

Texas Water Development Board

P.O. Box 13231, 1700 N. Congress Ave.
Austin, TX 78711-3231, www.twdb.texas.gov
Phone (512) 463-7847, Fax (512) 475-2053

TO: Board Members

THROUGH: Kevin Patteson, Executive Administrator
Les Trobman, General Counsel
Jeff Walker, Deputy Executive Administrator, Water Supply & Infrastructure

FROM: Temple McKinnon, Manager, Regional Water Planning

DATE: March 6, 2015

SUBJECT: Consider approving the adopted Major Amendment to the 2011 Region H Regional Water Plan, relating to the revisions to a Recommended Water Management Strategy for expansion of Harris (Off-Channel) Reservoir; and authorizing the Executive Administrator to post notice for a public hearing for an associated amendment to the 2012 State Water Plan.

ACTION REQUESTED

Approve the adopted major amendment to the 2011 Region H Regional Water Plan; and, authorize the Executive Administrator (EA) to develop the corresponding amendment to the 2012 State Water Plan, with associated public hearing, as appropriate per 31 TAC §357.51(f).

BACKGROUND

At the August 6, 2014, meeting of the Region H Regional Water Planning Group (Group), the Group approved requesting a minor amendment determination from the Executive Administrator for the modification of a recommended water management strategy (WMS) for expansion of by Dow Chemical Company's (Dow's) Harris Off-Channel Reservoir and Pump Station Facilities.

This action was documented in a letter received September 2, 2014, and the EA responded September 19, 2014 that such a revision to the 2011 Region H Regional Water Plan would constitute a major amendment (Attachment A). The existing Dow Off-Channel Reservoir WMS is being amended to reflect a configuration with capacity increased beyond that of the recommended WMS configuration. The amendment also increases the total project costs, the project yield, and adds recipients beyond those identified in the 2011 Region H Regional Water Plan. Dow will also update information on the status of land purchases made to support project development, project status including the completion of preliminary design and initiation of permitting activities, and associated WMS supply to other Brazoria County customers beyond those currently associated with the existing WMS.

Our Mission : Board Members
: Carlos Rubinstein, Chairman | Bech Bruun, Member | Kathleen Jackson, Member
: To provide leadership, information, education, and
: support for planning, financial assistance, and
: outreach for the conservation and responsible
: development of water for Texas : Kevin Patteson, Executive Administrator

The Dow Off-Channel Reservoir and Pump Station Expansion strategy is intended by Dow to increase the total raw water pumping and storage capacity available for use at their industrial site in Freeport, Texas. Increasing the site's reservoir storage capacity and building a new river intake and pump station would give Dow more flexibility in managing their raw water resources and provide protection during drought conditions when pumping from the Brazos River is limited or curtailed. This project does not require a new water right appropriation because it is intended to firm up existing water rights held by Dow and the Brazosport Water Authority to meet manufacturing and municipal shortages in Brazoria County. The proposed reservoir would provide an additional firm yield supply quantity of 80,000 acre-feet/year. A new intake and pump station on the Brazos River would also be constructed. The Dow Off-Channel Reservoir and Pump Station Expansion strategy is expected to be online by 2020. The capital cost associated with the strategy is \$226.8 million. A more detailed description of the strategy is provided in Attachment B.

KEY ISSUES

1. The Region H Regional Water Planning Group submitted to the TWDB on February 19, 2015, the required written documentation of their adopted major amendment, including an addendum to the current 2011 Region H Water Plan (Attachment B).
2. The EA has reviewed the adopted amendment and determined that statutory and rule requirements have been met.
3. If approved, an associated amendment to the 2012 State Water Plan will be presented for the Board's consideration following a 30-day notice period and public hearing in accordance with 31TAC §358.4 (a).

RECOMMENDATION

The Executive Administrator recommends approval of this item.

This recommendation has been reviewed by legal counsel and complies with applicable statutes and Board rules.

Les Trobman, General Counsel

Attachment(s):

- A. September 19, 2014 Executive Administrator Major Amendment Determination Response Letter.
- B. Major amendment documentation, including the addendum to the 2011 Region H Regional Water Plan.

Mr. Mark Evans, Region H Chair
September 19, 2014
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If you have any questions concerning this approval or its associated requirements, please contact Lann Bookout, the Board's designated regional water planning project manager for this region at 512-936-9439, or lann.bookout@twdb.texas.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'KP', with a long horizontal flourish extending to the right.

Kevin Patteson
Executive Administrator

cc: Jace Houston, Region H
Lann Bookout, TWDB

REGION H

Water Planning Group

REGION H WATER PLANNING GROUP

Senate Bill 1 - Texas Water Development Board

c/o San Jacinto River Authority
 P. O. Box 329, Conroe, Texas 77305
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February 19, 2015

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Mr. Kevin Patteson
 Executive Administrator
 Texas Water Development Board
 1700 North Congress Avenue
 Austin, TX 78701

**Re: Amendment to the 2011 Region H Water Plan
 Dow Chemical Company
 Gulf Coast Water Authority
 Adoption of Amendments by Region H**

Dear Mr. Patteson:

The Region H Water Planning Group (RHWPG) has reviewed, considered, and approved the amendment of the 2011 Region H Regional Water Plan (RWP) to include two projects to be developed by the Dow Chemical Company (Dow) and the Gulf Coast Water Authority (GCWA). This action follows your determinations of major and minor amendment status for these revisions on September 19, 2014 and December 1, 2014, respectively.

According to your determination of the Dow revision as a major amendment, the RHWPG provided 30-day notice prior to a December 10, 2014 public hearing to take comment on the proposal. Following this hearing, a 30-day period was also observed for the receipt of comment related to the amendment through January 12th. This amendment was subsequently adopted by the RHWPG on February 4th. According to your determination of the GCWA revision as a minor amendment, the RHWPG provided 14-day notice prior to the February 4, 2015 RHWPG meeting to consider adoption of the amendment. Following this action by the RHWPG, a 14-day period was also observed for the receipt of comment related to the minor amendment through February 18th. The RHWPG now wishes to submit a completed amendment package including both revisions to the RWP along with comments received from the public regarding the amendments.

Should you have any further questions regarding this submittal, please feel free to contact me at 281.440.3924 or mbevans@nhcrwa.com or the Region H consultant, Jason Afinowicz, at 713.600.6841 or jason.afinowicz@freese.com.

Sincerely,



Mark Evans
 Region H Chair

cc: Lann Bookout, TWDB

TWDB Liaison
 Lann Bookout

Attachment	Description
A	Amended excerpts from Executive Summary including Tables ES-7 and ES-8.
B	Amended excerpts from Chapter 4: Identification, Evaluation and Selection of Water Management Strategies Based on Needs
C	Amended Table 4A-3: Water Management Strategy Screening
D	Amended Table 4A-4: Water Management Strategy Environmental Impacts
E	Amended Table 4A-5: Recommended WMS by County
F	Amended Table 4A-6: Decadal WMS Summary
G	Amended Table 4A-7: WMS Supply Allocations by WUG
H	Amended Table 4A-8: WUG-Level Contracts
I	Revised Technical Memorandum 4B-47 (Dow Off-Channel Reservoir and Pump Station Expansion)
J	New Technical Memorandum: 4B-54: Gulf Coast Water Authority Reclaimed Water from City of Houston
K	Amended Table 4C-1: WWP-Level Project Costs
L	Amended Table 4C-2: WUG-Level Project Costs
M	Amended Appendix 4E: Environmental Flows Modeling for New WMS
N	Amended excerpts from Chapter 5: Impacts of Management Strategies on Water Quality and Impacts of Moving Water from Rural and Agricultural Areas
O	Summary of database entries anticipated for DB12
P	Comments received regarding proposed major amendment by Dow Chemical Company
Q	Comments received regarding proposed minor amendment by Gulf Coast Water Authority
R	Revised project prioritization for 2011 Region H Regional Water Plan