Alternative Transfers in the Lower South Platte River

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Overview of Presentation

- North Sterling / Public Service Lease Agreement
  - Background
  - The Process
  - The Deal
  - Operation
  - Benefits

- Lower South Platte Water Cooperative
  - History
  - Initial objectives
  - Feasibility and Results
  - Current Activities
  - Future Steps
Background

- Drought of 2002
- Replacement of Well Pumping Inadequate
- Historic Time Required for Well Replacement (April to October)
- No River Call Administration in Winter
- Colorado Supreme Court Decision in Empire Lodge Case
North Sterling/Public Service Agreement

• The Process

• Meetings and Surveys
• Determine Interest
• Formed Point of Rocks Water Company
• Began the Change of Water Right
• Finalized Agreement
• Meetings and Commitments
• Landowners Signed Subscription Agreements
The Deal

- PSCo Receives Option on 3,000 ac-ft of Fully Consumable Water
- Equally Distributed throughout November-March with Flexibility
- Two Tiered Pricing
  - Base Payment $50/ac-ft
  - Delivery Payment $425/ac-ft
- CPI Index Escalator
- 25 Year Term
North Sterling/Public Service Agreement

• Operation

  • PSCo Diverts at Well Field
  • North Sterling Forgoes Diversion
  • Reservoir Storage is Limited
  • North Sterling Maintains Historic Return Flows
    • Water Delivered to Recharge Sites
    • Offset by Past Recharge Activities
    • Release from Reservoir
North Sterling/Public Service Agreement

• Benefits

• PSCo has reliable source of water
• North Sterling Landowners have reduced levy
• Point of Rocks members offset water costs
• Due to November to March Delivery – amount of water leased is known quantity
• Lowered allotment may not be experienced
• Jobs stay in Northeast Colorado
Cooperative - History

• 2002 drought – many new well augmentation plans created
• Periodic excess supplies were identified
• Strong desire for optimizing water use
  • Excess augmentation supplies
  • Alternative transfers
  • Other water sources
• Steering Committee was formed
  • Members include water users and water professionals
• Members of Steering Committee began meeting with potential participants
Cooperative - Initial Objectives

- Explore a framework for moving water
  - Must be fair, open, and transparent
  - Must work within existing system of water rights so that no injury occurs
- Investigate the feasibility of moving water
- If there is potential, raise support
- Work toward implementation
Cooperative - Feasibility Study

• Joined the Colorado Corn Growers Association ATM Project Team

• Study components
  • How much periodic excess exists?
  • How successfully can we exchange water?
  • How much free river exists?
  • Would new infrastructure be useful?

• Results
## Cooperative – Study Results

<table>
<thead>
<tr>
<th></th>
<th>Exchanging from Bottom of District 1 to Mouth of Poudre</th>
<th>Exchanging from Just Upstream of Sterling #1 to Mouth of Poudre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume of Excess recharge (acre-feet)</td>
<td>16,900</td>
<td>5,000</td>
</tr>
<tr>
<td>Volume of recharge potentially exchanged (acre-feet)</td>
<td>11,700</td>
<td>2,200</td>
</tr>
<tr>
<td>Percentage of recharge potentially exchanged</td>
<td>70%</td>
<td>45%</td>
</tr>
<tr>
<td>Percentage of recharge accretions occurring when exchange not necessary (free river)</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Percentage not exchanged</td>
<td>22%</td>
<td>47%</td>
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</tbody>
</table>
Cooperative - Recent activities

• Meetings with potential participants
  ✓ Positive feedback
  • Participant needs
    • Fairness and Transparency
    • Provide water for agriculture and municipal uses
    • Work within current water rights system

• Raised support for further study
  • CWCB Funding
    • WSRA Grant
    • ATM Grant

• Formed Grant Review Committee
Cooperative Future Steps

- Complete Studies
- Form Organization (If sufficient interest)
- Begin Water Court Process
Collaborative Effort of Agricultural Water Users

- Increasing Augmentation Efficiency
- Meeting Future M&I Water Needs
  - Locally & Front Range
- Keeping Farmers Farming