

Questions about water plan

By BEN NEARY, Associated Press Writer CHEYENNE —

Environmentalists and others question why the U.S. Army Corps of Engineers plans a formal study of a Colorado entrepreneur's plan to build a 400-mile water pipeline from Wyoming to Colorado's bustling Front Range without knowing who would use the water or where it will go.

Aaron Million, a Fort Collins, Colo., businessman, has been pushing for years to develop the pipeline from Flaming Gorge Reservoir on Wyoming's Green River. The Corps of Engineers plans meetings this month in Wyoming, Colorado and Utah to get public comment on what an environmental study should address.

Critics say it's impossible to evaluate the project without knowing who the end users are. And if Million has reached any firm deals to supply water, he's not saying. Million says the privately funded pipeline could deliver water to Colorado within five years at an estimated cost of \$3 billion or less. He said he anticipates no trouble raising the money. Million says the pipeline could carry up to 250,000 acre feet of water a year. That's more than Denver Water supplies annually to the metro Denver area.

The pipeline would follow Interstate 80 east across Wyoming, possibly bringing some water to cities in eastern Wyoming, before carrying most of it south to Colorado. "We've spent the last three years with one of the best water teams in the U.S. looking for snake bites, or fatal flaws, and we have found none," Million said, emphasizing he's not interested in building any project that's not environmentally sound. Rena Brand, project manager for the Corps of Engineers in Littleton, Colo., said Million's application for a permit to draw water triggered her agency's decision to proceed with the detailed environmental study. She said the Corps has retained a consultant to do the work and that Million will cover the cost.

Brand said the study could take up to five years. She said it will evolve to include issues such as how delivering the water to particular areas might affect them. "The Corps is not making any preliminary decisions about this project," Brand said.

Brand said it's unusual for a private party to undertake such a large water project. Her agency used to do such projects itself in years past, but "not so much anymore," she said. Million doesn't propose to pay for the water he plans to move. Rather, he's relying on Colorado's rights to the water under the Colorado River compacts — agreements among western states that spell out how to manage the river and its tributaries, including the Green River. Colorado law generally allows anyone to take unappropriated water and put it to use in the state. The river compacts, meanwhile, allow water to be diverted in one state and used in another.

Alexandra L. Davis, assistant director for water at the Colorado Department of Natural Resources, said that all water in the state belongs to the state. She said people can get a vested right to the water as long as they continue to put it to use. "It would be Mr. Million's water right that he would then sell the use of that to other end users," Davis said. There's still some question of how much water Colorado is still entitled to take from the Colorado River system. Davis's office wrote to the U.S. Bureau of Reclamation in December in regard to Million's project. The state informed the federal agency that it is in the process of determining how much water is available to the state under the river compacts. It told the bureau that any determination that water is available for Million's project should comport with results of the pending state study.

Environmentalists say they see problems with such a massive trans-basin water diversion. They say piping water across the Continental Divide threatens to harm fish and riparian species in the Colorado River system. "Obviously the cottonwood areas could be affected," said Steve Jones, watershed protection program attorney for the Wyoming Outdoors Council in Lander. "That could affect raptors, and other avian species that might depend on the fish. Then it would lower flows, so the fish species could be affected too. We're worried about all those ripple effects from lower flows."

Some in Colorado bristle, too, at the prospect of seeing a private entity control such a huge volume of water. Frank Jaeger, district manager with the Parker Water and Sanitation District, said his district, which serves about 45,000 people, was unable to get Million to spell out clearly what his water prices and terms of delivery would be. Jaeger said his district is meeting with entities in Colorado and Wyoming trying to start a similar, competing project. "What we're looking at is a project of what actual cost of development and delivery (would be), no profit involved," Jaeger said of the prospect of getting government entities to build a pipeline. "A public project of that magnitude is a much better way of going about it." Jaeger questioned how the Corps of Engineers can prepare a meaningful environmental impact statement evaluating Million's project without knowing where the water would go. "I'm very fixated on the issue of speculation," Jaeger said. "With no end users and no description of how the water will be used, I've got a problem with the Corps even dealing with that. Why the hell they're doing an EIS is even beyond me."

Million said his company has a "protectable interest" in the pipeline idea, meaning that no one else has a right to build one. He declined to say whether his company, Million Conservation Resource Group, has reached any deals to supply

water. Million said his firm has retained Cheyenne lawyer Steve Freudenthal, brother of Wyoming Gov. Dave Freudenthal, and former Wyoming state engineer Jeff Fassett to develop the pricing system for the water. Harry LaBonde, deputy Wyoming state engineer, said Million filed a permit to take water out of the Green River with the state in 2007.

Gov. Freudenthal, meanwhile, said he's not enthusiastic about the pipeline project. "I'm not a big fan of it, in part because I've never been a big fan of trans-basin diversions," Freudenthal said. "However, they properly filed with the state engineer," Freudenthal said. "Their argument obviously is that this is Colorado's water. The compact appears to allow for this, so I guess I'd have to say that at this stage I've been skeptically watching it unfold."