

United States House of Representatives  
Committee on Resources  
Subcommittee on Water and Power  
Hearing on H.R. 3443

Testimony by  
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## I. INTRODUCTION

H.R. 3443 would authorize the transfer of title of three Colorado-Big Thompson (C-BT) Project single-purpose water conveyance facilities from the United States to the Northern Colorado Water Conservancy District (District). The District is the contract beneficiary of the C-BT Project. The three facilities involved in this transfer of title include:

1. The St. Vrain Supply Canal;
2. The Boulder Creek Supply Canal that extends from the St. Vrain River to Boulder Creek. This facility also includes that portion of the canal that extends from the St. Vrain River to Boulder Reservoir, which is also known as the Boulder Feeder Canal; and
3. The South Platte Supply Canal.

The locations of these facilities are shown on the map in Exhibit A accompanying this testimony. The physical dimensions and description of each of the facilities are shown on Exhibit B.

The proposed title transfer is beneficial to all parties involved. Operational efficiencies are realized by both the federal government and the District, outstanding financial obligations of the C-BT Project's power beneficiaries are satisfied, and the federal government is relieved of any liability associated with these facilities following the completion of the title transfer. The District gains efficiency in its water operations and administration of these facilities by eliminating unnecessary federal oversight and administrative redundancy.

## II. BACKGROUND

The C-BT Project is a multi-purpose project. Its primary purpose is to provide a supplemental water supply. Its secondary purpose is power generation. The C-BT Project was built by the United States Bureau of Reclamation (Reclamation) with the District acting as the project sponsor and as the local repayment entity for the Project. The District and Reclamation entered into a Repayment Contract on July 5, 1938. The Repayment Contract defines the contractual obligations of both the District and Reclamation associated with the repayment obligation, operation, maintenance, and administration of the C-BT Project, and grants to the District the perpetual right to the water yielded from the C-BT Project. Construction on the C-BT Project began in 1938 and was completed in 1957 when the Project was placed into full operation.

As stated earlier, the C-BT Project provides a supplemental water supply for beneficial use within the boundaries of the District, an area that includes approximately 1.6 million acres as depicted on the map attached as Exhibit C. The area served by the C-BT Project includes approximately 693,000 acres of irrigated farmland. A portion of this farmland receives water directly from the C-BT Project through deliveries from the Project to approximately 120 ditch and reservoir companies which distribute Project water for irrigation purposes. Further, the C-BT Project provides water supplies to 32 towns and cities and many domestic water purveyors that, when combined, serves water to more than 750,000 people.

The C-BT Project diverts water from the headwaters of the Colorado River into the collection facilities of the C-BT Project. These facilities include Grand Lake, Shadow Mountain Reservoir, Lake Granby, and Willow Creek Reservoir. Utilizing these storage reservoirs, as well as the Willow Creek Pumping Plant and the Farr Pumping Plant, water captured by the collection system is eventually diverted to the eastern slope of the Continental Divide through the 13.1-mile long Alva B. Adams tunnel. This tunnel runs under the Continental Divide and beneath Rocky Mountain National Park, delivering water into the Big Thompson River watershed. Once on the eastern slope, C-BT Project water flows through five hydroelectric generating plants as the water drops more than 2,600 vertical feet to two eastern slope terminal storage

reservoirs, Horsetooth Reservoir and Carter Lake Reservoir.

From these terminal storage reservoirs, the Project's water supply is delivered to water users within District boundaries through the Project's distribution facilities. These distribution facilities consist of single-purpose water conveyance facilities located downstream of the C-BT Project's two East Slope terminal storage reservoirs.

Since the C-BT Project was placed into full operation in 1957, the District has been solely responsible for: the operation, maintenance, and administration of the single-purpose water conveyance facilities; the administration and protection of the lands and easements associated with these facilities, including issuance of licenses and crossing permits for entities seeking to utilize portions of the canal lands and easements for various purposes; and the payment of the full cost s of operation, maintenance, and administration of these facilities. These activities have been carried out under the oversight, but without the extensive involvement, of Reclamation.

In 2000, the title to the four single-purpose water conveyance facilities located downstream of Horsetooth Reservoir was transferred from the United States to the District under the authority of Public Law 106-376. Facilities transferred by Public law 106-376 included:

1. Charles Hansen Supply Canal;
2. Windsor Extension Canal;
3. North Poudre Supply Canal (also known as the Munroe Gravity Canal); and
4. Dixon Feeder Canal.

### III. PROPOSED LEGISLATION

H.R. 3443 would authorize the transfer of title of the C-BT Project's single-purpose water conveyance facilities located downstream of Carter Lake Reservoir in the southern portion of the C-BT Project. The passage of H.R. 3443, when combined with Public Law 106-376, would complete the transfer of title of all single-purpose water conveyance facilities within the C-BT Project from the United States to the District. The current legislation is very similar to that contained in Public Law 106-376.

The function and operation of the proposed transferred facilities will not be altered or modified as a result of the passage of this legislation. The transferred facilities will continue to be operated to meet the needs of the water users within the District boundaries for the supplemental water supplies provided by the C-BT Project.

The South Platte Supply Canal originally became a facility of the C-BT Project during Project construction when an agreement was reached with the Consolidated Lower Boulder Reservoir and Ditch and the Coal Ridge Ditch companies (the Companies). Under the agreement, the United States acquired the existing ditch easements, purchased additional easements, and enlarged the Companies' existing canal to accommodate: a) the diversion and conveyance of C-BT Project water from Boulder Creek at a point downstream of the City of Boulder for delivery to the South Platte River at a point near the Town of Fort Lupton; and b) the continuing diversion, conveyance, and delivery of water yielded from water rights owned by Companies. Of note is that the senior water right associated with the original canal is the oldest, most senior adjudicated water right in the South Platte Basin within Colorado, dating back to 1859. The operation of the Companies' canal and the exercise of the associated water rights were not affected because of the enlargement of the original canal as part of the C-BT Project's construction. This remains true today as the Companies continue to divert and beneficially use their own water rights through this canal as they would have had the canal never been enlarged to accommodate C-BT Project water.

Further, in July 1954, the District entered into operating agreements with the Companies for the operation and maintenance of the South Platte Supply Canal. As part of that operating agreement, the District is responsible for paying between two-thirds and three-fourths of the operating costs associated with various segments of the South Platte Supply Canal.

The proposed legislation will improve the efficiency and operation of these facilities by eliminating the redundant and unnecessary oversight role now being performed by Reclamation. Operation, maintenance, and administration of these facilities and their associated easements have historically been carried out by the District without significant oversight or involvement by Reclamation. The level of maintenance performed on these facilities by the District, and by the Companies on the South Platte Supply Canal, has never been found to be in any way deficient during the periodic inspections performed

by Reclamation. Elimination of the federal redundancy in the administration of these facilities will save the District and its water users unnecessary costs.

All financial obligations of the District associated with these facilities were met under the terms of the Repayment Contract with final payment made by the District to Reclamation in December 2001. The “aid-to-irrigation” financial component associated with these facilities is an obligation of the C-BT Project power beneficiaries. The repayment of that financial obligation is addressed in the proposed legislation and will be paid by the Project’s power beneficiaries. Lastly, all federal liability associated with the operations of these facilities will be eliminated as a result of the transfer of title.

This legislation is actively supported by local water interests. Letters supporting the introduction of this legislation are included as Exhibit D. These include letters from the City of Boulder, the Town of Erie, the Lefthand Water District, the City of Longmont, the New Coal Ridge Ditch Company, and the New Consolidated Lower Boulder Reservoir and Ditch Company.

#### IV. CONCLUSION

Transfer of title of these three single-purpose C-BT Project water conveyance facilities from the United States to the District: a) will improve the efficiency of government, both on the federal and local levels, by eliminating redundancy in the operation, maintenance, and administration of these facilities; b) will eliminate all federal liability associated with the transferred facilities; c) will not change the operation of the facilities; and d) will complete the transfer of all single-purpose water conveyance facilities within the C-BT Project. We urge this legislation be moved forward to accomplish this transfer of title as soon as practical.