JUNE 13, 2011

Don't Lead this Horse to Water! --

Sierra Club Releases Report showing Not Enough LCRA Water for Proposed White Stallion Coal Plant

(Austin) The Sierra Club today released a report, <u>"Proposed White Stallion Coal-Fired Power</u> <u>Plant Water Demands and the Highland Lakes Water Supply"</u>. Along with Matagorda County rancher-land stewards, <u>Sierra Club asked the Lower Colorado River Authority (LCRA) to deny a</u> <u>water contract for the proposed White Stallion coal plant</u>.

The report by Dr. Lauren Ross of Glenrose Engineering provides information in advance of an expected agenda item on the proposed water contract at the Wednesday, June 15 LCRA Board of Directors Meeting set in Austin. The report finds that there is not enough water available for the White Stallion request:

Combined Firm Yield Water from Lakes Buchanan &	535,812 acre feet per year
Travis	
Firm Water Commitments	-514,028 acre feet per year
Uncommitted Water	21,784 acre feet per year

White Stallion Request 25,000 > Uncommitted 21,784 acre feet per yea

DROUGHT The potential LCRA contract would commit this supply to be available for the proposed White Stallion during the most severe historical drought of record and it would compromise so called 'interruptible' agricultural and environmental flows needs.

"LCRA is contemplating trying to meet White Stallion's coal plant water demand by a combination of run of river water, that is -- water from rain and run-off during wet periods and reservoirs that don't exist," **said Dr. Lauren Ross whose firm Glenrose Engineering produced the report.** "In the extreme drought that we are experiencing there is no excess run of river water and reservoirs are evaporating at greater than normal rates. LCRA must concentrate on meeting currently committed water uses and the requested White Stallion contract should be denied."

The report further finds that:

- 11% of the water supplied for White Stallion from Lakes Buchanan and Travis would be lost to evaporation and leakage before it arrives at the pumping plant. If accepting this contract, LCRA would waste 3,000 acre-feet per year in evaporation and leakage.
- Water supplied under the proposed contract would lower storage levels in Lakes Buchanan and Travis and would result in less water being provided for agricultural irrigation, instream flows, and Matagorda bay and estuary inflows.
- <u>A study of the effects of climate change on water availability in Texas</u> released in March 2011, estimates significant changes in precipitation, evaporation, and runoff in Central Texas

due to climate change. It predicts significant deficits in reservoir storage during drought conditions with climate change, compared to similar predictions without climate change. This information on the effects of climate change on rain, evaporation, and runoff should be considered before making any additional commitments for firm water supply.

"With this exceptional drought, there isn't enough water right now for current stakeholders -- cities, farmers, the environment and all the businesses that currently depend upon Lakes Travis and Buchanan for their existence," said Laurance Armour, Pierce Ranch General Manager and member of LCRA's Water Management Plan Advisory Committee. "Additional sales of Colorado River water to unneeded industrial users such as the proposed White Stallion coal plant, would take river water away from people who currently depend upon that water for their livelihoods and drinking water. If there's no significant rain between now and January 2012, there will barely be enough water for the people in and around Austin and no water for the farmers in the lower basin. We can't waste water on unnecessary and polluting coal plants."

Susan Dancer, Texas Blessings Ranch owner pointed to the potential externalized costs to existing 'interruptible' water users of granting the proposed contract to White Stallion -- "Do we really want the coal industry's water rights to trump those of agriculture and the environment we depend upon? During this drought, we are especially in need of water to irrigate our human and livestock food crops as well as our hay pastures. We need enough freshwater inflow into Matagorda Bay and estuaries to provide the brackish water necessary for many of our fish and shellfish species to reproduce. The LCRA Board must consider the externalized financial costs of such a facility as White Stallion. Taking our water for an un-needed, coal-burning project is one of the ways that White Stallion would cripple the existing economy. LCRA must refuse this unnecessary and dangerous folly."

The proposed White Stallion coal plant faces other obstacles to being built in Matagorda County where the medical community, landowners, and numerous community leaders are strongly opposed to the project. Though permitted by the Texas Commission on Environmental Quality (TCEQ), a state district judge recently remanded the permit back to TCEQ due to faulty information in the permit application.

"Burning coal for electricity is obsolete – it causes too much pollution and uses too much water," said Eva Hernandez with Sierra Club's Beyond Coal campaign. "Instead, we need to preserve our precious water resources for truly vital human needs, especially during this extreme drought that authorities don't expect to change soon. White Stallion is a bad idea all around and the LCRA should lead the way instead to creating Texas' clean energy economy with more wind energy and distributed solar power."

The Sierra Club encourages concerned people to contact LCRA Board Members to ask them to deny a water contract and air permit for White Stallion coal plant.

Background Information: See <u>The Impact of Global Warming on Texas</u> cited in the report, and another key water report – <u>Energy-Water Nexus in Texas</u>.