PITKIN COUNTY

123

Healthy Rivers and Streams Board

January 21, 2011

Via hand delivery to:
Aspen City Council
Via electronic mail to:
David.Hornbacher@ci.aspen.co.us

The Aspen City Council
City of Aspen
130 S. Galena Street
Aspen, CO 81611

David Hornbacher
Deputy Director of Utilities and Renewable Energy
500 Doolittle Drive
Aspen, CO 81611

RE: Castle Creek Hydroelectric Project Draft Application to the Federal Energy Regulatory Commission

Dear Council Members and Mr. Hornbacher:

Pitkin County's Healthy Rivers and Streams Board is submitting these comments on Aspen's Castle Creek Hydroelectric Project Draft FERC application filed October 15, 2010. Pitkin County is a "resource agency" for purposes of 18 C.F.R. 4.38, and submits these comments pursuant to 18 C.F.R. 4.38(c)(5).

The Board's written comments indicate a substantive disagreement with Aspen's conclusions regarding resource impacts from the operation of Aspen's project. Under 18 C.F.R. 4.38(c)(6), Aspen is obligated to schedule a meeting to address these comments, which can be accomplished through the mediation scheduled for February between Pitkin County, Aspen and other interested parties.

The mission of the Pitkin County Healthy Rivers and Streams Board, as stated in our by-laws, is to:

- Maintain and improve water quality and quantity within the Roaring Fork watershed;
- Purchase, adjudicate, lease, bank and protect water rights for the benefit of the Roaring Fork watershed;
- Work to secure, create and augment minimum streamflows in conjunction with non-profits, grant agencies, and appropriate State and Federal agencies to ensure ecological health, recreational opportunities, and wildlife and riparian habitat; promote water conservation; and
- Improve and construct capital facilities that contribute to these objectives.

530 E. Main Street • Suite 302 • Aspen, CO 81611 • (970)920-5190

We have significant concerns about the health and quantity of the waters in Castle and Maroon Creeks. The City's Hydroelectric Project represents a potential conflict with the mission of our Board.

We encourage the City to revisit the appropriateness of the conduit exemption in their application to Federal Energy Regulatory Commission.

The way in which this project is approved and completed will have ramifications on future diversions in our watershed and others, possibly with unforeseen negative consequences.

The reports that we have commissioned call into question the financial assumptions of the project, if the health of the streams are to be protected.

Of particular concern to this Board are the following issues:

- A more precisely defined management plan should be specified rather than the proposed adaptive management plan.
- More complete data is needed over a longer period of time to assess impacts associated with the proposed water diversions.
- The City should define and preserve a healthy streamflow as opposed to adhering to minimum streamflows.
- The City should establish a comprehensive public monitoring program.
- The City should explore alternative options for preserving its water rights.
- The City must include a binding legal commitment to maintain stream quality and quantity throughout the year as part of any operation plan for the facility.

In closing the Board strongly encourages the City to carefully review and consider the conclusions and supporting statements contained in these commissioned reports, as well as the public comments received to date.

Sincerely,

Greg Poschman
Chairman

cc via mail to: Board of County Commissioners of Pitkin County

Encls. Report of Sarah Klahn, Esq. - White & Jankowski L.L.P.
Report of Lee Rozaklis, Principal - AMEC Earth & Environmental
Report of Greg Espegren - Aquatic Specialist
Report of Kurt Johnson, Principal - Telluride Energy LLC