



**WESTERN RESOURCE
ADVOCATES**

*Biodiversity Conservation Alliance
Clean Water Action
Colorado Environmental Coalition
National Wildlife Federation
Save the Poudre: Poudre Waterkeeper*

August 30, 2010

Tim Carey, Chief
U.S. Army Corps of Engineers, Omaha District
Denver Regulatory Office
9307 S. Wadsworth Blvd.
Littleton, CO 80128-6901

Re: Million Conservation Resource Group's proposed Regional Watershed Supply Project

Dear Mr. Carey:

On behalf of the above organizations, we are following up on our letter dated February 18, 2010, and your agency's responsive letter dated February 23, 2010, regarding the letters of interest gathered and submitted by the project proponent—Million Conservation Resource Group. We understand the Army Corps of Engineers is in the midst of verifying potential participants' water demands, and understand this evaluation can be a time-consuming process.

We believe it is essential that the NEPA process is transparentⁱ and integrate the concerns of affected stakeholders, including the interests of potential project proponents *and* conservation organizations. Indeed, the U.S. Water Resources Council's Economic and Environmental Principles and Guidelines for Water and Land Resources Implementation Studies (Mar. 10, 1983) specifies that “[i]nterested and affected agencies, groups, and individuals should be provided opportunities to participate throughout the planning process” and that “[r]eview and consultation with interested and affected agencies, groups, and individuals are needed in the planning process.”ⁱⁱ Recently, the Council of Environmental Quality's Proposed Principles and Standards reaffirms this principle and directs Federal agencies to

“collaborate fully on water resources studies with other affected Federal agencies, and with Tribal, regional, state, local, and non-governmental entities to realize more comprehensive and better informed problem resolutions.”ⁱⁱⁱ

We reiterate our desire to meet with the Corps, both to learn more about the Corps' evaluation process and provide feedback. In addition, we respectfully reiterate the concerns below.

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1. The Corps must evaluate potential water users' *ability to pay* for water from the proposed Regional Watershed Supply Project (RWSP). Many water users in Colorado desire more water in the abstract, but few, if any, can pay the full price of water from the RWSP, estimated at over \$2,200/AF each and every year. The letters of interest lacked any evidence that their authors had been informed of the potential costs of the project and water that it might provide. The Corps' verification process will be meaningless if it fails to consider potential project participants' ability to pay.
2. The Corps should, at a minimum, integrate the CEQ's Proposed Principles and Standards for Water and Related Resources Implementation Studies into its verification process. CEQ's guidelines have important implications for defining the purpose and need for a project (i.e., the defined purpose and need cannot be overly narrow so as to exclude project alternatives); formulating project alternatives (which must include at least one non-structural alternative); and evaluating the economic, environmental, and social impacts of water resources projects. Even at this early stage of the RWSP, CEQ's proposed guidelines should be fully considered in the planning process.
3. Finally, the Corps must evaluate the availability of water in the context of future climate change and potential additional development of states' Colorado River allocations. Although the proponent suggests this project would deliver 250,000 AF/year, preliminary estimates by the Bureau of Reclamation suggest that far less is actually available from Flaming Gorge Reservoir. Refined water availability estimates, if they properly incorporate the impacts of climate change, could reduce those estimates, perhaps substantially.

Thank you for your attention to our concerns. We look forward to meeting in person to discuss these and other issues.

Sincerely,



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ⁱ Council on Environmental Quality, 2009. Proposed National Objectives, Principles and Standards for Water and Related Resources Implementation Studies, Standard L, p. 12.

ⁱⁱ U.S. Army Corps of Engineers, 1983. Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies, Ch. 1, §§ 1.4.3, 1.4.4.

ⁱⁱⁱ Council on Environmental Quality, 2009. Proposed National Objectives, Principles and Standards for Water and Related Resources Implementation Studies, Standard M, p. 13.