

To members and friends of the Possum Kingdom Lake Association:

The future of the Brazos River Basin and Possum Kingdom Lake is threatened! The facts below are written chronologically, and you will see that a huge legal and political battle is looming.

In 2004, the Brazos River Authority (BRA) first applied for a permit to sell over 1 million acre-feet of water, in addition to the 400,000 it is already allowed to market. **This is the largest such request in Texas history.**

The BRA is an autonomous quasi-governmental agency with a 21 member Board of Directors appointed by the Governor and a staff hired by the Board. Many believe the BRA has a history of mismanagement and ineptness. So, it was no surprise that because the BRA's application for a new permit to sell water was not done right the first time, it was sent back to BRA for more work. We thought the application would die a natural death at that point but that was not to be. The BRA is persistent.

Fast forward to present day. The "revised" application to sell water has finally met state regulations to be complete, and the Texas Commission on Environmental Quality (TCEQ), as the permitting authority, has set up a series of steps that gives us, and many others, the opportunity to protest the permit to sell water. The Legislature has given TCEQ the responsibility as trustee to hold the surface waters of the state in trust for the people of Texas. **TCEQ cannot issue water right permits unless the water is to be used for beneficial purposes and unless the benefits outweigh adverse impacts.** Interestingly, BRA's water rights for Possum Kingdom Lake were cut by the state in 1985, when BRA could not show a beneficial use for much of the water it was using.

BRA is asking for a "Blank Check" to sell water as they see fit with the proceeds to be used by a river authority with a terrible track record and no oversight by any of our elected officials. We do not believe BRA's request satisfies the beneficial purposes test but, more importantly, the request is bad public policy.

As many of you know, the activities of the Possum Kingdom Lake Association (PKLA) are supported by paid membership fees of \$40 annually along with additional contributions to our legal defense fund. To date, we have expended a significant portion of the defense fund to hire a well respected hydrologist and a legislative strategist to work with us as we oppose the BRA application. We have accomplished a lot with the help of these two experts:

- We have study results from our hydrologist, Intera, that find many areas of grave concern in the modeling the BRA has produced to support their application. In short, our study has found that **the BRA's request could see water levels at Possum Kingdom decline over coming years to the point that the lake would be destroyed as the asset we all now enjoy.** The first phase of the Intera study is on the PKLA website for your review at http://www.pklakeassn.org/PKLA_Report%20rev%201.pdf with additional results to be added as soon as those are finished. The additional work Intera has done considers the period from 1997 to date wherein a considerable decrease in water flowing into PK has been observed. BRA ignored this information when they did their studies in support of their application.
- The BRA claims that water levels in the lake would not be much below what they are normally but the model they use to predict this is based on much wetter climate, and outdated conditions from what we have been experiencing.

- If this application were to be approved, the **BRA will be able to determine where and when water is to be sold, with all proceeds going to the BRA – which again is not subject to any state oversight or budget review.** In effect, “the fox will be guarding the hen house”.
- We have found that the **BRA is a large, well-financed organization that operates beyond the direct control of our elected officials,** EXCEPT they cannot proceed with these water sales unless the TCEQ, which is under the direct budgetary control of our elected officials, approves this application. BRA has a very effective team of lawyers and lobbyists whose sole job is to gain TCEQ approval. However, we have the strength of the people on our side as we did in our fight for divestiture.
- We have established a cooperative agreement with the Brazos River Alliance, an organization created to oppose the BRA application. Other members of the Alliance are Friends of the Brazos, Hood County, Granbury Chamber of Commerce and Granbury Waterfront Property Owners Association. The Brazos River Alliance will seek party status as a formal opponent of the application.
- We will conduct an active lobby and communication effort with all elected officials who will have input in the process to encourage them to take a position opposing the application. We will ask that the counties in our area as well as municipalities, chambers of commerce and others also join the Alliance.
- Most importantly, PKLA will seek party status so that we will be able to fight the permit legally before the State Office of Administrative Hearings.

Each of you can and should oppose the application individually; yet **there is tremendous strength in numbers.** We need to come together. Please join us in this fight. The results will affect all of us not only now but in the future. To give you an idea of the gravity of this problem, consider that **Possum Kingdom Lake holds only about 600,000 acre feet of water! Yet, the BRA is unabashedly asking for complete authority to sell 1,001,000 acre feet of water annually in addition to the amount that BRA is currently authorized to sell!**

What can you do? **Join the PKLA** if you are not already a member. The \$40 membership fee is small but it allows us to count you as a member and supports the work of the Association. Please **contribute to PKLA’s Legal Defense Fund.** That is over and above the membership fee and will enable us to fight the BRA as the process moves forward. This battle will be very expensive. Most estimates of legal expense to oppose an application start at \$100,000 and go up from there. We have less than 1/4 of that amount in the fund right now. When you are considering a contribution to the Legal Defense Fund, simply ask yourself: What will be the result if my water front property is no longer water front? Act now!! We can’t control the drought but we can oppose this attempt by the BRA to sell our water.

Just as important as your money is your support. We will be producing a letter that you can send to your state representative and senator asking them to oppose the application. We need all the help we can get! Our voices must be heard in opposition to the BRA’s application.

Sincerely,

Directors
Possum Kingdom Lake Association