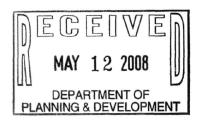


May 9, 2008

Mr. Kim B. Headley Director of Pueblo County Planning and Development 229 West 12th Street Pueblo, CO 81003



Subject:

Follow Up to Southern Delivery System Project Pre-Application Meeting

Dear Mr. Headley:

Thank you for reviewing the Pre-Application Summary for the Southern Delivery System Project and Request for Finding of No Significant Impact (FONSI).

We appreciate having had the opportunity during the Pre-Application meeting held on April 23, 2008, to answer questions about the Project and to discuss the review process administered by the Pueblo County Department of Planning and Development (Department).

During the course of our Pre-Application meeting, we were asked to provide additional information to support the Department's efforts in making a FONSI determination.

We are preparing information to address the Department's questions regarding the potential effects of the Southern Delivery System Project on the following:

- 1. Water levels in Pueblo Reservoir.
- 2. Base flows in Fountain Creek, and
- 3. Storm flows in Fountain Creek.

We are also preparing additional information in response to questions regarding construction-specific issues, including:

- 1. Back-up power for secondary facilities in the Juniper Pump Station,
- 2. Number of parcels affected by right of way acquisition via easement or fee simple purchase,

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- 3. Number and types of structures that may be acquired or relocated,
- 4. Restrictions affecting other utilities that may cross the pipeline right of way, and
- 5. Power supply plan.

Finally, we are preparing electronic versions of our original Pre-Application submittal which we reviewed in hardcopy during the Pre-Application meeting as well as architectural renderings of the Juniper Pump Station.

We look forward to reviewing our progress in preparing the information with you and your staff at our meeting scheduled to take place at your office on May 14, 2008.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Daniel J. Higgins

Southern Delivery System Project

Construction and Delivery Program Manager