

Brad Last, Hurricane, UT.

To Whom It May Concern:

I am writing to urge the Federal Energy Regulatory Commission (FERC) to advance the Lake Powell Pipeline (LPP) by completing the environmental assessment and issuing its license. I serve as a member of the Utah House of Representatives and live in Hurricane, Utah, which is part of the St. George Metropolitan area in Washington County. I have served in the state Legislature for the past 15 years and currently hold the position as chair, Executive Appropriations Committee (EAC). The EAC serves as the "hub" committee for eight subcommittees of the Joint Appropriations Committee (JAC), and formulates a statewide budget for consideration of the JAC.

In 2006, the Utah Legislature passed the Lake Powell Pipeline Development Act with a vote of 96-1. The intent of the legislation was to secure the future of Southern Utah by making sure current and future generations have a diverse and reliable water source. The bill had tremendous support because we understood then, just as we understand now, that water is the most precious resource in our state.

The Utah Board of Water Resources ("Board") has broad authority to finance, construct and operate large-scale water infrastructure projects throughout our state. This includes contracting with local and regional water districts to develop and ultimately transfer title to water projects. Most communities in Utah have borrowed money from the Board to finance a water infrastructure project. The Board has financed more than 1,000 water projects, has loans outstanding of approximately \$1 billion at very favorable terms, and all are being repaid.

The LPP is projected to cost between \$1.1 and \$1.8 billion. Alternatives to the LPP were studied as part of the FERC license application. The option of using Virgin River water and wastewater effluent - treated by reverse osmosis (an expensive process that removes salts) - and eliminating residential outdoor watering with potable (treated) water, was estimated to cost more than the LPP.

The Washington County Water Conservancy District (WCWCD) and Kane County Water Conservancy District, not-for-profit wholesale water providers to the counties, are fully capable and have the capacity to pay for the LPP. The districts have three methods of repaying the state, with interest, for its initial outlay of funds to pay for the project: impact fees, water rates and property taxes. It's anticipated that, in Washington County, up to 75 percent of repayment will come from impact fees - one-time fees collected from those who are developing property that will depend on the district to provide water.

With lower water rates than some other western cities, the districts can increase water rates at a measured pace. For example, an increase of \$1 per 1,000 gallons, phased in at 10 cents per year over 10 years, translates into \$1.57 billion in incremental water rate revenue through 2065 when applied to total estimated water deliveries by WCWCD. Districts throughout the state work to keep rates reasonable and within the Environmental Protection Agency's suggested affordability index based on average income levels. The current wholesale water rate in Washington County is \$1.14 per 1,000 gallons, less than one penny per gallon of water. These rates are already expected to gradually increase over time

along with the costs to secure, treat, store and deliver water to our communities.

A single generation shouldn't be expected to pay for this water pipeline project. People who live in Washington County today are benefiting from the investments that our parents and grandparents made in the existing water system. By using bond funding, the cost of LPP will be spread over 50 years or more so that future beneficiaries will share in the investment.

As a "Citizen Legislator," I represent the interests of all my constituents including those that support and those who question the need for the LPP. Having served my district for the past 15 years, I'm in tune with the specific benefits and challenges associated with the LPP. It's with this responsibility and knowledge that I respectfully ask the agency to complete the environmental assessment for the Lake Powell Pipeline as quickly as possible and issue the license for project.

Sincerely,  
Brad Last  
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