An Update on the Group’s Work During 2013 and Projected Work for 2014
Working Group Members and Funding

- **Water Utilities**: City of Fort Collins Water Utility, City of Greeley Water & Sewer, Tri-Districts, West Fort Collins, (Northern Water 2014)
- **Consultants**: Open Water Fdn. (data base), Lawrence, Jones, Custer and Grasmick Law Firm (legal agreements), CSU Human Dimensions of Natural Resources Dept.(surveys)
- **Facilitation**: CSU Colorado Water Institute
- **Funding**: Colorado Water Conservation Board – interested in alternative transfer methods to buy and dry
Why are Alternative Transfer Mechanisms Important?

• “Buy and Dry” is increasingly seen as unsustainable: (by the CWCB, Inter-basin Compact Committee, Basin Roundtables, Western Governors Assn., county advisory boards & many other groups.

• Agriculture is a key economic driver that supports local communities and links regions across the State

• People need water and food. There is increasing concern about supporting local agriculture, long-term food security & sustainability, reducing carbon footprints.

• Irrigated ag provides many other benefits: flood surge control, groundwater recharge, wildlife habitat, wetlands, open space, important infrastructure etc.

• Colorado Legislature has passed several laws to facilitate water sharing and the Governor wants a State Water Plan that includes water sharing
Problems are We Trying to Address Together

**Water Utilities:**
- Need for water supply security during drought, drought recovery, flood, fire, infrastructure repair or other unforeseen problems
- Need for additional storage for operations and drought reserve
- Need additional raw water to meet future demand

**Irrigated Agriculture:**
- Many wish to minimize permanent transfers from ag to urban ownership (“buy and dry”)
- Instead, look for alternative transfer mechanisms for sharing water with utilities
- Hope to achieve more rental water security (especially NP irrigators)

**...and, in general:**
- All entities need more flexibility to deal with drought and other water supply issues. Inter-basin collaboration can help
- We want to keep Poudre River water in the Poudre Basin
North Poudre Irrigation Company (NPIC)
Average Annual Diversion – 79,500 AF

Water Supply & Storage Company (WSSC)
Average Annual Diversion – 55,000 AF

Larimer & Weld Irrigation Systems (L&W)
Average Annual Diversion – 60,000 AF

New Cache Irrigation Companies
Average Annual Diversion – 38,000 AF

Poudre River
Storage per Capita Comparison

Note: Based on 2010 population
- Storage Owned or Controlled by Provider
- Pro Rata Portion of CBT Project Storage
Types of Water Sharing/Trading Being Discussed by the Working Group*

- **Water Swaps** – trading multiple-use water (CBT) owned by irrigators for agricultural water owned by a utility
- **Short Term Leases** – ag water shares used for urban water supply in response to a crisis
- **Interruptible Supply Agreements** – longer term contracts to help utilities meet drought firming and recovery, emergencies, or to enable utilities to use ag water they own
Water Swaps, Trading

• 2013 successful example, NP Irrigators traded CBT water to Fort Collins for Ag/River Water (drought, fire, flood & water quality issues)

• Swaps are best done with trans-basin (foreign) water that has no return flow requirements (like NP shares)

• No water court or state approval required

• Irrigators get more water than they give as an incentive

• Could be done via longer-term agreements to provide more certainty for both parties
Short Term Leases

• Unexpected events (infrastructure failure, natural disasters, construction, water court delays etc.) can create short term need for water utilities (ie 2002, 2003, 2013)

• Those owning water with agricultural decrees can lease water for payment via short-term agreement.

• Substitute Water Supply Plan (administrative approval) is used (CRS 37-92-308)

• Basin-wide collaboration can anticipate and ensure reasonable pricing
Interruptible Supply Agreements

• **Standard** = Longer – term lease agreements, multi-year duration

• Limited water delivered to utilities and return flows provided during drought, drought recovery (CRS 37-92-309)

• Water made available via fallowing, deficit irrigation or planting drought tolerant crops to reduce consumptive use (on marginal lands etc)

• Incentives could combine payment, rental water guarantee during normal years

• **Variation** = irrigators enable utilities to use ag water they own by foregoing rental water, providing dry up (cover cropping) and return flow recharge areas

• If many wish to participate, IS can be done on a rotating basis or by using a point system.
Understanding perceptions of irrigators and water providers is a next step

- Most water sharing agreements would be between individual irrigators/shareholders and water utilities
- Working group needs feedback from all of you
- Individual or entity evaluation of sharing mechanisms
- Likelihood of participation in water sharing - what type
- Characteristics of farming operations/irrigation entity
- Survey will be done by CSU -either on-line and paper formats with shareholders and focus groups with water providers
- No names will be associated with responses (confidential)
Potential Outcomes of Working Group in 2014

• Clear descriptions of water sharing mechanisms
• Perceptions of irrigators/shareholders/utilities
• Prototype agreements for each type of sharing
• An improved basin-wide data base to enable future collaboration

And beyond

• Pilot projects
• Future discussions/funding for sharing infrastructure, sharing storage, water banking, addressing multiple values being raised by other groups
Thank You. Questions?