- Good morning. I'm Sue Haslett and I'm the Chief of Tulsa District's Planning and Environmental Division – we are, as much as anyone can be, the keepers of the Tulsa District's Water Supply Mission.
- I'd like to welcome you to Tulsa on behalf of our District Commander, COL Anthony Funkhouser. He asked me to tell you, and I quote, "as the leading water supply district in USACE we are sometimes breaking new ground and creating precedents." That's actually a euphemism for "we're always in trouble for something." He also asked that I thank you for your participation –please do actively participate, ask questions and provide your input so we can capture your good ideas and please provide us with your feedback. COL Funkhouser also asked that I thank the participants "most importantly for their patience". [I'm not entirely sure what he meant by that...]
- And second, on behalf of COL Funkhouser, I'd like to tell you just a little bit about the Tulsa District.
 - Our area of responsibility includes all of the state of Oklahoma, the southern half of the state of Kansas – the Arkansas River basin in Kansas, and the Texas panhandle and a narrow ribbon along the Red River in Texas – the Red River basin in Texas.
 - We are a full service district we support 2 Army and 4 Air Force installations;
 - we provide construction management support to other Federal agencies and to Native American Tribes;
 - we design and construct projects to remediate hazardous, radiologic, and toxic waste;
 - and we plan, design, construct, and operate water resource projects including projects for flood control, navigation, hydropower, water supply, water quality, recreation, and wildlife management and ecosystem restoration.
 - We operate 38 multiple purpose lakes constructed by the Corps and, for flood control purposes, we operate an additional 12 lakes constructed by others.
 - Twenty-nine (29) of the Corps lakes within our area of responsibility have water supply as an authorized purpose (and 28 of them actually have water in them). Those projects provide approximately 2.2 million acre-feet of storage for municipal and industrial needs.
 - We service 130 individual Water Supply Contracts; that's about 75% of the contracts in the Southwestern Division and about 50% of the contracts nationwide. We have contracts with municipalities, rural water districts, electric power plants, conservation districts, irrigators and individuals.

- And we support the SWD Planning Center of Expertise for Water Management and Reallocation Studies.
- The Corps Water Supply Mission is critical to those we serve within the Tulsa District Area of Responsibility. That the Corps Water Supply Mission is growing in critical importance nationwide is evidenced by the number of you who showed up for this conference. Careful management of the Nation's water supply is critical and as one of the Nation's largest water supply agencies, the Corps plays a major role in ensuring that Americans have enough water to meet their needs.
 - The Corps has 129 multi-purpose projects that contain storage for water supply in 26 states. The multi-purpose projects are located in 22 Corps Districts and are capable of providing almost 5 billion gallons of water per day for use by local communities and businesses.
 - Just in the Southwestern Division, our reservoirs provide 36% of potable water for Texas, 35% of potable water for Oklahoma and 20% of potable water for Kansas.
- In recent years, population growth, regional droughts, and a decrease in the availability and quality of groundwater sources have increased demand for surface water sources. Although water supply needs are increasing, our supplies are not the nation is using up reserve capacity that was developed 30 or more years ago.
- Water Supply is not currently considered a high priority mission for the Corps, but we still have the opportunity to work to address future challenges to the nation's water supply system and explore ways to address the need for an increase in the available supply of water for communities and businesses. We are evaluating opportunities to modify dams to provide more water storage space; converting storage space being used for other purposes to water supply storage; and making other changes that will maximize the amount of water supply storage space available at existing projects. We are working with states to plan for their water futures through various programs, and we are conducting reallocation studies to help states and local communities meet future water needs where we can.
- The organizers of this conference have provided you with a diverse group of speakers who will present information on a broad range of topics related to Water Supply. You can't help but learn something this week.
- This is my attempt to help you learn something in your first few minutes of the first day of this conference. Based on the recent experiences of the Tulsa District, I have identified the top 10 things that make Water Supply and reallocation studies a challenge.

- 10 Federal law, policy and/or guidance will change while you're in the middle of a reallocation study – ITR becomes ATR or IEPR; you'll have to get your models certified; or maybe you'll get a bad DSAC rating.
- 9 You will get a new Office of Water Policy Review Team mid-way through the reallocation study and review process. Except Steve Cone will always be there.
- 8 One state may sue another state at some point during your reallocation study and if you're lucky you might get 3 states involved. Or maybe you'll have to sue the state to get them to pay for the water supply they agreed to buy.
- 7 Your Water Supply users will experience Updated Cost of Storage sticker shock.
- 6 You'll get <u>another</u> new Office of Water Policy Review Team. It'll be Steve Cone and some biologist they found on the street.
- 5 Your local Hydropower Marketing agency and their customers will not give up storage or accept the compensation allowed by our regulations without a fight. Expect the battle to go all the way to ASA(CW) and maybe even to court.
- 4 If you're really lucky, Congress will provide special legislation that (1) gives away storage at no cost to the user, or (2) raises pool elevations for no technically justified reason, or (3) establishes or attempts to establish compensation for benefits foregone, or (4) contemplates a study to reallocate to recreation.
- \circ 3 Whatever you thought the reallocation study would cost, double it. And then double it again.
- 2 –However long you thought the reallocation effort would take, double it. And then double it again.
- 1 And finally, you'll get still another new Office of Water Policy Review Team. But you will still have Steve Cone.