Governor Jon Huntsman, Jr. Friends of Alta Water Symposium Alta, Utah August 20, 2008

Mr. Mayor thank you very much for those very kind introductory comments.

Mayor Levitt, what an honor to be with you. I was with a writer from the New York Times in New York a few weeks ago who asked if I knew you and I said that I had occasions to meet you a couple of times and she went on to say that you are probably the most interesting person that she had ever interviewed in all of her years as a writer for this great newspaper. So thank you for what you have done. I am here as a Friend of Alta and I hope you see me as such. And I am honored to impart, following your weight, and as we all hope do take up some of the good work you have done here, we thank you for it. You're a remarkable human being.

It's an honor to be here as well with Pat Shea, somebody I have known along time. I call him the Professor. We taught a class in foreign policy back in 1991-92, which is my background and Pat's background as well, and Pat over the years has informed me that water policy is a lot more complex then any fight one would ever encounter in the Middle East and so you have to see it as such. I want to thank Pat for being the leader that he is for taking the lead and organizing this gathering here.

Gayle Dick is here from Save Our Canyons, it is a pleasure to see you again sir. We had occasion to meet in my office not long ago and we talked about a very important subject which we are now on top of which is to get a master plan done for these canyons. I have followed up since with Mayor Corroon, and I hope you talk to him when he is here a little bit later, and Mayor Becker and its great to have the kind of world in which Mayors and Governors all work together. It's a nice environment; it's a nice atmosphere where we can all sit down at a round table to talk about the issues that matter most for this state.

What we are going to do is to engage an Envision Utah like process, which is something I am very familiar with having chaired it back in the 90's, and to do an inventory of these canyons with respect to watershed, we've got interest from bikers and hikers, we've got species to look after of various kinds, and we are going to begin this process this fall. And, I think its going to be a very important contribution to this state because we cannot let happen to these canyons what we saw happen to Millcreek Canyon back in the 1980's where it was loved to death.

[clapping]

Thank you very much. And I say that because I want to engage all of you in this effort, its going to take the strength of all of us from our various areas of pursuit, our various endeavors to really make this effort succeed. Our goal is to ensure long-term sustainability plain and simple, that's what we want. We are growing with lightening speed, we need to recognize that fact, we need to take care of our canyons and we will be here to help engineer that process.

I have just a few comments, and again, I want to take it more from the 30,000 foot level so you understand some of the growth trends that are affecting our state because they have profound implications when it comes to water policy. I want to start out by using a real world example of what it is like when you are dealing with growth and I take you to the British Airways flight that left London in March of 1982 in route to Singapore it was British Air flight 9 under the command of Captain Baker. They flew all the way to the vast archipelago of Indonesia without incidence and they were flying over the island of Java and they encountered some volcanic ash, sulfuric ash, whatever it is, and at 30,000 + feet that ash, which they didn't know existed in the area, caused not one, not two, not three, but four of the engines of the Boeing 747 to fail, never before had this happened in aviation history. So there was this flight having made it almost all the way to Singapore with catastrophic failure in all four engines. Captain Baker got on the PA system and said, with a stiff upper lip that only a British pilot can do, "Ladies and Gentleman we have just had an incident occur, we have lost all four engines, we are working like hell to get them restarted. We hope that this doesn't cause you any inconvenience". We hope this doesn't cause you any inconvenience.

So here we are in a state that is now growing as the third fastest in the country in terms of population growth. Now my parents, who were born in the 30's, they were around when the world's population was about 2.5 billion today it is just under 7 billion, that's what they have seen during their lifetime. We are going to see over the next 40 to 50 years the world's population go from 2.5 billion, where it is today, to 7 billion where it's going to be in about 40 to 50 years. And what we are seeing moreover is population centers that are amassing in not the rural areas but the urban areas. A trend that is happening internationally but we are also going to see happening in our own state. So, we see the greater Wasatch area which goes from Brigham City down to Spanish Fork, Deer Valley to the east of Grantsville, or the west which is a major population center, which is going to go from 2.5 million to 6 to 7 million over that same span of time.

We have people moving into the city centers and, I am reminded this isn't a new phenomenon, we saw it back in 3500 BC in southern Mesopotamia between the Tigress and Euphrates Rivers where you had the rise of southern Mesopotamia and that great civilization Babylonia, that was the first real city-state in world recorded history, to be followed by the rise of the Indus River Valley people somewhere between Pakistan, where it is today, and India, where the Sindh Province connects with the Punjab Province, just right on the border of India, which around 3000 BC was probably the second most significant city-state in recorded history. And then you had Panyu, which was about a 100 BC during the Han Dynasty, which today is known as Canton, the first real city-state in the country of China to be followed of course by, in this country, New Amsterdam, 1630, of course taken over by the British sometime thereafter, today known as New York City, which from my parents who have seen this world go from where it was to this number of 2.5 billion today saw New York City as a first real city center in the United States. Well today we've got them all over the place and the Brookings Institution did a remarkable study in which they alerted the world that some of the major city centers in the United States are now developing right here in West. And we all know where they are: Phoenix, Clark County, Wasatch Front, Boise, and the Santa Fe area and they are growing with lightening speed. Their effort, at the Brooking Institution, was really to put the world on notice that things are happening in the west that nobody seems to be paying much attention to. We are all familiar with growth in

the east, but we need to start turning our focus to that which is happening in the west. The report goes on to site an interesting phenomenon that is occurring; they site the city of Philadelphia, which is a round American city, which played a vital role in our history, a city which I used to call home, founded in 1682 flourished during the 18th and the 19th centuries. Lately the city has suffered a lot of economic turnoil and consequently population loss. Between the years 2000 and 2007 Philadelphia lost more residents than any U.S. city with the exception of hurricane ravished New Orleans. The city's 4.5% decline continues a long trend of population loss across the entire east coast. Philadelphia's population basically peaked at 2.1 million in 1950 and has been in decline ever since.

Now I take you to the other side of the country, the city of Phoenix which if anyone was paying attention just overtook in the last year Philadelphia as the fifth largest city in the United States. Now I don't know about you but I remember visiting Phoenix as a little kid and it was not more than a cow town. A very young city incorporated in 1881, 200 years after Philadelphia was incorporated. It remained very small for the first part of its history, we are talking a population of just over 100 thousand in 1950, but by the year I was born, 1960, the population of Phoenix experienced a four fold increase to just under 500 thousand people. Thus began Phoenix's period of expansion and dramatic transformation. This Brookings institution report talks about the shock cities in America: Chicago, Los Angeles, Phoenix, and Las Vegas. And increasingly they are the other new cities of the west like Salt Lake and Boise. But I found another shock city that I want to share with you right here in our state, it's called St. George, and I know some of you, Mr. Vandam is familiar with St. George, many of the rest of you as well, settled in 1861 just 20 years before Phoenix. In 1900 the population of St. George was about 4,000 people. By 1967 the population had increased to just 11,000 people. 1967, interestingly enough, was the same year the State of Utah issued so called population projections for the first time ever. That is guesstimating trends in population for various city centers in the state. The population projection for the year 2000, back then in '67, was 14,000 people anticipating a 21% increase. So lets fast forward to the actual year 2000 the population came in at not 14,000 but just under 100,000, a 685% increase instead of a 21% increase. Today Washington County stands at about 150,000 people. In the past 40 years it has grown 680%. In 2060, 50 years from now when I am a hundred years old and I hope I live to see it, the population projection is to be 860,000 people which is a 474% increase. In 50 years Washington County's population will be larger than today's San Francisco, Indianapolis, and approaching the current population of Detroit and San Jose.

So, what to do about population growth particularly as it relates to our water situation. In Utah we use about 260 gallons of water per day, if we don't use more than 50, 60, 70 whatever that number happens to be. Now at today's population of 2.7 million, that means based on those consumption rates we are consuming the equivalent of more than 1,000 Olympic sized swimming pools every single day in this state. At our current rate of water usage, in 50 years those numbers I cited, we will need 2,700 Olympic sized swimming pools to serve our population every single day. Living in the arid west we've got to be smarter, we've got to figure out how we are going to be using our water more efficiently because we have this thing called a population crunch that doesn't exist in every part of the country, it does here and we must continue to be smarter in terms of how we deal with water. Utah does have a goal to reduce per

capita water usage by at least 25% by the year 2050 but to my mind that ain't good enough. We've got to do far better than that.

Under the banner of the Western Governors Association I am putting water on the agenda as something we as western governors need to deal with.

For the first time in a very long while, maybe ever, the western governors will take up this critically important issue of water, now that will be third issue the first two are energy and climate change which I am continuing forward from Governor Freudenthal from whom I accepted the chair just a couple of months ago, but wanted to add water to it because it is so critically important for the west. By doing so I hope we can stimulate a little discussion about what needs to be done here in the west, what type of water policy, as opposed to a top down driven Washington in charge approach to water policy, how about a bottom up approach to determining water policy for the west that to my mind is the only way we are going to be able to do it successfully as we go forward.

So I think we have a few options as we go forward:

- 1) Reintroducing market mechanisms into water pricing. Governments cannot continue to subsidize water as they have in ways that produce tremendous equilibrium in terms of how water is priced.
- 2) Alternative forms of water generation. It may seem strange to talk about water generation but that's essentially what we are talking about when we discuss the future of reuse, desalination, and other kinds of technical technologies that no doubt we are going to be talking about in the years to come.
- 3) Good old conservation. What more we can do in terms of water conservation. And we very much want to look to many of you for ideas in how we can deal with some of the ideas surrounding water conservation.

Our pledge to you is we will do everything we can under the banner of the western governors association because this is one of those issues that is not a state specific issue in terms of finding fixes and solutions and a road map going forward but rather one that must be done cross borders with other states. I will site one example where this is become a rather hot issue across borders. I was out in the town of Caliente in the west desert just a couple of weeks ago talking to the folks in that great town about their concern over the water wars of Nevada. Now I have told Nevada in no uncertain terms that we are not going to budge an inch in terms of giving up our water to their casinos in Clark County which is exactly what they want it for. I don't care if there are 10, 200, or 2,000, people living in the west desert if it in any way impacts their way of life for their viability in the west desert we want nothing to do with it. So we are simply asking for science to determine when it begins to affect these straws that they are pumping on, on the Nevada side of the border, and taking water when does it actually affect our water table? We want to know the science; we want to know exactly the implications of what Nevada is doing before we agree to anything. Now I know we are going to be up against tremendous pressure, I feel it coming, I was in Nevada yesterday with Senator Reeds speaking at a conference on clean energy. It's a very real issue. Now I haven't said publicly that we are about ready to commit troops to the Utah Nevada border, but we are coming darn close. One of these issues that Pat used to tell me about

back in the old days, eventually states are going to have to get to the point where they will start working across the border on these issues and I think that is exactly where we are. So there isn't a better way to approach this than by prioritizing it as an issue in the Western Governors Association.

We have other issues we are working on in the Western Governors that I think have tremendous implications for water, not lease of all climate change. As we look over the last century how temperatures have increased and what that does to precipitation and snow pack, and then how it impacts the Albion Basin headwaters for the water that much of Salt Lake County depends upon, something must be done regionally with respect to climate change and we are doing that under the banner of the Western Governors Association and the Western Climate Initiative as well. I signed on to the Western Climate Initiative a couple of years ago, many in the state thought I was completely nuts, crazy for having done so, but I can tell you it was exactly the right thing to do. Under the Western Climate Initiative, which is an amalgam of probably six to seven states in the west, we wish we could get all 22 of them but they are signing on slowly and they are coming around to recognizing that this is an issue that we all must recognize and get smart about, but under the Western Climate Initiative we are dealing with regional goals, which is critically important, we've come up with our own in our state which is returning to 05 emissions levels by 2020, which is a good goal for this state and I wish every other state in the west would be looking at similar goals, some of them are.

We've also got a climate registry, which our state is now a leader. We are able to define our carbon footprint as a state and basically register it quantitatively with the climate registry. I think we are the only state that is able to do that today. You cannot respond with policy tools unless you are able to measure.

Under the WGA, let me just tell you beyond climate change, we are also taking very seriously energy policy generally, which of course is an adjunct in climate change. And that is developing an energy policy, all 20 state of the Western Governors Association that we will be turning over to the next administration, whoever that is. This has never been done before, and its never been done in a group of democrats and republicans alike, but as chair I am told that all governors that we are going to undertake what most think of as the impossible and that is coming up with a rational energy policy that all of us in the west can buy onto in terms of governors that we can then hand over to the next administration that addresses conservation, that addresses stepped up research and development, that addresses new technologies that are available today and simply not been used, that really takes seriously the importance of putting a monetary value on carbon. If you want to get a Kaplan trade system that really is viable the first step is putting some sort of economic value on carbon that deals realistically with renewable energy possibilities. Now we've got an energy portfolio standard in this state that is very good. And, in order to achieve it we are going to have to get very real about the kind of infrastructure and the corridors that we are going to need in this state to be able to make that come to life. We are also going to have to be able to talk about things in this state like land that SITLA and the state can begin to define and put together for solar energy opportunities. We've got tremendous possibilities in this state for every type of alternative energy and that is something that we are going to take very seriously.

So, as it relates to the water wars, as it relates to what must be done on conservation, as it relates to what we are going to talk about under the banner of the Western Governors Association, all we ask is that we get feedback from you on what we need to do on the areas that need to be protected as we undertake this tremendously important envision Utah canyon effort that we get input from all of you and how we can make this state viable. The fact that we are introducing into this state 100,000 new citizens per year and that number is likely to go up, essentially swallowing whole a city the size of Ogden year over year.

So, when I talk about catastrophic failure, when I talk about loosing engines as I did with the British Air analogy early on, we are flying to the best of our ability and as we increase our population we are doing our best not to lose the engines for the economy, not to lose the engines for education, not to lose the engines for environments, and for quality of life. It's critically important that we all work together on this.

So thank you very much for having me here. I wish you well during your discussions today and all I would ask Pat is that we receive a little feedback as usual. Thank you very much.