

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

North Sterling/Public Service Agreement

- **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

North Sterling/Public Service Agreement

- **The Deal**

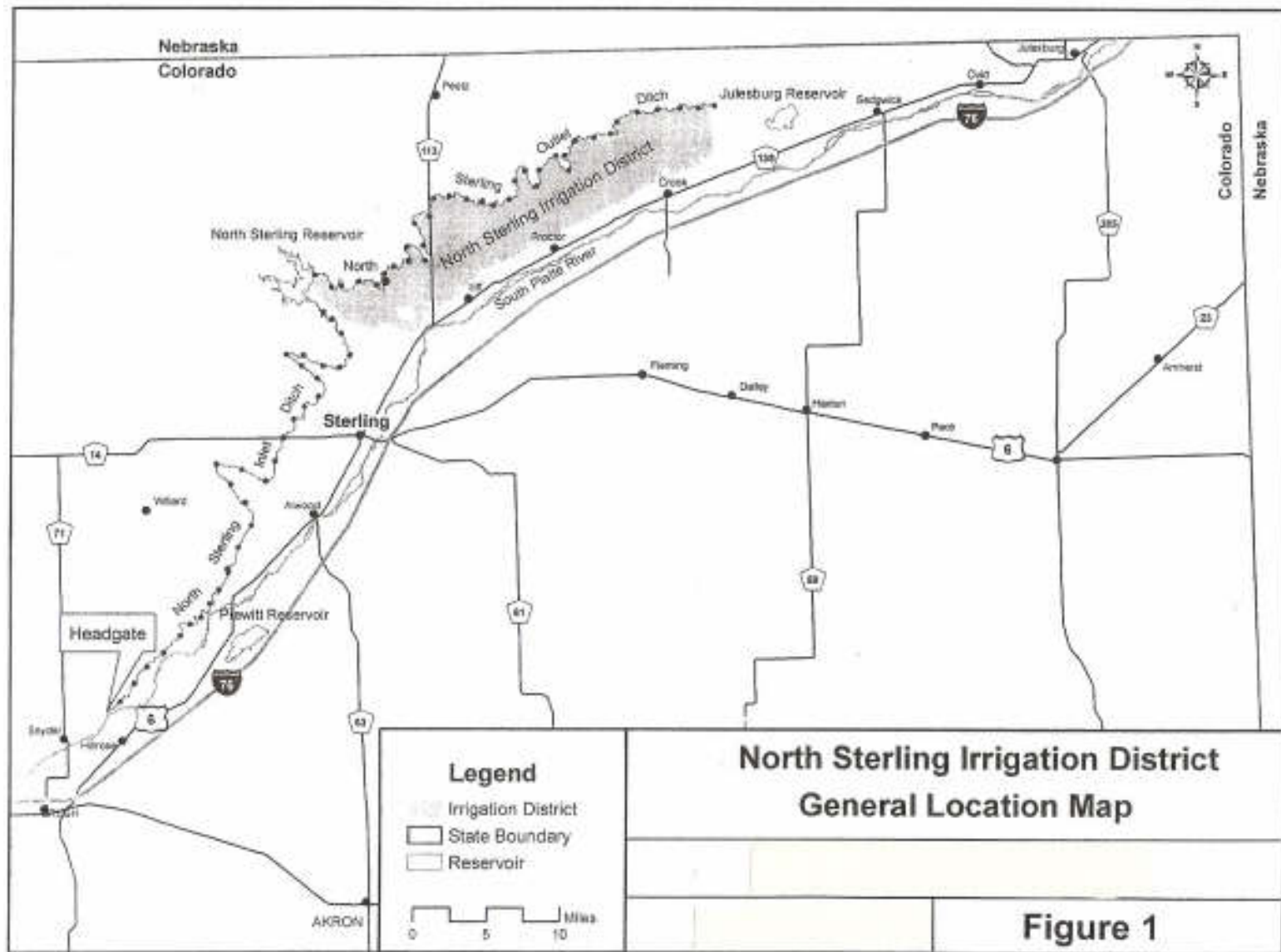
- PSCo Receives Option on 3,000 ac-ft of Fully Consumable Water
- Equally Distributed throughout November-March with Flexibility
- Two Tiered Pricing
 - Base Payment \$50/ac-ft
 - Delivery Payment \$425/ac-ft
 - CPI Index Escalator
- 25 Year Term

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



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

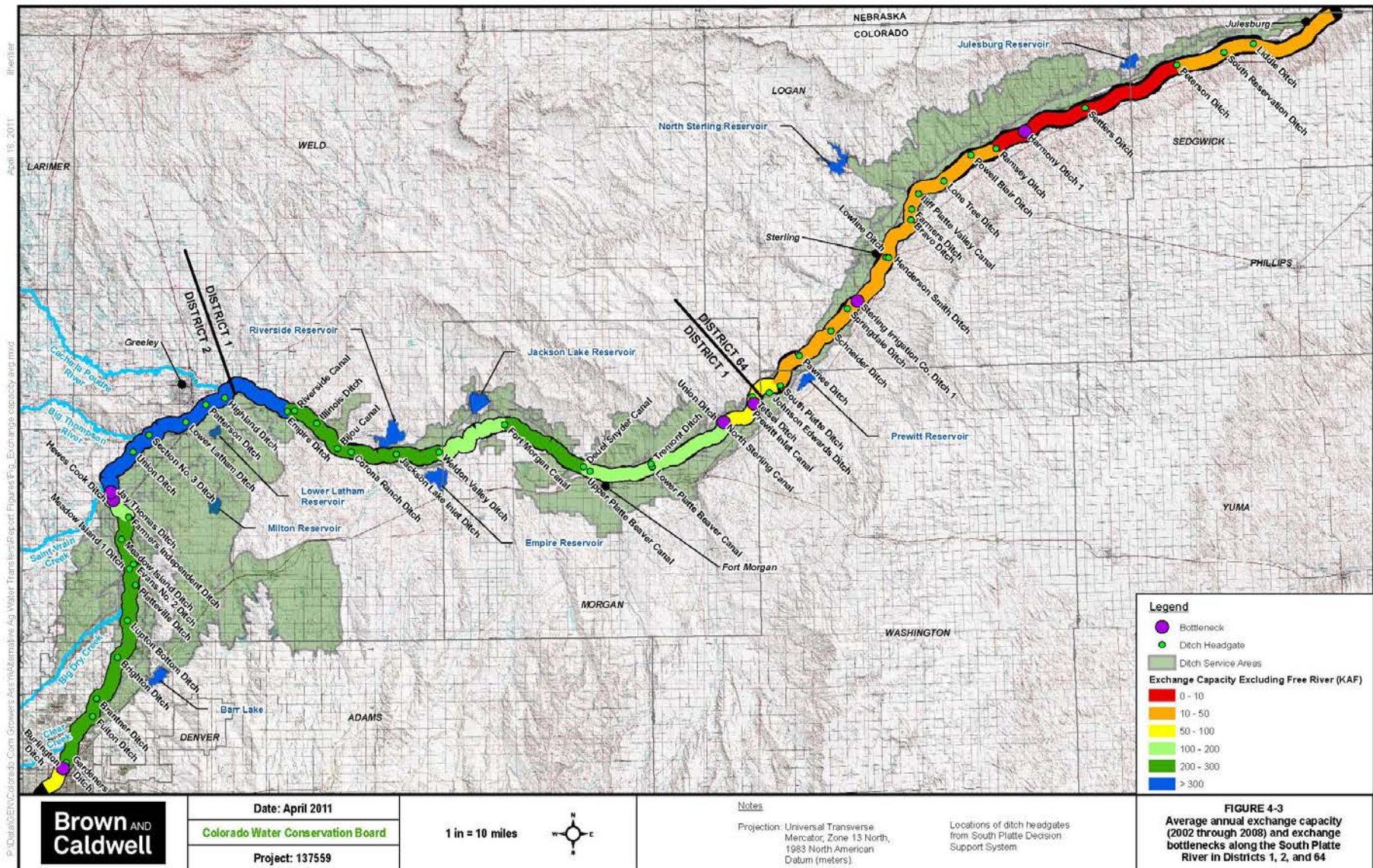


- Study components
 - How much periodic excess exists?
 - How successfully can we exchange water?
 - How much free river exists?
 - Would new infrastructure be useful?
- Results

Cooperative – Study Results

	Exchanging from Bottom of District 1 to Mouth of Poudre	Exchanging from Just Upstream of Sterling #1 to Mouth of Poudre
Volume of Excess recharge (acre-feet)	16,900	5,000
Volume of recharge potentially exchanged (acre-feet)	11,700	2,200
Percentage of recharge potentially exchanged	70%	45%
Percentage of recharge accretions occurring when exchange not necessary (free river)	8%	8%
Percentage not exchanged	22%	47%

Cooperative – Study Results



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

Lower South Platte Water Cooperative

Collaborative Effort of Agricultural Water Users

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

