e

ENVIRONMENTAL DEFENSE

finding the ways that work

NEWS RELEASE

FOR IMMEDIATE RELEASE Thursday, August 12, 2004

Contact: Mary Kelly (512) 691-3431

Environmental group says water marketing has potential if law includes safeguards

(August 12) – Water marketing is potentially an important tool for meeting future human and environmental water needs in Texas, a leading non-profit environmental group said today. But, says a new report by Environmental Defense, reforms in the law are needed to ensure that water marketing doesn't dry up rural Texas and to make sure adequate water is available for fish and wildlife.

"With the reforms we are recommending, water marketing could help meet demand and avoid destructive and expensive new reservoirs," explained Mary Kelly, author of the report and senior attorney in the group's regional office in Austin. "Water marketing without these reforms, however, puts rural Texas and the environment at great risk."

"What we do with water affects Texas agriculture, it affects hundreds of thousands of urban Texans, and it affects the health of our rivers, bays and estuaries and Gulf fisheries," Kelly said. "Water rights can't simply be put up for sale to the highest bidders. The public has interests that must be protected. As long as we do that, water markets have an important role to play in meeting both human and environmental needs."

The report – "A Powerful Thirst: Water Marketing in Texas" – was prepared to coincide with this summer's hearings of the Texas Senate Select Committee on Water and in anticipation of the 2005 session of the Texas Legislature.

The report's key recommendations include:

- Reforming the state's antiquated "rule of capture" for groundwater by moving to a system that better protects all groundwater users, not just the biggest pumpers.
- Strengthening the role of groundwater districts in managing aquifers so there is water left for future generations and for the environment.
- Allowing groundwater districts to place moratoriums on large groundwater export proposals until appropriate rules for aquifer management can be put in place.
- Reforming state law to ensure that marketing of surface water does not injure downstream water rights holders or the environment.
- Providing state funding for the Texas Water Trust to acquire existing water rights from willing sellers and allow that water to remain in the rivers.

Environmental Defense, a leading national nonprofit organization, represents more than 400,000 members. Since 1967, Environmental Defense has linked science, economics, law and innovative private-sector partnerships to create breakthrough solutions to the most serious environmental problems.