

The Senate of The State of Texas Austin, Texas 78711

December 11, 2012

Timothy Timmerman, Chairman Members of the LCRA Board of Directors P. O. Box 220 Austin, TX 78767

Chairman Timmerman and Members of the LCRA Board:

We ask that the LCRA rescind its imprudent decision made on November 14, 2012. We ask that you timely seek relief from the Texas Commission on Environmental Quality (TCEQ) to protect the basic water needs of firm water customers. In light of the ever-worsening drought, the very least that could be considered acceptable would be a repeat of the <u>same</u> Emergency Order sought and approved by TCEQ last year.

Despite the dire circumstances, the resolution approved by a divided LCRA Board on November 14 sets a cut-off trigger for interruptible supplies so low that it essentially provides a *guarantee* of a large release from depleted reservoirs not expected to recover any time soon. This unacceptable action places a very high risk on municipal usage due to interruptible supplies. LCRA's request to TCEQ ignores the condition in LCRA's permits for Lakes Travis and Buchanan which requires that interruptible supplies be curtailed to the extent necessary that all firm demands be satisfied. LCRA's duty to firm customers is unmistakably clear and yet inexplicably ignored. Plain *common sense* demands that water be managed in the manner that protects the water demands of firm customers.

Why would a water provider risk the water supply for over a million people to support flood-based farming by a few hundred irrigators during a drought so extreme that the lake inflows for the past five years are worse than during the epic drought of the fifties? Good judgment must prevail.

The already low Highland Lakes have been steadily falling for several months with no forecasted relief in sight. This is no surprise. Parts of the upper basin saw no rainfall in November for the first time since 1897. As for recorded inflows, a multi-year analysis shows the past five years have been far worse than the inflows recorded during the drought of the fifties. Forecasts indicate continued drought for 2013, furthering the multi-year decline of storage. If the extremely dry multi-year trend extends to 2014 and 2015, the results of a large interruptible release in 2013 will be truly disastrous.

In its application to TCEQ, LCRA staff generally did a good job of describing the extremely serious emergency situation that exists. An appropriate request for any meaningful or effective relief in response to the emergency is entirely lacking, however. LCRA improperly proposes only a modest decrease in the amount available to irrigators under the out-dated "2010" Water Management Plan.

Water is essential for life—especially for a population of over a million people. Food is essential as well—however, flood-based rice farming in Texas in the midst of a devastating drought is not essential to our nation's food supply. And, in some cases, downstream farmers have other options, including crop insurance, groundwater, and growing more water efficient crops.

We see no reason to further delay doing the right thing. The Emergency Order as adopted by TCEQ last year is based on contingencies. LCRA doesn't have to guess *exactly* what will happen with the weather or how the lakes will respond. If the weather continues dry and lakes keep falling, the Emergency Order works to protect firm supplies. If the weather gets wetter and produces good inflows, then it supplies water to irrigators. So there's no further purpose in taking a "wait and see" attitude. LCRA knows enough about the potential for another very bad year for lake inflows to set up the same contingencies as last year.

We also strongly caution LCRA from trying to "improve" on last year's Emergency Order, for example, by adding second crop provisions, such as in LCRA's current submittal. We find it both unnecessary and disturbing that the LCRA Board would submit a proposal reportedly based on the earlier submitted 2012 Water Management Plan revisions, but attempt instead to modify key aspects of the 2012 WMP submittal by allowing for a carry-over from first to second crop and pushing down the trigger for second crop cut-off. We ask LCRA to keep their request clean of such highly controversial and potentially precedent setting devices and simply submit what was submitted last year. Otherwise LCRA can expect to face challenges at TCEQ. We would add that the 2012 WMP curtailment triggers are not intended or designed to operate as emergency drought relief.

Last year's order has an 850,000 acre-feet combined storage trigger for cut-off of interruptible stored water supply and only a March 1 determination date. Modifying last year's submittal to add additional determination dates simply increases the potential for impairment of firm water supplies and is also unacceptable.

We further request that results of any model runs done by LCRA concerning future projections based on various scenarios be made available to us and the public *immediately* upon development of such information. Keeping model run results confidential and disclosing them only after decisions have been made by LCRA deprives LCRA customers and the public of critical information for decision making. This is fundamental to the kind of transparency we believe is required of a public entity.

Firm customers would like to think that LCRA will make the right decisions without constant vigilance to assure that their precious supplies are not sold down the river to interruptible customers for pennies on the dollar. LCRA has to do more than just request the right relief now to develop any trust and confidence that LCRA will fulfill its most basic obligations. LCRA faces many more milestones in the coming months and years and those firm customers who depend on LCRA for water supply would like to know that LCRA will unfailingly fulfill all of its obligations.

Sincerely,

Chairman T**/**ov Fraser

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Cc: Becky Motal, General Manager