

ARKANSAS BASIN ROUNDTABLE

Statements Regarding Demand Management of Colorado River Water Supplies within the State of Colorado

November 16, 2021

The Arkansas Basin Roundtable is keenly interested in the risks the State of Colorado faces regarding the availability of Colorado River water supplies. We recognize these risks may be growing due to changing hydrology in the Colorado River Basin, and Colorado's nearly century-old commitments under the Colorado River Compact and the Upper Colorado River Compact. As such, the current discussions regarding the potential development of a voluntary, proactive Demand Management program within Colorado is of great interest to the Arkansas Basin water community.

As the Colorado Water Conservation Board (CWCB) considers whether a Demand Management (DM) program in Colorado is achievable and worthwhile, the Arkansas Basin Roundtable provides these statements regarding the value of Colorado River water supplies in our basin and initial issues of interest and concern.

Value of Colorado River imports to the Arkansas River Basin

The Arkansas Basin represents the largest basin in Colorado in land mass but yields one of the smallest quantities of native water. According to the Colorado Division of Water Resources an average of 130,000 acre-feet of supplemental water supply is imported from the Colorado River system into the Arkansas River basin annually, representing nearly 15% of our total available water supply. The Arkansas Basin is continually under priority administration with only five "call free" instances since 1954. While the amount of water imported into the Arkansas Basin is relatively small as a percentage of total Colorado River water use within the state, its many benefits to the economy, agricultural production, and communities of southeastern Colorado is disproportionately large.

The multiple uses and value of this imported water supply fall into three key sectors-Recreation, Agriculture, and Municipal use.

Recreation

Recreation on the rivers and lakes of the Arkansas River Basin is a critical part of our recreation economy and quality of life. Commercial whitewater rafting trips alone serve 250,000 visitors and residents each season, generating tremendous direct and indirect revenue for the rural economy. Flow augmentation for recreation is largely achieved with reservoir releases including imported Colorado River water supplies, significantly extending the profitable rafting season, and providing additional lake-based recreation at Turquoise, Twin Lakes, and Lake Pueblo reservoirs while that same water is in storage.

Agriculture

For the agricultural producers in southeastern Colorado, imported Colorado River water supplies provide supplemental irrigation for more than 265,000 irrigable acres in the Arkansas Valley. This water provides farmers a more stable supply of water for augmenting irrigation wells and releases of stored water that extends the length of the irrigation season. The value of imported water supplies to irrigated agriculture in the Arkansas Basin is reflected in the long history of providing supplemental water

supplies to support farmers and rural communities along the Arkansas River and especially in the Lower Arkansas River Valley.

Municipal

Nearly 900,000 Coloradans living in the Arkansas Basin depend on water from the Colorado River for municipal and domestic supplies. The two largest cities in the Basin, Pueblo and Colorado Springs, use Colorado River water imported through multiple transmountain diversion systems, and rely heavily on the use and multiple reuses of these supplies to meet their communities' needs. In addition, organizations with transmountain diversion systems, such as the Southeastern Colorado Water Conservancy District, provide supplemental municipal water supplies to multiple small cities, towns and other water providers throughout the Basin either directly or through augmentation of drinking water wells. Through development of the Arkansas Valley Conduit, clean, safe drinking water, generated largely from the Colorado River, will be provided to over 40 communities, and up to 50,000 Coloradans throughout the Lower Arkansas River Valley. Without available Colorado River water supplies, these rural communities will face growing drinking water insecurity.

Conclusion and Initial Issues of Interest and Concern

In all these ways, Colorado River water provides immeasurable benefit to the Arkansas River Basin, and quality of life in southeastern Colorado. The relatively small amount of Colorado River water used in the Arkansas Basin is leveraged to provide efficient use and reuse within the basin. The Arkansas Basin is arguably the most water efficient basin in Colorado, in part due to our efficient and responsible use of imported Colorado River water supplies.

Any programmatic changes in how Colorado River water supplies are used within Colorado, including a voluntary Demand Management program, must be made with a clear understanding of the many benefits that imported water supplies have within the Arkansas Basin and other parts of the State, and allow flexibility for the protection of these types of benefits in cooperation with water users throughout Colorado. Simply put, we believe the question of managing the risks of limited Colorado water supplies in the state requires an "all Colorado" perspective and approach.

In this vein, as the CWCB considers the feasibility of a Demand Management program within Colorado, the Arkansas Basin Roundtable has identified several initial issues which, in our view, must be addressed for that investigation to fruitfully continue:

1. Water Diversion and Use Data. A viable Demand Management program would require accurate data regarding water rights operations and water use throughout the Colorado River system within Colorado. At this time, it appears that even the most basic data (e.g. historic headgate diversions and return flows) may be unavailable for significant portions of Colorado's western slope. Measurement of water diversions and use of Colorado River water supplies in the Colorado River tributaries within Colorado must be improved to best manage and protect uses of Colorado River water supplies throughout Colorado.
2. Clarity. The purpose of Demand Management is to avoid or reduce the impacts of a Colorado River Compact "call," i.e. the reduction of consumptive uses of Colorado River water supplies within Colorado to meet compact requirements. Although the determination of how such a compact "call" might be administered is well beyond the scope of the DM, the Arkansas Basin Roundtable believes it would be helpful for the State to appropriately consider and clearly

communicate how a Colorado River Compact “call” would be administered within Colorado as a basis of comparison for the impacts and benefits of DM. In the Arkansas, South Platte, Rio Grande and the North Platte basins, water users have a clear understanding of how interstate obligations will be met and can plan accordingly. Similar clarity is needed in the Colorado River system within Colorado.

3. Legality. The Demand Management Framework identifies “a broad range of implementation options.” An “underlying assumption” is that any option “would be compliant with all applicable law.” Unfortunately, no option is accompanied by an analysis of whether it is consistent with existing law or will require enactment of new statutory provisions. Alternative approaches to Demand Management should identify necessary legislative changes and consider if and how such changes may affect the doctrine of Prior Appropriation within Colorado.
4. Secondary Impacts. The Arkansas Basin Roundtable acknowledges the risks of adverse secondary impacts to regional economies that could result from implementation of a Demand Management program. We also foresee such risks in the context of strict Colorado River Compact administration and/or involuntary curtailment but recognize that those are neither “voluntary” nor “compensated.” As these are two central characteristics of a Demand Management program as presented by CWCB, we believe it is critical that the term “adverse secondary impacts” be clearly defined – so potential DM participants understand which impacts will be compensated – and limited in scope – so that economic mitigation can be focused, fiscally feasible, and effective.

Although our Roundtable has discussed other issues, the issues above are those which we feel are of immediate importance and should be addressed at this time.

The Arkansas Basin Roundtable appreciates the opportunity to share its comments with the CWCB and stands ready to respond to any questions it may have.

Respectfully submitted November 16, 2021.

MD Shea

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Chair