BOARD OF WATER RESOURCES

ELECTRONIC MEETING MINUTES

September 23, 2019

8:15 am

**Board Members Calling In:** Chair Norman Johnson, Vice-Chair Blaine Ipson, Jim Lemmon, Charles Holmgren, Randy Crozier, Juliette Tennert, Wayne Andersen.

**Board Members Present:** Kyle Stephens

**Staff Present**: Eric Millis, Todd Adams, Candice Hasenyager, Martin Bushman, Joel Williams, Marcie Larson, Lindsay Russell, and Brian Steed

1. **Welcome:** Chair Norman Johnson called the meeting to order at 8:18 am
2. **Roll Call:** All present by phone or at the anchor location.
3. **Potential withdrawal of the FERC Hydropower License Application for the Lake Powell Pipeline**
* Joel Williams presented. A 30 day extension was requested to FERC which ends on Oct 3. This explains the urgency.
* The Lake Powell Pipeline (LPP) Development Act was passed in 2006 and coordination was done with federal permitting agencies and a license was required. FERC and those working on the LPP have spent the last years since that time gathering data, creating study reports, and holding meetings. NWH (acquired by Stantec) has been gathering the information and submitting it to FERC. They prepared the Environmental Impact Statement EIS. Near the end of 2017 REA notice was released by FERC. They were uncertain of their jurisdiction over aspects of the project so a determination was stated that their jurisdiction only covered the hydropower stations. As other agencies became involved, there were concerns about the reservoirs above and below the Hurricane cliff being used and it was also found to be a habitat for the threatened Desert Tortoise. As analyzations were continued, the realization came that water delivery was the main objective and hydropower was a secondary objective. Forebay and afterbay reservoirs as well as the peaking plant were decided to be eliminated. It was a cost savings of over $100 million on the project and there was also a reduction in the environmental impact. Because of this, a FERC license was no longer necessary and they had to decide if withdrawing the license was reasonable at this point. Staff recommends that the FERC license be withdrawn.
1. **Questions or comments:**
* Wayne Andersen: Do we have a written statement that the Department of the Interior (DOI) will take the lead or is this just assurance?
* Joel Williams: We do not have this specific assurance in writing, but it falls to them according to previous written documents and because DOI agencies have been involved from the start, they have also given assurance that they would do so.
* Director Eric Millis: The written assurance we do have are the permit applications with them that they have accepted.
* Joel Williams: It is not new involvement because they have been involved all along. This is just a continuation but with a new status of being the lead agency.
* Director Eric Millis: 8 months ago there was discussion about who within DOI could lead these efforts, DOI was helpful and committed to assure that they would be able to provide someone to lead this project. We have seen nothing but good commitment.
* Jim Lemmon: All the work that we have done is not going to be backtracked correct? This move will not be slowed down but we will continue on?
* Joel Williams: Yes, the previous work will not be lost. Everything that has been submitted is a part of the project and is public record so we will not lose any of that.
* Randy Crozier: DOI does have a much more open process, is that correct?
* Director Eric Millis: Yes, and that is a good point. FERC has an Ex Parte statute/rule that is keeping us from interacting with them. The DOI will be able to provide input as they work through the process. We appreciate the work that FERC has done but we feel good about this decision to withdraw.
* Kyle Stephens: Is FERC aware that we are potentially withdrawing?
* Joel Williams: Yes, they are aware and they seem to believe that they think this is a good move. We just needed to make sure that we did not need to do anything else procedurally beyond what we were already doing.
* Director Eric Millis: Once they get the withdrawal request, they have 14 days to consider the request and then there is a public process where other agencies can address concerns but we are not expecting any issues from that.
* Chair Norman Johnson: Will there be any impact on the repayment or the cost-benefit ratio in eliminating the peaking plant and the reservoirs?
* Joel Williams: No, there is no anticipation of a change. The project is still a net consumer of energy to pump it up to the high point.
* Chair Norman Johnson: It would also help with the endangered species
* Vice-Chair Blaine Ipson: This should streamline the permitting process… is there a timeline in mind for the permitting process?
* Joel Williams: There is anticipation of some time delays in getting the new agency the resources they need, but it could be a matter of only a few months.
* Director Eric Millis: It could be up to 6 months in delay. Bureau of Land Management (BLM) and Reclamation are both quite familiar with the LPP project and we expecting it will be one of those two agencies that will take it on.
* Joel Williams: There is a cost recovery anticipated, thus there is an estimate of additional money that will eventually be needed.
* Director Eric Millis: It could be possible that we ask the Board for up to $4 million eventually for these costs.
* Juliette Tennert: Wanted to express appreciation for Joel in taking this on and working hard to explain the situation and stay up to date. Thank you very much Joel!
1. **Motion:**
* Chair Norman Johnson: It is staff recommendation that we withdraw from the FERC Hydropower License Application for the Lake Powell Pipeline.
* Jim Lemmon motioned to withdraw the FERC Hydropower License Application for the Lake Power Pipeline and Kyle Stephens seconded the motion. All approved and the motion carried.
1. **Other Items**: No other items
2. **Adjournment**: Chair Johnson adjourned at 8:41 am