

CITIZENS FOR DIXIE'S FUTURE

Conserve Southwest Utah

Press Release

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Governor's Budget Recommendations Undermine Lake Powell Pipeline

St George- Backers of the Lake Powell Pipeline (Pipeline) received a setback when Governor Gary Herbert released his 2016 <u>Budget Recommendations</u> on water. His recommendations lend support from the state's highest office to advocates for fiscal responsibility and water conservation.

Citing recent studies from U.S. Geological Survey, the Governor noted that Utah has the highest per capita water use in the nation and needs to use water much more efficiently. If Utah used water more efficiently, the need for many large water projects such as the Pipeline could be avoided. The Governor proposes more accurate water supply and usage data; much greater reliance on efficient water use; transparent and independently validated water policy, plans and data; and local financing.

"The Governor's recommendations validate our long-held position favoring water conservation and fiscally responsible, locally financed water projects. He has recognized the elephant in the room. It's crazy to spend billions of dollars on a water project when we are wasting millions of gallons of water per year," said Tom Butine, President of Southwest Utah's conservation organization Citizens for Dixie's Future (CDF). "The governor is correct to conclude our state has much higher priorities for these tax dollars."

The Governor's proposal comes on the heels of the December 1 release by the Utah Division of Water Resources (DWR) of the latest <u>Lake Powell Pipeline Draft Study Reports</u> and <u>Preliminary Licensing Proposal</u> to the Federal Energy Regulatory Commission (FERC). FERC is the lead agency coordinating the Federal approval process for the Pipeline.

"These studies are inconsistent with the governor's recommendations, incomplete and biased towards justifying the Pipeline. CDF will be urging FERC to not approve them," said Jane Whalen, a board member for CDF.

The public and the federal agencies have 90 days to comment on the studies. The DWR will then take a few months to address the comments and submit their final reports. The final reports will be the basis for the Environmental Impact Statement (EIS), which in turn will be the basis for federal approval or denial of the project.

Despite the fact that the DWR has spent 8 years and \$27 million of taxpayer money on these studies, there are important questions that are not being answered:

- 1. Why are the DWR and the Washington County Water Conservancy District still pursing the Pipeline based on water needs projections a state audit has determined are seriously flawed?
- 2. What is the total cost of the Pipeline, including financing, operations and maintenance costs?
- 3. What is the repayment plan?
- 4. How much will Washington County residents see their costs increase for water rates, property taxes and new construction impact fees?
- 5. What are the alternatives to the Pipeline that are less risky and less expensive?
- 6. If the current mega-drought continues, will there be adequate water to fill the Pipeline?
- 7. If there is inadequate water in Lake Powell to fill the Pipeline, how will the costs be covered? Is there any feasible contingency for this possibility?

"The DWR is avoiding the most important questions that must be answered before the multibillion dollar project should be allowed to proceed. CDF has made this point to the DWR at every opportunity since 2008 and we are dismayed that these questions have not been answered," said Whalen.

Whalen continues that "a major flaw in the studies is the proposed alternatives to the Pipeline. We believe that the DWR has manipulated the analyses of alternatives to make the Pipeline look like the best option."

The DWR studies define only one alternative which takes an extreme and very expensive approach to developing additional water resources. The DWR alternative proposes over time eliminating all water for residential landscaping and adopting reverse osmosis to treat brackish water. This onerous and expensive alternative supports the false conclusion that the Pipeline is the least expensive, least risk, and most environmentally sound choice.

"If this misleading analysis is not successfully challenged, it is virtually assured that federal regulators will select the Pipeline option as the preferred option for future water supply," said Whalen.

The DWR continues to ignore common sense, lower cost, lower risk, and less restrictive alternatives such as using water more efficiently, water pricing that incentivizes

conservation, individual property water budgeting, metering all water use, conservation-minded landscape ordinances, the conversion of agricultural water as housing replaces farmland, and well-managed yield increases from existing projects.

"DWR has systematically excluded less expensive conservation alternatives in the studies. The alternatives proposed for the EIS should be objective and reasonable and unfortunately they are not," Whalen said.

Yet another major flaw in the studies is the assessment of how much water is needed by Washington County, which has the highest water use in the nation. "All available evidence points to the fact that local and state officials are dramatically overstating water need and understating the benefit of water conservation," Butine said.

A 2015 Legislative Audit of projected water needs questioned the DWR's conservation goals. The audit said that the DWR's conservation goal of 285 gallons per capita daily (GPCD) by 2060 substantially over-estimates water demand especially in light of other state's conservation goals. For example, California has a state wide conservation goal to reduce water use to 154 GPCD by 2020. Las Vegas has a conservation goal to reduce water use to 199 GPCD by 2035.

"We suspect the reason the water district and the DWR overestimates the need and downplays conservation is that they must show a dire need for the Pipeline in order to justify its multi-billion dollar price tag," says Butine.

"The taxpayers have spent \$27 million for these studies and deserve a legitimate analysis of the options for future water supply. We will continue to participate in the studies, energizing our coalition and the public to demand a fair treatment of the alternatives and issues. We will urge FERC to not approve the studies until all the key questions are answered and the studies reflect the Governor's recommendations on state water projects," Whalen said.

"Each generation's civic duty is to <u>wisely</u> invest in the water security of the next generation. In Washington County's entire history, this has always meant better management of our local water. Somehow, this generation of our leadership has lost their sense of wisdom and heritage. It's our duty, all of us, to help them remember," said Butine.