Massive document provides clues to Utah's Lake Powell Pipeline as guv, others question need

By EMMA PENROD | The Salt Lake Tribune CONNECT First Published Dec 12 2015 10:21PM • Last Updated Dec 13 2015 09:28 am

The recently released draft proposal for the Lake Powell Pipeline offers the most in-depth analysis of the project to date, but it may raise more questions than it answers.

And that's what state officials say it is supposed to do, with the document — more than 1,300 pages long, not counting several hundred pages of supplementary material — now up for public review and comment.

The Preliminary Licensing Proposal (PLP) describes in detail both how the pipeline might be constructed, and what Washington and Kane counties could do to come up with an equivalent amount of water — 28 billion gallons a year — if the pipeline were not built. But the PLP does not put a price tag on how much the pipeline's construction would cost or who, precisely, would foot the bill.

Gov. Gary Herbert called out the loosely defined financing plan when he announced his proposed 2016 budget last week, saying that, "out of respect to the taxpayer," it's necessary to further study the region's need for the pipeline and for how local water districts would fund the project.

As it stands, his report said, the state "would never be repaid and the ongoing allocation of tax revenues would create a permanent sizable state taxpayer subsidy for water development."

The Lake Powell Pipeline Act, passed in 2006, requires the recipients of the water — the Kane and Washington county water conservancy districts — to, within 50 years of when they begin taking the water, pay off at least 70 percent of the project costs. And with that cost still up in the air, Herbert is asking for a closer look at the proposed project and recommending dedicating \$6 million to study water use throughout the state. His report also requests "new and meaningful water conservation targets," greater transparency and independent validation of any research conducted.

But concern over cost is premature, said Joshua Palmer, a spokesman for the Utah Division of Water Resources. The PLP, he said, is simply an early draft document intended to compare economic, environmental and societal costs and benefits, not the monetary cost of the project or how those costs might be repaid.

The bulk of the document's main body is dedicated to technical descriptions of three different proposals for how the pipeline could be built.

All three options for the pipeline's construction call for:

• a subterranean water intake system on the west side of Lake Powell near the Grand Staircase-Escalante National Monument

• a pipeline that follows major highways across Utah and Arizona to deposit 86,249 acre-feet of water annually in Sand Hollow Reservoir near Hurricane

• hydroelectric power generators

• a series of transmission lines that would deliver the electricity to pump stations on the other end of the project.

The options — referred to as alignments — differ primarily in length and the routes they take around the Kaibab-Paiute Indian Reservation in Arizona. One alignment routes the pipeline south around the reservation, a second takes a shortcut directly through the reservation, and a third mostly circumvents the reservation except for a segment that crosses its southwest corner.

Though the PLP does not contain a cost estimate for any of the alignments, it does include an economic study that estimated the benefits of the pipeline and how much it would cost to maintain it for 50 years after it's built.

Depending on the economic variables considered, the study puts the economic cost of operating the pipeline in the range of \$1.5 billion to \$1.8 billion, or \$2.6 to \$3.2 billion.

The study estimated economic benefits — revenue generated by jobs created by the pipeline, for example, or by economic growth that results from the availability of additional water — to be in the range of \$1.8 billion to \$2.7 billion or \$2.9 billion to \$4.3 billion, again depending on the type of analysis used.