

**ALLOCATION COMMITTEE
and
RESOURCE AND ENGINEERING PLANNING COMMITTEE
JOINT MEETING
MINUTES
July 1, 2021**

A joint meeting of the Allocation and Resource and Engineering Planning Committees was held on Thursday, July 01, 2021 at 10:00 a.m. via videoconference hosted by the Southeastern Colorado Water Conservancy District.

Chairman Mitchell announced a quorum of the Allocation Committee was present.

ALLOCATION COMMITTEE MEMBERS PRESENT:

Carl McClure – Chairman; Howard “Bub” Miller –Vice-Chairman
Andy Colosimo; Tom Goodwin; Alan Hamel, Curtis Mitchell, Bill Long, and James Broderick.

COMMITTEE MEMBERS ABSENT AND EXCUSED:

None

Chairman Mitchell announced a quorum of the Resource and Engineering Planning Committee was present.

RESOURCE AND ENGINEERING PLANNING COMMITTEE MEMBERS PRESENT:

Curtis Mitchell – Chairman; Seth Clayton – Vice-Chairman
Andy Colosimo, Tom Goodwin, Bill Long, and James Broderick.

COMMITTEE MEMBERS ABSENT AND EXCUSED:

Pat Edelman

OTHERS PRESENT:

Dallas May, Greg Felt, Mark Pifher, and Patrick Garcia, Southeastern Colorado Water Conservancy District (District) Board Members; Erin Wilson, Wilson Water; Kalsoum Abassi, Colorado Springs Utilities; Kent Ricken, and Daniel Tucker, CWPDA; Alvin Carter, Matt Heimerich, and Bruce Hughes, Colorado Canal and Lake Meredith Company; Stephen Leonhardt, Burns Figa & Will; Alan Ward, Board of Water Works Pueblo; Garrett Markus, Kevin Meador, Margie Medina, Lee Miller, Patty Rivas, Leann Noga, and Chris Woodka, Southeastern Colorado Water Conservancy District staff.

APPROVAL OF MINUTES:

Chairman Mitchell asked for approval of the combined Allocation Committee and Resource and Engineering Planning Committee Joint Meeting for May 6, 2021, and asked if there were any corrections or additions. Hearing none, Andy Colosimo moved, seconded by Seth Clayton, to approve the minutes. Motion unanimously carried.

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PRESENTATIONS:

JAMES W. BRODERICK HYDROPOWER PLANT UPDATE

The James W. Broderick Hydropower Plant (JWBHP) in June generated at 500-850 CFS, (maximum is 850), delivery at 3,872 MWhrs 101 percent of full capacity. Below is Table 1 – JWBHP Dashboard:

	THIS	LAST	YEAR TO
	MONTH	MONTH	DATE
Power Generation (MWhrs)	3,826	2,872	9,210
Scheduled Power (MWhrs)	3,872	2,192	11,274
Revenue	\$195,536	\$175,400	\$524,847
% of Maximum Generation	72%	41%	34%
% of Average Generation	101%	62%	85%

The projected end of year 2021 generation and revenue is shown below:

Projected End of Year 2021 Generation and Revenue	
	PROJECTED
	END OF YEAR
Power Generation (MWhrs)	17,957
Scheduled (MWhrs)	17,597
Revenue	\$888,650
% of Maximum Generation	27%
% of Average Generation	71%

The current and estimated end of year budget was shown. Projected end of year generation revenue of \$890,000 could result in a reduced operating revenue of \$358,000. Projected reductions in operating expenses of \$85,000 results in estimated revenues over expensed of \$189,600 compared to the 2021 budget of \$462,400 a reduction of \$272,800.

The Enterprise is planning to close on the Colorado Water Conservation Board (CWCB) loan at the end of 2021. The loan fee of \$172,200 and final interest during construction payment of \$347,884 is reflected in the 2021 budget. The first payment of principal and interest on the CWCB loan will be due in late 2022.

UNDERSTANDING AND PROTECTING HYDROPOWER GENERATION

Erin Wilson with Wilson Water Group (WWG) discussed the District’s pursuit to understand what water can be ran through the JWBHP facility and what operations in the future may diminish the generating capacity of the powerplant via releases from Pueblo Reservoir.

Hydropower is a decreed use for the Project, decreed use for trans basin diversion (July 29, 1957), decreed storage uses for Pueblo Reservoir (February 10, 1939) and conditional decreed use for Arkansas Power Canal System (December 15, 1942). Bureau of Reclamation has agreed that all Pueblo Reservoir releases to the Arkansas River will be made through the hydropower

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plant (up to 900 CFS plant capacity). Division of Water Resources agreed that Southeastern Colorado Water Conservancy District could place a call to generate hydropower, when their native Arkansas River water rights are in priority. An exchange can provide a deficit on power generated depending on location of water exchanged.

There was no precedence for Division of Water Resources to rely on for an example in the state where exchanges occur through a reservoir with hydropower. It was determined that Southeastern Colorado Water Conservancy District can protect Project water releases from Pueblo Reservoir from exchanges up to hydropower plant capacity of Project water; however, Southeastern Colorado Water Conservancy District cannot protect non-Project water releases from exchanges.

If Southeastern Colorado Water Conservancy District chooses to “call-out” exchanges on Project water, exchanges would have been limited to a total of 49 days from 2015 through 2019 (average 10 days per year). Southeastern Colorado Water Conservancy District would primarily “call-out” exchanges during the late irrigation season, when the total flow below Pueblo Reservoir has dropped below 900 cfs. The inability to “protect” non-project releases from exchange would have limited hydropower generation more than 1,000 days from 2015 through 2019 (average 200 days per year). Exchanges on non-Project water limiting hydropower generation can occur whenever project releases are less than 900 cfs.

In summary, the implications of “not-calling” out current exchanges relying on the Project releases through the hydropower plant are not significant. Estimated loss in revenue over the 2015 through 2019 period is around \$17,000. Lost revenue from current exchange on non-Project releases and native flow bypasses are significant. Estimated loss in revenue over the 2015 through 2019 period is close to \$575,000.

Possible power interference agreements were discussed to replace the lost revenue. Comparison was discussed regarding Recreational in Channel Diversions (RCID) agreement to compare with an agreement to provide for hydropower.

2021 FRYINGPAN-ARKANSAS PROJECT WATER IMPORTS UPDATE

Garrett Markus’s presentation on the Project water imports gave a brief overview of the Upper Colorado River basin as a whole and the final snowpack graphic for July 1st in the collection basin. Since roughly 70 percent of the imports are snowpack driven, precipitation in the basin after May 1 is also important and were slightly below average for May and June.

As of June 29th, imports are 30,866 AF at 81 percent of the May 1, 2021 projection of 38,000 AF. Municipal requests were above the authorized amount, so no municipal was carried over for agricultural use.

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	M&I	AG
	(AF)	(AF)
June 29, 2021, Allocation	10,785	8,970
Initial Release	5,538	4,606
Additional	5,247	4,364
Paid – In Storage	5,538	4,479
Current – In Storage	5,538	4,436.95
Used – In Storage	0	42.05

All municipal Project water has paid; ag Project water payment is due July 15.

COLORADO CANAL BOARD LETTER TO ALLOCATON COMMITTEE

Garrett Markus informed the Committee that on June 25, 2021 the Southeastern Colorado Water Conservancy District received a letter from the Colorado Canal Board addressed to the Allocation Committee.

Matt Heimerich addressed the Committee regarding the Colorado Canal’s operational limitations. With the 2021 Project water allocation amounts and operational limitations on most canals, the District was asked to consider an option to carry over their entire allocation to next year (May 1). Mr. Markus reviewed the 80-20 rule, 80 percent of the Project water for ag would need to be used prior to November 15, from November 15 to May 1st the remaining 20 percent of the allocation could be stored. The request would allow 100 percent of the allocation to be carried over to April 15, with the consideration of May 1 depending on reservoir conditions. This water would be used prior to the next allocation and would not affect the allocation for 2022. Garrett Markus will place this item on the Enterprise Board agenda as an action item. There was consensus from the Allocation Committee to have staff work on the issue, treating all ag entities equally with the same opportunity looking into the bigger picture as well.

Lee Miller was asked to address the issues on the Colorado River Basin regarding that portion of the letter from the Colorado Canal. Lee Miller and James Broderick represent the Southeastern Colorado Water Conservancy District regarding the Colorado River Basin as advisors and a discussion will be held at the next Colorado River and Water Supply Committee meeting, of which some will be held in executive session due to confidentiality agreement.

ACTION ITEMS:

None

INFORMATION ITEMS:

None

OTHER BUSINESS:

Chris Woodka gave a brief update on the GMS contract for the Arkansas Valley Conduit (AVC), the Committee will be meeting in September. The Resource and Planning Committee will meet

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in September and be updated on the information received from the Bureau of Reclamation regarding the recovery of storage project that should be wrapped up in July 2021.

NEXT MEETING

Normally the next Allocation Committee meeting would be scheduled for August 5, 2021 at 10:00 am, Garrett asked to consider changing that to Wednesday, August 4th 10:00 a.m.

Discussion on Ag First Right of Refusal and the Return Flow Policy edits/revisions, for a Board wide participation, possibly up to a three-hour meeting. There will not be an August Resource and Engineering Planning Committee Meeting. There were no objections for an August 4th Allocation Committee meeting, in person at the District office. A Zoom connection will remain an option.

ADJOURN

Chairman Mitchell and Chairman McClure adjourned the joint meeting at 11:37 a.m.

Respectfully submitted,

Garrett J. Markus, P.E.

Water Resource Engineer