



MOORHEAD PUBLIC SERVICE

Your community-owned electric and water utility

500 Center Avenue ☐ P.O. Box 779

Moorhead, MN ☐ 56561-0779

218.299.5400 ☐ Fax: 218.299.5193

www.mpsutility.com ☐ www.gomoorhead.com

August 28, 2007

Mr. Kent Lokkesmoe
Director, Division of Waters
Minnesota Department
of Natural Resources
500 Lafayette Road
St. Paul, MN 55155-4032

Dear Mr. Lokkesmoe:

The Moorhead Public Service Commission (Commission), the governing body for the public water utility of the City of Moorhead, is responsible for assuring adequate water supplies for the citizens of Moorhead. The Commission requests that the Minnesota Department of Natural Resources (MN DNR) Division of Waters cooperate with and assist Moorhead, other local units of government, and landowners in developing a management plan for the Buffalo Aquifer within Clay County. The Commission requests assurances from MN DNR that, in the event of a long-term drought, water will be allocated and permitted from the Buffalo Aquifer to Moorhead. The purpose of the proposed management plan is to protect and reserve the groundwater resources of the Buffalo Aquifer as the region's drought water supply.

The Buffalo Aquifer has served as a water supply for Moorhead since 1948. In 1981, the U.S. Geological Survey completed a hydrogeology study of the Buffalo Aquifer which found that the Buffalo Aquifer contains more than 200 billion gallons of water in storage. The study finds that the Aquifer should be capable of yielding 10 to 20 percent of that volume and thus able to supply the water needed by Moorhead in the event of a drought similar to the 1930s.

Moorhead depends on the Red River of the North as its primary water supply. The City of Moorhead has made a large capital investment with recent construction of water treatment facilities which maximize the use of the Red River of the North. Moorhead has always reserved the Buffalo Aquifer as a resource to be used in the event of contamination of the Red River or for use as water supply during a long-term drought.

Moorhead Public Service (MPS) has been actively involved in water supply planning for drought conditions of the Red River. The Red River stopped flowing for extended periods during the severe drought in the 1930s. The Red River Valley will undoubtedly experience similar prolonged

Kent Lokkesmoe
August 28, 2007
Page 2

periods of drought in the future. Water utilities in the Red River Valley are exploring alternatives for water supply in the event of a similar drought. Moorhead has identified and evaluated two potential water supply sources to meet water demands during an extended drought. The two alternatives are the Red River Valley Water Supply Project and development of facilities in the Buffalo Aquifer.

Moorhead is in the process of developing a drought emergency water resource capable of supplying water for a population projected to be more than 64,000 by 2050. The Bureau of Reclamation's Report on Red River Valley Water Supply Project Needs and Options estimates that Moorhead will need to develop an additional alternate water supply with a peak capacity of 10 million gallons per day (15 cfs) to answer the needs of the people of Moorhead through a 1930s duration drought.

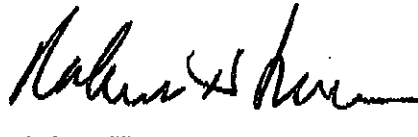
The lowest cost drought supply alternative for Moorhead is the development of the Buffalo Aquifer within Clay County. The proposed development would bring groundwater from the Aquifer reserves located south of Interstate Highway 94. A series of wells would be developed around and south of Sabin, Minnesota. To develop access to the Buffalo Aquifer reserve, Moorhead proposes construction of a new pipeline and pumping station that would deliver the water to Moorhead's Water Treatment Plant. Construction of this project can be accomplished in phases and delayed until the region is experiencing drought conditions.

The proposed management plan will establish the volume of water available in the Aquifer, establish priorities for water use within the area, allocate water reserves within the Aquifer to the various user types, and establish triggers for implementation of the plan. Moorhead's Water Emergency and Conservation Plan contains conservation and emergency provisions which would apply to the resource during implementation of the drought water supply.

The Commission requests your cooperation and approval for the development of a management plan for the Buffalo Aquifer. Please direct any comments or question to Cliff McLain, Water Division Manager. He can be reached at 218-299-5471 or by e-mail at cmclain@mpsutility.com.

Sincerely,


Kenneth J. Norman
President


Robert H. Swenson
Secretary


Les Bakke
Commissioner


Kelli Poehls
Commissioner


Corinne Stefanson
Commissioner

CM/cag
cc Jim Japs, MN DNR