

# Basin Roundtable Feedback Opportunity to the Interbasin Compact Committee

A Word from IBCC Director

*John Stulp*



**Greetings and Happy New Year!**

As you are all well aware, 2014 is going to be an extremely exciting and busy year for Colorado Water. Thank you for your years of service and thank you in advance for all the work that is to come.

To make this successful, we need to increase our level of communication. I want to take this opportunity to encourage Basin Roundtable members to provide feedback to the Interbasin Compact Committee (IBCC). As the IBCC continues to engage in challenging and important conversations on developing new supply, incorporating the thoughts, concerns, and suggestions from the Basin Roundtables is absolutely essential. The Basin Roundtables are the IBCC's connection to water community stakeholders throughout Colorado, and ensuring that the Basin Roundtables have a voice in the IBCC's deliberations is a value shared not only by our IBCC members, but also by me, the Colorado Water Conservation Board (CWCB) leadership, and Governor Hickenlooper. The work of the IBCC and the Colorado Water Plan will only be as good as the ideas, energy, and input that inform these processes!

Sincerely,

*John Stulp*

## An Invitation for Feedback from the IBCC

The IBCC is inviting feedback on preliminary language for three “new supply topics”: risk management, sequencing of strategies, and the relationship between agricultural transfers and new supply. Basin Roundtable members should review the proposed language on Page 2 of this newsletter, and provide comments, suggestions, or proposed revisions directly to their IBCC representatives by February 7, 2014. The IBCC will discuss any feedback received at the February 18, 2014 IBCC meeting.

## History and Context

The IBCC is currently engaged in discussions on several concepts related to the development of unallocated Colorado River Water known as “new supply.” The goal of these discussions is to get IBCC consensus on language that expresses a conceptual agreement about new supply. The anticipated agreement will outline how new supply fits into the broader approach to meeting Colorado's water supply challenges while also maintaining other vitally important values like agricultural viability and environmental health. The first of these discussions occurred at the December 5, 2013 IBCC meeting, and discussions will continue at IBCC meetings in 2014. We anticipate the IBCC finalizing the conceptual agreement on new supply in August.

Additionally, while the IBCC works to develop and vet the conceptual

agreement in the months ahead, the group has agreed that the Basin Roundtables can add substantial value to the new supply conversation by engaging in a more focused discussion about actions that can be taken in the near term to preserve the option for new supply in the future.

The IBCC's discussions on new supply are based on preliminary, conceptual language regarding a variety of separate (but certainly related) topics. The preliminary topics were developed by compiling previous IBCC discussions, CWCB reports, and documents developed by various Basin Roundtables. At the October 2013 meeting, IBCC members used an electronic polling exercise to provide their feedback on each new supply topic, indicating whether they thought there was already agreement on the issue, more discussion was needed on the item, or the item should not be discussed. In general, the majority of the IBCC indicated that agreement had been reached on these topics, but more discussion is needed for each item. These polling results served as a catalyst for the current IBCC discussions.



## December Meeting and Requested Feedback

At the December meeting, IBCC members discussed several proposed revisions to the preliminary language from October regarding two topics: “Sequencing of Strategies” and “The Relationship between Agricultural Transfers and New Supply.” After substantial discussion of the concerns and aspirations associated with each topic, the IBCC developed revised language for additional review by the Basin Roundtables. Overall, the IBCC was favorably inclined toward the revised language, but the group stressed the need to hear comments and suggestions from the Basin Roundtables prior to coming to an agreement on the language. The IBCC now invites Basin Roundtable feedback on the revised language, which is discussed below.

In addition to the above discussions, the IBCC also heard presentations regarding risk management from John McClow (Colorado’s Commissioner to the Upper Colorado River Commission) and CWCB staff. Following these presentations, Mr. McClow proposed preliminary agreement language on risk management, based on prior discussions by several Basin Roundtables and the West Slope Caucus. As with the new supply language discussed above, the IBCC is favorably inclined toward the risk management language and invites feedback from the Basin Roundtables (the risk management language is available below). Details about the December IBCC meeting are available at: [www.cwcb.state.co.us](http://www.cwcb.state.co.us)

## Additional Information

Basin Roundtable members are strongly encouraged to keep abreast of the Colorado Water Plan process by visiting the new Water Plan website at: [www.coloradowaterplan.com](http://www.coloradowaterplan.com)

## IBCC December 2013 Meeting Discussion Topics for Basin Roundtable Feedback

### Context

As described above, the IBCC has begun a discussion on several concepts related to “new supply”<sup>1</sup>; this process is outlined in the New Supply Work Plan distributed with this document. The December 2013 meeting was the first of several meetings that will focus on IBCC review and revision of preliminary language on discrete new supply issues, all with an eye toward putting the individual items together in a broader agreement in June and August of 2014. The IBCC discussed the following language at their December 2013 meeting. IBCC members viewed the language favorably, pending discussion by their roundtables and/or constituents. IBCC representatives invite feedback on this language in advance of the February 2014 IBCC meeting. Feedback should be given directly to IBCC members, who will then summarize what they have heard and provide it to staff by Friday, February 7, 2014.

### Risk Management

#### Statement of Principle

Future supply of Colorado River water is highly variable and uncertain; therefore, any proponent of a “New Supply” project from the Colorado River Basin must accept the risk of a shortage of supply, however the shortage occurs, including compact compliance; strictly adhere to the prior appropriation doctrine and protect existing water uses and communities from adverse impacts resulting from the New Supply project.

### Moving Forward

By “New Supply,” we mean any new transmountain diversion beyond those already contemplated under

the Colorado Cooperative Agreement, Windy Gap Firming Project IGA, and Eagle River Memorandum of Understanding (MOU). Because new supply, risk management, and compact curtailment are inextricably intertwined and involve complex issues that cannot be resolved in time to be fully addressed in the 2015 Colorado Water Plan, the Plan should move the new supply discussion forward by defining a process to resolve those issues and refrain from either endorsing or precluding any new supply project.

### Sequencing of Strategies

The M&I gaps<sup>2</sup> should be reduced as much as possible (thereby reducing the amount of water that will be needed from agriculture and new supply from the Colorado River Basin) by implementing the identified projects and processes (IPPs) that are not new supply, municipal conservation and reuse, and other portfolio elements defined in the No/Low Regrets Action Plan. At the same time, discussion, evaluation, and possible implementation of the new supply component should continue in coordination with the other portfolio elements.

### Relationship between Agricultural Transfers and New Supply

Colorado should promote viable and productive agriculture across the state, and agriculture should have the opportunity to exist statewide. Development of new supply should be evaluated on an equitable basis with the transfer of agricultural water to municipal uses, to the extent that the additional water supplies are available and those supplies can be developed<sup>3</sup> without jeopardizing the certainty, reliability, and yield of already developed water supplies and environmental values. The IBCC should continue the dialogue about how to accomplish this.

<sup>1</sup> “New supply” is defined as any new transmountain diversion beyond those already contemplated under the Colorado Cooperative Agreement, Windy Gap Firming Project IGA, and Eagle River MOU.

<sup>2</sup> The M&I gaps are primarily on the Front Range and vary by time, location, and amount.

<sup>3</sup> See Risk Management language above.

# IBCC 2014 Meeting Schedule

Below is the schedule for IBCC meetings in 2014. Also included are several topics with initial language that will be reviewed by the IBCC. Once the language has been revised, the statements will be compiled into a conceptual agreement.

- **Water Availability** – Uncertainty about future water supplies
- **Preserving the Ability to Meet West Slope Needs** – Ensuring the option for future growth and development on the West Slope
- **Environmental Protection and Recovery** – How environmental needs relate to new supply
- **Multi-Purpose Components** – “Big Picture” planning and operation of a new supply project
- **Project Structure Components** – Legal, financial, and logistical factors
- **Demand Management** – Minimizing the amount of water needed
- **Preserving the Option for New Supply** – What should be done now to keep new supply on the table as a possible future source of water

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## February 18, 2014

*Review Roundtable Feedback and Revise December Language as Needed to Achieve Preliminary Agreement*

### Agricultural Gap

Review proposed new language from IBCC Task Group (forthcoming from IBCC Task Group).

### Water Availability

#### *Foundational Concepts*

- Future water supplies are uncertain on both the East and West Slopes; reliability and flexibility must be incorporated into any future new supply project.
- In some years there will be water available for an additional transbasin diversion, and in some years there will not.
- There is not likely additional water from the headwaters of the Colorado River mainstem beyond existing IPPs and the Colorado River Cooperative Agreement.

*Desired Outcome: Revised, consensus statement(s) related to these issues.*

### Preserving the Ability to Meet West Slope Needs

#### *Foundational Concept*

Future water demands are uncertain for both the West and East Slopes, and the ability for each to develop at its own pace must be protected. The ability to meet future West Slope needs, which may develop at a slower pace than East Slope needs, should be protected.

*Desired Outcome: Revised, consensus statement(s) related to these issues.*

### Environmental Protection and Recovery

#### *Foundational Concept*

Implementing projects that protect the environment and help recover imperiled species now will help create future conditions under which a new supply project might be possible. These nonconsumptive projects and methods should be pursued.

#### *Multi-Purpose Concepts*

- In addition to meeting East Slope needs, a new supply project should include benefits and/or mitigation for native species and other nonconsumptive values.
- In addition to meeting East Slope needs, a new supply project should include headwater enhancements (i.e., exchanges with current transbasin diverters to allow for system flexibility if the headwaters were water-short).

*Desired Outcome: Revised, consensus statement(s) related to these issues.*

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## April 2014

### Multi-Purpose Components

- In addition to meeting East Slope needs, a new supply project should be developed as a cooperative project so that all parties are better off with the project than without it.
- In addition to meeting East Slope needs, a new supply project should include compensatory projects for the West Slope.
- In addition to meeting East Slope needs, a new supply project should have significant operational flexibility (such as the ability to be used conjunctively with alternative agricultural transfers and nontributary groundwater when water supply is not available).

*Desired Outcome: Revised, consensus statement(s) related to these issues.*

### Project Structure Components

- The partnership structure, participants, financing, and operational and structural rules under which a new supply project would operate, including the role of the state, will need to be determined prior to implementation.
- Proof of need will need to be determined prior to implementation (participants would be required to show proof of the need for a new supply project across likely scenarios).
- Project feasibility will need to be determined prior to implementation.
- New supply conceptual configuration should be developed in the near term.

*Desired Outcome: Revised, consensus statement(s) related to these issues.*

## Demand Management

- Conservation, reuse, and land use actions defined in the No/Low Regrets Action Plan should be substantively completed prior to implementation of a new supply project.
- Active conservation plans and activities approved by the CWCB for all participating water providers should be in place prior to implementation of a new supply project.
- Participating water providers who utilize other fully consumable water supplies should have a full-scale reuse program to recycle as much water as is technically and economically possible.
- A commitment should be made by participating East Slope communities to work toward high conservation levels by 2050.

*Desired Outcome: Revised, consensus statement(s) related to these issues.*

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## June 2014

### Preserving the Option for New Supply

#### Foundational Concepts

- Some of the five IBCC scenarios indicate that additional new supply development is needed beyond the IPPs, and some do not. Therefore, the low regret action is to preserve the option to build a new supply project in the future, not to build a project now or foreclose the opportunity to build it later.
- Some type of substantive action to preserve the new supply option is needed in the near term.
- Once the option to develop new supply has been preserved, the need for and feasibility of building a new supply project should be periodically reassessed.

## Other Topics

- The CWCB should work with Basin Roundtables to determine how and where a new supply project could be built, including research on potential nonconsumptive impacts, downstream economic impacts, fiscal and partnership structures, and other items needed to develop a strategy and further detail for potential projects. This work may narrow the locations of the potentially viable locations of a future water supply project.
- Determine how one or more new supply options could be preserved and identify some substantive action(s) that can be taken to preserve the new supply option in the near term.

*Desired Outcome: Revised, consensus statement(s) related to these issues.*

## Integrative Discussion; If/Then Statements (Begin)

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## August 2014

### Integrative Discussion; If/Then Statements (Finalize)

These statements will serve as a basis for the conceptual agreement for new supply.

*Desired Outcome: Consensus agreement on new supply issues for Colorado Water Plan.*

### Upcoming Meetings:

IBCC: February 18, 2014 in Denver  
Statewide Roundtable Summit: March 6, 2014 in Denver

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