation totals indicate most of the rain fell prior to the start of the refill season.

However, the Corps

expects the latest round of storms will bring Blue River and Dorena reservoirs up to near normal lake levels for this time of year. Both reservoirs are in the southern Willamette Valley, with Blue River in the Willamette National Forest east of Eugene and Dorena located near Cottage Grove.

Overall, the Willamette Valley Project's 13 reservoirs are currently 9% full. System-wide reservoir storage is 36% below the rule curve.

The Corps also operates two reservoirs in the Rogue Valley — Lost Creek and Applegate. Those are 33% full, and 37% below the rule curve.