



TO: Ed Motley, with Chiang, Patel & Yerby

CC: Bob Johnson, Director, Dallas Water Utilities

FROM: Beth Johnson and Janice Bezanson
On behalf of Dallas Group, the Lone Star Chapter of the Sierra Club,
Texas Committee on Natural Resources (TCONR), and Sulphur River
Oversight Society (SOS)

DATE: 2/2/05

RE: Comments on draft recommendations presented to the public on January
27, 2005

TCONR, Sierra Club, and SOS submit the following comments on the draft recommendation (Slide 64) presented by CPY to the public on January 27, 2005. Because we have not yet received needed background data, the sources of some of the cost figures, and the lists of problems associated with each option, we cannot make the comprehensive comments we have planned. We submit these as preliminary comments and will augment these with additional analysis and comment once the requested data is provided to us.

“Total Needed”

Your totals in “total needed” portion of Slide 64 appear to include the 10% reserve above projected demand that you recommended for supply (not demand) in your Jan. 27 oral presentation. Representing “need” in this way overstates your projected demand by 10% and unnecessarily confuses it with supplies that should more accurately be represented in the lower (supply) portion of Slide 64. We requested and you responded that it was your intention that in Points #19-20 in the Appendix that you depict the proposed reserve supply as “supply” rather than “demand.” We urge that you return to that intention. The higher demand figures shown as “need” in the upper portion of Slide 64 also are confusing when compared to actual projected demand as shown on Slides 24-25.

To solve this problem, first, we suggest that you make the upper (demand) portion of Slide 64 conform to the 876 MGD long-term drought-year demand that you project in Slides 24-25.

Second, we suggest revising the presentation of the demand and supply recommendations as per our attached revised Slide 64, using the clearer labels we suggest.

Third, we suggest below some sources of supply that are appropriate to provide for the reserve supply. It is important for ratepayers to remember—and consultants to divulge to decision-makers—that your recommended excess (or reserve) supply is in addition to a demand that is merely projected as opposed to absolute, and that is already inflated by 5% because it assumes that ratepayers are willing to fund enough supply to meet anyone's desires for any amount of water for any purpose at any time including a drought. It assumes that we are all willing to pay for excess capacity at all times rather than change behaviors on occasion. The 5% drought-level demand that is assumed to be "needed" at all times may sound insignificant, but this volume is equivalent to the entire conservation program you recommend, at a cost of many millions of dollars. Because projected "demand" actually includes drought demand, we therefore offer below some suggestions for drought-time "supply" strategies that are an appropriate match.

Emergency Management and Drought Response

You have not yet included an analysis, summary, or recommendation for any quantity of water to be supplied by emergency management and drought response. We reiterate our previous request that you do so for the following reasons:

Some local cities have enjoyed reduced costs by implementing on certain occasions increased public awareness programs and other measures that reduced their water usage in times of drought. One reduced its summer-long usage by 5% compared to a comparable year.

Such measures can be appropriate to meet at least part of the "drought more severe than drought of record" goal listed on Slide 27 as one of the reasons for your recommended 10% reserve supply above projected demand.

In fact, the 2001 Region C water plan states (pg. 5.9) that such measures "are intended to preserve water resources for the most essential uses when water supplies are threatened by an unexpected condition such as a multi-year drought, an unexpected increase in demands, or a water supply system component failure." These are some of the very conditions you cite in Slide 27 as the definition of "reliable supply" and thus it would appear that such supply strategies are well matched to the types of demands listed in Slide 27.

Unfortunately, in response to our request that you consider this as a supply strategy, you said (Appendix to Jan. 27 presentation, Point #16) that you do "not recommend the use of drought management as a water supply strategy" and that "such a strategy could result in periodic water shortages that would impede economic development." By avoiding any analysis or discussion of this potential supply strategy, you have made a value judgment in favor of your perception of "economic development" at the expense of considerations of ratepayers' economic burden in funding additional supply capacity, landowners' condemnation for new reservoirs, and environmental and economic harm from new reservoirs. You have also hampered the ability of the public and their elected representatives to have an informed discussion about whether they agree with your particular views on how they should fund and manage their water supply.

In contrast to your decision to avoid an analysis and discussion of these potential supply strategies, Texas Water Development Board guidelines say "drought management

strategies must be considered for each identified need [meaning the difference between supply and demand for a supplier like DWU]. If drought management is not selected as a strategy, the reason must be documented. Drought management strategies may also include water demand management.” Since DWU Director Bob Johnson and TWDB staffer Virginia Towles asserted to Dallas City Council’s joint water-related committees that the plans of suppliers such as DWU are the “bottom” of the “bottom up” regional water planning process, this means that DWU should conduct open and full consideration of these strategies and document any reasons for deciding against them. Your decision so far to avoid providing an analysis and discussion of this source similar to other sources in your presentation does not appear to comply with TWDB guidelines and certainly is not congruent with a transparent council-related public process. Although Region C WPG did not choose measures like these as a supply strategy in 2001, and although they tentatively ruled them out in this planning round, their consultant has stated that they might revisit that decision, and it seems to us that the new law is creating greater interest in considering this strategy as a supply source.

Furthermore, HB 2663, enacted by the Legislature in 2003, requires that drought contingency plans have specific, quantified targets for water use reductions to be achieved during periods of water shortages and drought and that revised plans be submitted to the State by May 1, 2005. Since this information is required by law anyway, and since your projected demand line assumes demand at drought level, why would ratepayers and our elected decision-makers not want you to quantify and consider volumes, cost savings and other aspects of this potential source? Is it your position that your decision to avoid this discussion meets TWDB guidelines and Texas statutes? If you do not include such a full consideration, how would you suggest that DWU best meet its obligation as noted above to consider and document its reasons for not selecting this as a strategy? Isn’t that part of what the ratepayers are paying you for?

Additional Dry-Year Supply

You have failed to consider or recommend a substantial source called “additional dry-year supply” that was included among DWU’s water management strategies as reliable in the 2001 Region C water plan. This strategy acknowledged 33,315 AFY (29.7 MGD) in 2050 (Table 5.8, pg. 5.36) in recognition that “DWU’s existing permits allow overdrafting of several of their lakes. The overdrafting can be used to meet demands in the driest years, and that is DWU’s planned mode of operation in a drought.” DWU’s own 2000 Long Range Water Supply Plan developed by you acknowledged that “the permitted annual withdrawals [from DWU’s western reservoirs] allow DWU to ‘overdraft’ the western reservoirs as part of the general system operating procedures, resulting in increased operating flexibility.” (pg. 7-2). Thus, this supply strategy is appropriate as part of reserve supply because it fulfills “operational flexibility” as one of the reasons listed on Slide 27 for the recommended 10% reserve supply above projected demand. (You acknowledged that DWU’s water rights in its western reservoirs “greatly exceed the firm...yields which could be withdrawn...during the drought of record.” You mentioned that “firm yields are the limiting factor with regard to actual water availability under drought conditions,” but by definition the Region C Water Planning Group and DWU deemed this particular volume supply strategy “reliable” in 2000 or else it could not have been adopted. Since this approx. 30 MGD volume is a very conservative, minor fraction of the rights in excess of firm yield that DWU holds in its western reservoirs, it is reasonable to acknowledge it as a supply source during drought conditions, as adopted by Region C in 2000.)

However, your draft analyses and recommendations in this Update to your 2000 Plan neither recognize nor recommend this source. Why did Region C WPG and DWU consider this strategy reliable enough to meet water management strategy guidelines in 2000 but you do not now acknowledge or address it? Such acknowledgement and discussion is important to the public participation process.

We request that you analyze, rank, and reveal this supply strategy and give it its own analysis summary as a supply source in the manner that you have addressed other sources. This type of supply is especially appropriate since the projected 876 MGD “demand” that DWU intends to meet (Slide 24, 25) is long-term drought-year demand and is approximately 5% higher than “normal-year” demand. Thus, this form of drought “supply” is well suited to match part or all of the drought-year “demand.” If this supply source were once again utilized, it would satisfy at least 60% of the difference between normal-year demand and the drought-year demand that your demand projection represents.

To put into perspective the importance of the volume that this source represents, it is 30% of the volume of Dallas’ proposed share of harmful new reservoirs like Marvin Nichols or Fastrill. Acknowledging this dry-year supply volume of at least 30 MGD also equals about two-thirds of the quantity that you recommend from conservation, and unlike the millions of dollars per year and \$1.10/1000 gal. that you recommend from conservation, additional dry-year supply incurs no capital or unit costs because it is simply a matter of acknowledging water that is available and has been deemed “reliable supply” in the past.

Additional Temporary Overdraft

Just as DWU relied on temporary permissible overdrafting of its existing supplies to meet potential short-term demands in 2000 while completing expansion of delivery capacity and the 2001 Region C water plan acknowledged 19.62 MGD (22,000 AFY) (pg. 5.35-5.36) as the water management supply strategy to meet this demand, DWU can continue to avail itself of this source to meet certain types of reserve-supply desires.

Conservation

We reiterate the requests we’ve made during last summer’s stakeholder process and twice since the Jan. 10 unveiling of the draft 5-year strategic conservation “plan”: We request the detailed information showing the specific strategies you assumed and their associated savings for both Dallas’ first 5-year conservation plan and for the subsequent 50-year time period. Without this, this public review and comment period continues to be largely wasted, meaningful public scrutiny and suggestions are thwarted, opportunities for honest two-way dialogue and understanding are lost. We are only a few weeks from concluding this “review” period, yet the public has virtually nothing to review except your numerical assertions without any of the formulas or assumptions you used to generate them. We urge that this apparent stonewalling end and we be provided with this information.

Math Corrections. 44.27 MGD in 2060 supplied by conservation in your recommendations (Slide 64) appears to contradict the lower 39.3 MGD quantity suggested in Slide 31. Please clarify.

44.27 MGD in 2060 projected to be supplied from conservation in your recommendations (Slide 64) is only 5% of the long-term drought demand of 876 MGD that you projected (Slides 24-25), yet the conservation analysis summary (Slide 31) appears to speak of a 5% savings before 2010 PLUS “an additional 5% reduction” by 2060. Thus, the conservation savings on both the Slide 64 recommendation chart (44 MGD) and the Slide 31 analysis summary (39 MGD) appear to be understating savings by half. Does this indicate that the unit cost of water supplied by conservation (Slide 64) is overstated by 100% in 2060?

Furthermore, the 16.32 MGD savings projected for 2010 in the recommendation chart (Slide 64) is only 3.1% of the 529 MGD long-term drought-year demand (Slide 24), so even the 5% reduction over the first 5 years is understated. Again, does this overstate the assumed unit cost of water supplied by conservation?

We can only guess without having your underlying data and assumptions, but we believe that the reason that the system-wide conservation savings appears to be only about half the 5% reduction alluded to in Slide 31 is that the conservation plan and future savings discussed on Slide 31 are for the City of Dallas alone. According to your draft population and demand figures released Dec. 13, Dallas will represent about half the demand and a little over a third of the population of the service area.

Whether referring to the City alone or for DWU's system-wide usage, a mere 5% reduction in overall demand over 55 years would fall far short of the benefits that other Texas cities have derived from increasing the efficiency with which they use water. The public has a right to see which cities CP&Y has assumed will implement which state-task-force-recommended per-capita use targets and Best Management Practices, in which time frames, so the ratepayers may evaluate your plan to see if there are additional cost-effective efficiency measures that we desire to implement. We would like to integrate these suggestions into your draft recommendations of projected future supply from conservation. Until you provide the data and assumptions, we cannot do that. We and our customer cities are thus denied the opportunity to choose our desired future course of governmental action, our elected council members are denied the ability to represent us and make fact-based decisions in an air of transparency and accountability, and Dallas and its customer cities fail to avail themselves of the extensive information, recommendations, and leadership provided by a year's worth of work by state leaders on the Statewide Conservation Implementation Task Force.

You show (Slide 36) Dallas as having approximately 120 residential GPCD compared to Austin with approx. 100 GPCD. The conclusion from this Slide is thus that Dallas residents use approx. 20% more water per capita for residential uses than Austin residents, even though Dallas has a wetter climate than Austin and thus Dallas residents would be expected to use LESS water than Austin on the basis of climate alone since a substantial portion of residential water usage is for lawn irrigation. If Dallas were to set targets and goals and succeed in achieving the statewide Conservation Implementation Task Force's 1% per year per capita reduction, in residential use, Dallas would reach in 19 years (in 2023) the level of efficiency that Austin has already reached. This would appear to be a very measured, real-world goal. With 1,451,878 people projected for Dallas in 2020 (per appendix, unnumbered pg. 65), multiplied by a savings of 20 gallons per capita per day, this would save 20 MGD or more by 2023 if Dallas alone were to achieve Austin's current residential rate. Since your projected supply from conservation

in 2020 (Slide 64) for DWU's entire system is only 21.87 MGD, we conclude either that you do not intend for Dallas to continue achieving a 1% residential per-capita reduction after 2010, or that you do not intend for the rest of DWU's customers to achieve the residential reductions that Dallas alone will do. Either your projected savings on Slide 64 don't match the program described on Slide 31, or you are not planning for Dallas' customers to achieve the savings that you plan for Dallas itself. Thus, there appears to be either a credibility issue with the data and representations in this draft report, or a fairness and equity issue between Dallas and its customer cities. Please clarify.

Return Flows Above DWU's Lakes

You discuss (Slide 30) and recommend (Slide 64) contracting with others to guarantee DWU's ability to utilize others' return flows of a combined 73 MGD in 2060 on the Elm Fork and in Lake Ray Hubbard.

However, Table 6-19 of CP&Y's 2000 Long Range Water Supply Plan for DWU shows "potential available" combined return flows in the Trinity River and Hubbard of 112 MGD—a volume 39 MGD higher than you recommend. The fact that others might begin reuse projects in the future and thus reduce DWU's potential use of others' return flows is sometimes cited as a reason for DWU to avoid availing itself of this source today and thus gaining the benefits of delayed costs for new infrastructure. However, it seems that this would also be a good opportunity to take a cooperative regional approach to fully utilizing our existing supplies and jointly meeting our challenges, similar to what has been done with regional air quality and transportation planning.

Direct and Indirect Reuse

Sierra Club and TCONR commend the increase in reuse over previous Dallas plans, making the combination of direct and indirect reuse more than 20% of projected demand for 2020. We appreciate that you have made these your near-term recommendations, bringing them on line before development of new supplies.

Although we have not included the following in our citizens' chart, we would urge that you consider going one step farther, listing additional reuse as a potential alternative recommendation for the years 2040 – 2060 as ultrafiltration and other technologies make increased reuse more practical and cost-effective.

Lake Palestine

You have indicated that there is additional supply potentially available in Palestine, but you did not include it even as a potential supply above the 100 MGD you recommend. You have apprised us of an initial response from the supplier indicating an unwillingness to sell. Please provide us with the name and contact information of the person with whom you spoke. We would like the opportunity to speak with him/her, as this seems a logical source of supply for Dallas.

Fastril Reservoir

New reservoirs are much more harmful environmentally and economically than utilizing available supplies in existing reservoirs, so Fastril should not be considered when there

are numerous viable and cost-effective supplies available among existing reservoirs, as your analysis has shown.

We sent comments on Fastrill Reservoir to you earlier regarding inaccuracies and omissions in your analysis of Fastrill and we incorporate those comments here.

As we have said so often in the past, the recommendation for any future water supply (beyond strategies that maximize existing supplies) should be water from Lake Texoma. In Dallas' current Long-Range Water Supply Plan, adopted in 2000, CPY found Alternative 3, which featured water from Lake Texoma to be the lowest-cost alternative. The report also concluded that Texoma was less risky than pursuing a new reservoir. Water from Texoma should be substituted for Fastrill for Dallas' 2040 source.

Concerning Water from Texoma

We see no evidence in CPY's analysis that you have seriously examined the option of using water from Lake Texoma. The blending of water from Lake Texoma into the Ray Roberts/Lewisville system is by far the simplest and lowest-cost source of additional water for Dallas. This option was not mentioned in your presentation.

TCONR has mentioned the possibility of improving the water quality in lake Texoma by partial completion of the Red River Chloride Control Project, some elements of which appear cost-effective. This option was not mentioned in your presentation.

The option for Texoma that is included by CPY involves taking water from Lake Texoma, subjecting it to extensive desalination and then placing the resulting treated, indeed sterile, water into Lake Ray Roberts, which would necessitate treating the water a second time when taken out of the Elm Fork. This scheme appears very like the proposal DWU placed online for the briefing before two Dallas Council committees May 24. The design has not improved with age and has the appearance that DWU is advising the consultant rather than vice versa.

A cost-effective option would involve Dallas' pumping Texoma water to Ray Roberts/Lewisville and blending it. Over the years, as the demand for water increased, the amount of water brought from Texoma would increase. Eventually enough water might be brought from Texoma to raise the level of salinity in Lewisville above drinking water targets. *Only when the salinity of the blended water in Lake Lewisville begins to exceed drinking water standards would desalination be initiated.* This strategy would require desalination of only a fraction as much water as CPY's proposal. It would also omit the need for the second treatment step in CPY's design. The result would be a much lower cost.

As for the details of the CPY scenario for Lake Texoma water, the stated capital cost for the reverse osmosis treatment plant of \$272.8 million and the annual operating cost of \$47.84 million, the sources of which have not been provided to us despite repeated requests, are grossly out of line with the guidelines presented by Freese and Nichols, Inc., to the Region C Water Planning Group in their memo on Cost Estimates for SB1 Projects, updated November 30, 2004. Using Freese and Nichols' guidelines would suggest a capital cost of \$190 million and an annual operating cost of \$25 million. As TCONR has cited before, cost figures obtained from Ionics, an international company

that manufactures reverse osmosis plants, would produce cost estimates significantly lower than those derived from Freese and Nichols' guidelines.

One aspect of your Texoma proposal is interesting – the water quality values quoted for Lake Texoma: 850 mg/l TDS, 210 mg/l sulphate, and 194 mg/l chloride. These numbers are significantly below those normally quoted for Texoma. If water meeting these levels could be consistently obtained from Lake Texoma, it would obviate the need for desalination. 210 mg/l sulphate and 194 mg/l chloride are already below the federal recommendations and would be even less if blended. Modest blending of Texoma water with other sources would reduce the 850 mg/l TDS below the 600 to 800 mg/l recommended for water supply by Freese and Nichols and could reach the 500 mg/l federal recommendation. Please provide us with the source of these numbers.

Lake O' the Pines as an Alternative to Fastrill Reservoir

You mentioned in your verbal presentation that existing Lake of the Pines might serve as a substitute for new Fastrill Reservoir that you currently have in your draft recommendations, so we offer the following information for you to integrate into your background research and represent on your Slide 46 summary.

One point: Please clarify what you mean by "low end" on your Slide 46. Does this refer to the low range of an estimated available quantity? What is the upper end of the range? We suggest that both be explained and referenced in your Slide 46.

We have in the past (as has Congressman Max Sandlin after his staff researched the issue), mentioned LOP as a potential source of water for Dallas and DFW-North Texas water purveyors. Consistent with our overall message, we prefer the use of existing reservoirs, such as Lake of the Pines, over building any new reservoir, with the enormous social costs and habitat destruction that reservoir construction entails. As we have consistently said, we support water diversion from LOP as long as any diversion takes into consideration the flow releases needed to protect downstream Caddo Lake.

It is our understanding that water potentially available from Lake O' the Pines (LOP) would come from two sources: water still owned by Northeast Texas Municipal Water District that is not 100% firm yield and water allocated by contract to industries and cities that use LOP water who are not using *all* of their water. Obviously, the precise amount of water that could be made available from such sources has not yet been determined, but it is our understanding that the 80 mgd named in your draft planning document would be the approximate amount available,

A serious consideration with using water from LOP is the need for flow releases to protect downstream reaches of Big Cypress Creek and Caddo Lake. As Texas' only naturally-formed lake, Caddo has a historic and cultural significance far beyond any reservoir in Texas. Its ecological richness and uniqueness, the quality of habitat it supports, and the state and national wildlife refuges it contains make protection of its freshwater flow needs essential. Caddo's high economic value for tourism, fishing, hunting, support for wildlife, and the aquatic and bottomland ecosystems that support these values would be negatively impacted if natural variability and adequate quantities of fresh water flow regimes are further were inadequate.

The Nature Conservancy in Texas, the Caddo Lake Institute, the Caddo Lake Ramsar Wetland Clearinghouse, and more than 40 academic and agency scientists (Texas A&M, TPWD, US Army Corps of Engineers, U.S. Geological Survey, National Wetland Science Center) are currently developing collaborative, consensus-based processes to identify, test and adaptively manage instream and freshwater inflow needs to Caddo using rigorous scientific protocols for ecologically sustainable water management (ESWM). Initial collaborative recommendations are scheduled to occur at workshops planned for in May, 2005. Thereafter, initial recommendations will be subjected to peer review, testing, re-evaluation and refinement during subsequent re-iterations of this process. Plans for diversion of water from upstream LOP would be wise to include ESWM recommendations on maintenance of adequate variable flow regimes through adaptive management, to assure consistency with state water permitting mandates to “maintain” existing instream uses, habitat condition and biological integrity. (SB 1639 (2003) Section 3, amending subsections (d) and (e) of the Texas Water Code Sec. 11.147.(appendix))

Additional unresolved factors in considering LOP as a water source for Dallas in the year 2040 arise from pending water rights lawsuits regarding water from the Cypress Basin. One case pending in the Texas Supreme Court will address procedures and other rules to be used to eventually determine how much water the City of Marshall is likely to take in the future.

The other suit, which is pending in the Travis County District Court, involves the administratively complete, but dismissed application for an environmental water right for the unappropriated water in the Cypress Basin to be used for navigation and recreational purposes in Caddo Lake and to assure sufficient environmental flows to the Lake to protect the wetlands and other valuable natural resources in the Cypress Basin and around the Lake. The applicant, Caddo Lake Institute (CLI,) is appealing the decision of TCEQ that it could not issue the type of permit CLI sought. Regardless of the outcome, however, this application and the ongoing scientific study will provide a much better picture of the quantities of unappropriated water available and the effects of alteration or transbasin diversion of existing senior permits for water available in Lake O' the Pines, and their use elsewhere. Thus, any consideration of the option of taking water from Lake O' the Pines should be made after scientific flow recommendations for the Cypress basin and Caddo Lake are completed.

Sulphur Basin Project

Chiang, Patel, and Yerby's recommendation of “Sulphur Basin Project?” for the year 2060 and its recommendation that Dallas pursue participation in the Sulphur Basin watershed study proposed by the U.S. Army Corps of Engineers, Tarrant Regional Water District, North Texas Municipal Water District, and other smaller entities is an obvious attempt to promote the proposed Marvin Nichols Reservoir while avoiding the huge controversy surrounding that new reservoir project by lumping it with relatively uncontroversial existing reservoirs.

We have no objection to the study if it only studies how to solve the logjam and erosion problems on the Sulphur and how best to get water from the existing reservoirs (Wright Patman and Jim Chapman Reservoirs), but we oppose its including any new reservoirs.

If the initial review process in the watershed study resulted in a recommendation of Marvin Nichols or any other new reservoir, then the Corps' study would conduct much of the study work that has to be done for the reservoir to get a permit. This would greatly promote the reservoir and probably move its time frame forward. And it would inappropriately be done without the concurrence or involvement of elected decision-makers.

Even if the study wound up not recommending a new reservoir, it would cause economic harm to the region. The study is estimated to take seven years. That would be seven years with the possibility of a reservoir and land condemnation hanging over people's heads. It would impact property values and make it difficult for landowners and businesses to make decisions about future investments.

To lump a new reservoir (with all its attendant harm) in with existing ones unnecessarily confuses and complicates the public's and elected decision-makers' need to analyze the actual impacts of distinct supply sources. If you feel you do not have enough data to recommend for Dallas one of the existing supply sources in the Sulphur Basin (Texarkana sale, Patman reallocation, system operation) or a joint project on these sources with other suppliers, we urge that you simply do a study of those options. If you choose to study those options as part of a basin-wide study that includes study of the logjam on the Sulphur, then modify the study as planned to exclude new reservoirs.

The level of studies done for Marvin Nichols Reservoir for the 2002 State Water Plan and the Corps of Engineers' *System Operation Assessment of Lake Wright Patman and Lake Jim Chapman* released in January of 2003, are more than adequate for an experienced engineer to decide which project to recommend. Indeed CPY is recommending Fastrill when *no* study has ever been done on it.

In a presentation that the Corps' of Engineers made that built upon the results of the *System Operations Assessment*, representatives of the Fort Worth District of the Corps have said that as much as 368,000 AFY could be made available from the Sulphur Basin by changing the operating rules of Lakes Wright Patman and Jim Chapman. In addition, the City of Texarkana currently holds water in Patman that its water director has indicated a willingness to sell. Together, these would be roughly four times the amount that CPY projects Dallas' incremental demand will be in 2060.

CPY's draft cost figures for water from Wright Patman are substantially higher than for Marvin Nichols. This is baffling, as the pipeline costs for the added distance from Dallas would be roughly comparable to the cost of building Marvin Nichols Reservoir. Hence the costs for water from Nichols and water from Patman should be similar. We request the data supporting your Wright Patman figures and a description of your assumptions – pick up and drop off points, etc. We also still await such supportive data for Marvin Nichols, as requested in our voice mail and email communications February 1. Once we have this background data, we will comment further on the discrepancy between cost of water from Nichols and cost of water from Patman

Harm from Marvin Nichols Reservoir. Sierra Club, TCONR, SOS, and a host of other conservation groups, industry and business spokesmen, elected officials, and other entities have documented the tremendous economic, environmental, and social harm that building Marvin Nichols would cause and have presented that information in many forums. We will repeat that information in comments in this process, but, in the interest

of getting the above comments to you in a timely fashion, we will make those comments at a later time. We have not yet seen the draft list of problems from CPY and urge that it thoroughly reflect the well-documented problems that building any new reservoir would cause.