

**American Rivers ~ Audubon-Washington ~ Center for Environmental  
Law & Policy ~ Lower Columbia Audubon Society  
National Wildlife Federation ~ Sierra Club ~ Taxpayers for Common Sense  
Trout Unlimited ~ Washington Environmental Council  
Washington Trout ~ Yakima Valley Audubon Society**

May 13, 2005

Governor Christine Gregoire  
Office of the Governor  
P.O. Box 40002  
Olympia, WA 98504-0002

Re: Black Rock Water Storage Project

Dear Governor Gregoire:

In light of the recent Appraisal Assessment completed by the U.S. Bureau of Reclamation for the proposed Black Rock water storage project in the Yakima River Basin, and the State of Washington's recent \$4 million financial commitment to the feasibility analysis for the project, the undersigned conservation and taxpayer organizations wish to apprise you of our mounting concerns.

In April 2003, most of the undersigned organizations sent a letter to the Bureau raising concerns about the proposed Black Rock storage project. A copy of that letter is enclosed. Major concerns discussed in that letter include:

- No evaluation of adequacy of current water supply to meet agricultural needs, as directed by Congress in 1994
- No analysis demonstrating that the market value of crops relative to water justifies additional storage
- Availability of cost-effective alternatives for improving instream flow and reducing agricultural demand

We did not take a position for or against the Black Rock project in that letter, as we believed that it was premature to make such a judgment prior to completion of an objective analysis of key issues. We requested that the Bureau's feasibility analysis include a comprehensive and unbiased assessment to enable informed decision-making.

As new information has come to light, our concerns about Black Rock have increased. The concerns set forth below supplement those stated in our 2003 letter to the Bureau:

- **Estimated field construction cost has doubled.** The new cost estimates set forth in the Bureau's Appraisal Assessment for field construction and ancillary construction expenses only is \$2.8 - \$3 billion, roughly double the initial estimates. The Bureau estimates that additional costs associated with project design, contracting, project management and environmental mitigation will increase the cost to between \$3.5 - 4 billion. For perspective, this is four times larger than the Bureau's entire budget, which is roughly \$900 million. We have been informed that the Bureau currently has a \$1.2 billion backlog of existing water projects.

- **A year-round instream flow rule for the Hanford Reach is a prerequisite for determining the potential impacts of Black Rock on the Columbia River.** To date, discussion about whether there is sufficient water in the Columbia to withdraw from behind Priest Rapids dam to fill the Black Rock reservoir has focused exclusively on whether spring and summer salmon out-migration flow targets could be met with the withdrawals. That is an insufficient basis to determine whether the effect of the Black Rock project on the Columbia, in particular the Hanford Reach, is acceptable. Determining the true impact on the Hanford Reach of the proposed withdrawals requires that the State first set a year-round instream flow regime for the Hanford Reach that adequately protects instream values. The fact that the State also is considering allowing new withdrawals of large amounts of Columbia River water primarily for irrigated agriculture along the Columbia intensifies the need for a year-round instream flow rule for the Hanford Reach.
- **Cost-effective options are not being aggressively pursued to address instream flow and water supply needs.** As discussed at length in our 2003 letter to the Bureau, federal legislation was passed in 1994 to improve the efficiency of irrigation in the Yakima Basin to both increase river and stream flow and firm-up agricultural water supply. Progress toward these objectives – which are the same objectives as those stated for Black Rock – has been slow, particularly with respect to improving instream flow. Millions of dollars of federal money earmarked for conservation and acquisition under the federal Yakima River Basin Enhancement Project remain unspent.
- **Groundwater contamination.** The Bureau's Appraisal Assessment identified the potential for nuclear waste contamination of water leaking from the proposed reservoir that would flow through the Hanford nuclear reservation before returning to the Columbia River. This is an issue of great concern.
- **Earthquake hazard.** The Bureau's Appraisal Assessment also identified the existence of a nearby geologic fault. This raises major questions about the safety of the proposed dam and reservoir, and, even if the dam and reservoir could be designed to withstand a large earthquake, the cost of constructing a safe facility may be much higher than the current projected cost.
- **Crop value must be considered.** Washington farmers are currently experiencing stiff market competition due to increased production in other countries, such as China, where the cost of production is significantly lower. One consequence is federal commodity subsidies have been increasing. For example, commodity subsidies in Yakima County jumped from an average of approximately \$3 million annually for the period 1995-2000 to approximately \$20 million annually for the period 2001-2003. Most of those subsidies have gone to apple growers. The potential investment in Black Rock must be evaluated in the context of the value of the crops that would be produced with the additional water that the project would make available.
- **Black Rock's enormous cost could greatly diminish salmon recovery funding available for other river basins in Washington State and the Pacific Northwest.** Recovering wild salmon and steelhead to healthy, harvestable levels through the Pacific Northwest is an expensive and important endeavor. For example, the federal government's estimated cost of just implementing the ten-year biological opinion for the federal hydropower system on the Columbia and Snake rivers is \$600 million annually.

That does not include the cost of implementing recovery plans for listed stocks in the Columbia Basin or Puget Sound. Given tight federal and state budgets, large recovery investments should be limited to those actions for which it can be demonstrated that the likely magnitude of the benefit justifies the costs, and that less costly alternatives are not available.

- **Black Rock should be evaluated in the context of statewide water supply needs.** In light of its enormous cost, the Black Rock project's feasibility should be evaluated not in isolation, but in the context of a broader statewide assessment of water supply and instream flow needs. This is necessary to ensure the most cost-effective use of limited public funds.

Finally, we want to raise a critical point about a protracted feasibility study of Black Rock. Other currently available, cost-effective measures to improve instream flow are not being aggressively pursued. This may be due in part to a perception that Black Rock will be the "big fix" that will solve the problem. A protracted analysis of Black Rock feasibility thus impedes progress toward improving instream flow in the basin. Accordingly, we ask that any additional analysis that must be conducted to enable an informed decision focus on "make or break" issues and be sequenced to address the least expensive and least time-consuming studies first.

We hope that our concerns and suggestions prove helpful as you make decisions regarding the proposed Black Rock storage project, and we appreciate your consideration.

Sincerely,

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