Testimony
Of
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To
U.S. House of Representatives
Committee on Natural Resources
Subcommittee on Water and Power
The Honorable Grace F. Napolitano, Chairwoman
On
"The Fryingpan-Arkansas Project at 45: Sustainable Water for the 21st Century"

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Background: The Upper Arkansas Water Conservancy District "UAWCD" was formed in 1979 pursuant to the Colorado Water Conservancy Act, 37-45-102 C.R.S. to protect and develop water resources for beneficial use in the Upper Arkansas Region. The District includes Chaffee County, Custer County, the Western Half of Fremont County and that part of Saguache County that lies within the Upper Arkansas Basin. The District provides storage on key tributaries and water pursuant to its decreed plans for augmentation to the citizens and municipalities within its boundaries. The "UAWCD" is active in the protection of water rights within the basin from exportation to other areas and collaborates with other basin entities in the management of water resources for mutual benefit. The UAWCD owns a collection of native water rights and utilizes allocations of Fryingpan-Arkansas water within its augmentation plans as well as Fryingpan facilities through excess capacity contracts for the benefit of its constituents. In addition UAWCD has contracted with the Southeastern Colorado Water Conservancy District for participation in the Preferred Storage Option Plan for enlarged space and excess capacity space for storage of its non-project water.

The Upper Arkansas basin is a less developed area of Eastern Colorado but in recent years is experiencing a greater rate of growth. In order to provide water for this growth and to protect the senior water rights from out-of-priority uses, the UAWCD has acquired various decrees for augmentation of various types of diversion structures to supply domestic and irrigation supplies to its citizenry. UAWCD is now embarking on the development of integrated water planning and management with several of the smaller municipalities within the Upper Arkansas basin to more efficiently manage and plan for growth impacts. Recently, in cooperation with the State of Colorado the UAWCD has agreed to become the Arkansas River Water Bank Operator. The Water Bank is designed to facilitate the distribution of stored water from sellers to buyers in need of water on a short-term or annual basis.

Project Water: Vital to the Upper Arkansas Basin is the annual allocation of Fryingpan-Arkansas project water "Project Water". Although used to supplement existing native water supplies, and other trans-mountain water sources, such as Twin Lakes Canal Company shares, Project Water is integral to providing water for irrigation, domestic,

municipal, industrial, and other beneficial uses in the Upper Arkansas Basin. The cities and towns, some of which did not exist in 1962 when the Project was authorized, depend upon annual allocations of this essential commodity. Created in 1979, the Upper Arkansas Water Conservancy District provides augmentation water supplies pursuant to landmark blanket augmentation plans that cover large portions of two counties in the Upper Arkansas Basin and provides replacement supplies for domestic, industrial and irrigation use. The Upper Arkansas Basin is typically defined as the lands upstream from the inlet to Pueblo Reservoir. These communities from Buena Vista in Northern Chaffee County to Florence in Eastern Fremont County rely on and have benefited from the Fryingpan-Arkansas Project and integrated this supply source with their native supplies and other trans-mountain water sources.

Recreational Use: The Whitewater Industry and Fishing have developed into a thriving and important segment of the economy of the Upper Arkansas Basin. With storage at the top of the watershed, located in Turquoise, Twin Lakes and Clear Creek Reservoirs, and at the lower end of the Upper Basin, in Pueblo Reservoir, fine tuning of water management became possible. First, municipalities utilized this unique feature of the system and elaborately timed exchanges were conducted to correspond to demand. To protect water quality, municipal water entities agreed to refrain from exercising exchanges when native river flows fell below a water quality threshold. As river recreation progressed beyond infancy the need to consider flow levels for recreation began to loom. The practice of municipalities exercising large exchanges during the Whitewater season had the effect of lowering flows at times of recreational need and the releasing of large flows in the spring and fall were detrimental to the longevity of the fishery. Management of the timing of exchanges and releases became a point of contention between the domestic users and the recreational users. Since the Project had developed the infrastructure for Fryingpan-Arkansas, the ability to manage flows between reservoirs made support of the fledgling recreation industry a matter of water delivery. In 1988, the founding of the Arkansas Headwater Recreation Area, a Division of Colorado State Parks, in the Upper Basin, created the interface wherein the Upper Basin's Arkansas River Outfitters Association, The Colorado Division of Natural Resources, and The Bureau of Reclamation, could interact to manage flows for the mutual benefit of municipalities, agriculture and recreation. Without the Fryingpan-Arkansas Project the Voluntary Flow Management Program could not have been created and from that the likelihood the fledgling Whitewater Industry might well have never developed to maturity. Of major significance is the inclusion of the flow program concepts in exchange and change cases that have occurred since the inception of the Voluntary Flow Program.

PSOP: As growth places pressure on these communities the need for storage becomes paramount for future water management. Extremely important to these Upper Basin communities is the need to develop storage for their native water supplies. Nearly 10 years ago water managers from these communities worked with the Southeastern Colorado Water Conservancy District to develop storage options. The result was the "Preferred Storage Options Plan (PSOP)". PSOP would utilize the existing infrastructure to provide increased firm storage and capture water during years of abundance. This was

the same concept of the original Fryingpan-Arkansas Project: bring water from the area of Colorado where precipitation is more abundant and water demand is lower to the area of the State where there is meager precipitation but a greater demand. Since the run-off from the West Slope snow pack occurs in a two month period, storage would be needed to reserve this water for the time of need. Thus, Turquoise and Pueblo Reservoirs were developed. In many ways the storage developed by the Project is as important as the water diverted from the Western Slope.

The Preferred Storage Options Plan was conceived to provide needed storage for native water supplies for domestic, municipal and augmentation uses. Most communities in the Upper Arkansas Basin have signed agreements to participate in this important project. As growth in the Upper Basin takes place at an increasing pace, the need to provide for storage of native supplies during times of abundance begins to take on a sense of urgency. Faced with the need to provide augmentation for agricultural and domestic ground water use, due to the 1969 State law that integrated tributary ground water with surface water and the results of the Colorado v. Kansas law suit, storage becomes the most essential mechanism to provide for the increased water demands.

For nearly a decade the federal authorization to conduct a feasibility study has been stalled due to local conflicts. Many communities are losing patience with the tedious process and are faced with an immediate need. Some are beginning to divert their energies from PSOP and are exploring other alternatives.

Some Upper Basin entities have expressed a desire to begin the feasibility study in tandem with other studies on extensive water quality impacts in order that a determination can be made as to the probability of PSOP. If a determination is made that the project is not feasible then these municipal entities can explore other avenues to meet future demands.

Water Conflicts: Although typically overstated, disagreements over water management and use have often resulted in mitigation agreements or crafted management planning that would not have taken place in the absence of change. Disagreements over filings of water exchanges from the Lower Basin to Upper Basin facilities by large municipal entities have the potential effect of de-watering the Upper Basin River. Some of the potential side-effects are reductions in flows and diminished water quality. Municipalities dependent upon certain stream flow levels to provide the required amount of dilution of sewage discharges were faced with increased treatment costs that could be caused from poor timing of exchanges or use of exchanges during low river flows. To avoid this occurrence, entities such as Colorado Springs entered into stipulations to curtail exchanges if the exchange would result in a reduction in flows below specified levels as a part of their exchange decrees. This type of stipulation has become the standard for all exchanges that involve the Upper Basin. Likewise, the Voluntary Flow Management Program has become institutionalized to the same degree to protect recreational flows a noted above. The manner of the utilization of Fryingpan-Arkansas facilities has been a major factor in the ability of basin entities to cooperate in these types of beneficial water management programs.

More recently, Colorado Springs Utilities is planning a pipeline to deliver water to their city. This delivery system is referred to as the Southern Delivery System "SDS" and would pump water from the Arkansas through a diversion at Pueblo Reservoir.

Although the Upper Arkansas Water Conservancy District has not taken an official position on this plan, it does not support any more imports of water out of the Upper Basin, such as those that occur at the Otero Pipeline. Although the Otero Pipeline was originally constructed to deliver water from the "Home Stake Project" to Colorado Springs from the Western Slope of Colorado, it has been used to remove native water by successive exchanges from the confluence of Fountain Creek and the Arkansas River at Pueblo. This practice has the effect of reducing river flows through the Upper Basin. By contrast, providing additional water to Colorado Springs, an Arkansas Basin entity, via a pipeline option that would not include the Otero Pipeline or a similar Upper Basin diversion, is preferred by the Upper Arkansas Water Conservancy District.

Water quality issues still exist between the Lower Arkansas Valley and Colorado Springs in regard to Fountain Creek. These issues need to be resolved between these two entities and these issues should be resolved independent of the feasibility study of PSOP. Today this dispute is holding the Upper Basin entities "hostage"!

Summary: My first memory of this great project was of my father purchasing a golden frying pan at his butcher shop. I was seven years old. Two gentlemen dressed in suits and ties described the vision of the Frying-Pan Project. They claimed that the Fryingpan-Arkansas Project would bring water to the Arkansas Valley for irrigation and domestic uses. They described a large conduit with many reservoirs built at various intervals in the river that would produce hydro-electric power. For the most part, the dream has come true.

The reservoirs have been developed in the Upper Basin. Pueblo Reservoir was built and water flows from the West Slope into our Arkansas River. Cities, towns and farms can rely on this precious supplement to their native and trans-mountain supplies. Because of the unique infrastructure mitigation management plans can lessen the strain of growth and recreation can flourish. At 45, Fryingpan-Arkansas has delivered.

As we look to the future, the Preferred Storage Option Plan looms. All the water managers know we will need reliable storage for the future, but some issues still need to be resolved. The spirit of cooperation with good communication and an effort to understand each other's challenges is how the Fryingpan-Arkansas Project was accomplished. As we face today's challenges it is the hope of the Upper Arkansas Water Conservancy District that this same spirit leads us in providing needed water storage for the basin in the future.