

September 12, 2011

Colorado Water Conservation Board
1313 Sherman Street, Suite 721
Denver, CO 80203

Members of the Colorado Water Conservation Board:

As you know, the State of Colorado faces tremendous budget challenges this year. Currently we are working to fill a multimillion dollar hole in our state budget. Deep cuts to vital programs have been seen across Colorado. As members of the Joint Budget Committee, we work diligently to identify critical funding priorities, and programs that could sustain cuts. Given the ongoing fiscal challenges, it is essential that state agencies use existing funds judiciously.

On September 13, the CWCB Board will evaluate the merits of funding a proposed Flaming Gorge Task Force. This task force, which has requested \$150,000 in state moneys for the first phase, appears to duplicate a process underway through the Interbasin Compact Committee to evaluate a range of strategies to meet future water demands. As we understand it, the IBCC's new supply subcommittee is tasked with evaluating a wide range of potential new water supplies; this subcommittee should be allowed to continue its work. We encourage the Board to thoughtfully evaluate the merits of duplicating this process.

The proposed Flaming Gorge Pipeline faces substantial economic and technical barriers. The pipeline is likely not feasible without enormous state or federal subsidies. According to the CWCB's *Reconnaissance Level Cost Estimates*, the Flaming Gorge Pipeline could cost \$7 - \$9 billion for construction alone. At present we cannot imagine that individual water utilities, state, or federal agencies have the capacity to support such large capital expenditures. Funding a task force to discuss the merits of a financially infeasible project seems imprudent.

In recent years, we at the JBC have had to make very tough choices to reduce funding for the important work of the CWCB. Thus, we hope that the CWCB will use their more limited funds on only those projects that are viable, affordable, and collaborative. A new state funded task force to evaluate The Flaming Gorge Pipeline does not appear to meet those criteria. Unless those criteria are met, the undersigned members of the Joint Budget Committee have strong reservations about state support to the proposed task force. We urge you as decision makers and stewards of state resources to weigh how and when we invest our funds.

We welcome the opportunity to discuss these concerns.



Senator Pat Steadman



Representative Mark Ferrandino