

Water Acquisition Committee Conference Call Summary October 21, 2008

Participants: Jana Mohrman, Andy Moore, Dan Luecke, Randy Seaholm, Patty Gelatt, Tom Pitts, Robert Muth, Angela Kantola

1. Section 7 depletion list – At September WAC meeting, Angela was tasked to "split out the Colorado River PBO consultation table by opinions occurring on or before September 30 1995 (all of which are Category 1 depletions) and those after (which are Category 2 and whose actual depletions will be included in the 60,000 and 120,000 af ceilings)." This may be misleading. The WAC needs to determine how they want Angela to subdivide (and perhaps "tally") the 15-MR (and Yampa) PBO consultation lists:

- For the 15-MR PBO: by Category 1 and 2 OR before and after the PBO date. Angela provided a spreadsheet of these depletions by agency, with breaks between opinions occurring both after September 30, 1995 (the "Category 1" break point) *and* December 20, 1999 (the PBO date). Consultations completed after the PBO are highlighted in gray.

Tom Pitts clarified that the new vs. historic columns are post vs. pre 1988 (Recovery Program inception). If we're certain that Category 1 vs. Category 2 are pre vs. post 1995, then we would have some opinions that are listed as Category 1& 2 which have depletions that are both pre and post 1995. Patty clarified that the new and historic designations only determine whether or not the project proponent pays a depletion fee. Angela said she believes she's been defining Category 1 vs. 2 as historic vs. new, which is incorrect. >Angela will delete the Category column from the table. Tom Pitts added that the Category 1 vs 2 designation only matters when it comes to potentially reopening consultations. Gaging depletions for the 60,000 and 120,000 af thresholds happens through Colorado's the depletion accounting report, not through biological opinions (which only estimate anticipated avg. annual depletion). Patty would like to see new depletions summed since the PBO, so she would have an idea of the total depletions "authorized" in biological opinions (recognizing that we agreed we would use actual depletions to judge when we approach the 60,000 af threshold). >Angela will add a total of new depletions since the PBO to the bottom of the 15MRPBO worksheet. The current tally of new depletions includes those between 1988 and 1999, some (or all) of which may have been existing depletions as of 1999. Randy noted that the tables only reflect what has been consulted on (as identified by the project proponent) and asked if some of the depletions identified as new might actually represent a new project utilizing a historic depletion (e.g., historic agricultural right). Patty said that typically a depletion identified as new represents new water; a historic depletion would have been reflected as historic, unless the historic water information wasn't reported by the project proponent (and thus, wouldn't be available in the biological opinions).

- For the Yampa PBO: before and after 12/31/98 (the "new depletions" break point per Appendix D) OR before and after 1/10/05 (the PBO date). Angela provided a spreadsheet of these depletions by agency, with breaks between opinions occurring both after December 31, 1998 (the "new depletions" break point per

Appendix D of the PBO) *and* January 10, 2005 (the PBO date). Consultations completed after the PBO are highlighted in gray. >Angela will add a total of new depletions since the PBO to the bottom of the Yampa PBO worksheet.

2. CO Depletion Report – Final comments on the 9/27/08 version were due to Randy Seaholm by Oct. 15. Randy said he didn't necessarily use the exact language provided in previous comments, but tried to stay true to the PBO language and let the meeting summary outline *how* we would implement the reporting process in the future as opposed to how this initial accounting was done.. Tom Pitts said he made some comments on the 9/27 version (primarily editorial and clarifications) and asked for comments from his executive committee; Tom got comments from one party and will send those and his to Randy. Dan was having e-mail difficulties at the end of September and asked Randy to send the report to him again with a promise to look at it immediately and try to get comments back by this Friday (Oct. 24). When sending comments to Randy, please also copy the other interested Water Acquisition Committee members (Andy.Moore@state.co.us, angela_kantola@fws.gov, builenberg@uc.usbr.gov, h2orus@waterconsult.com, jana_mohrman@fws.gov, luecke5@comcast.net, Michelle.Garrison@state.co.us, Robert_Muth@fws.gov, rtenney@crwcd.org, Randy.Seaholm@state.co.us) >Randy will address any comments received next Monday or Tuesday, and send out another revision if he makes any substantive changes (otherwise he will send out the final, which will include a final September 4 meeting summary).
 3. 9/4/08 Water Acquisition Committee meeting summary – Jana sent out a version with comments by Tom Pitts and Randy Seaholm on October 3. Dan Luecke was comfortable with Tom and Randy's changes. Randy said he understands the backcasting discussion reflected in the summary, but is still struggling to understand the real need for backcasting (footnote #1, explanation of backcasting). In dealing with averages over time, it would seem they would balance out unless we had an extended drought or wet cycle). Ray Tenney likely wanted actual demand to be reflective of what would actually be used on the Front Range. Jana asked if demand wouldn't be that actually allowed by the water right versus depletion which would reflect what was actually diverted to the Front Range). Tom said it seems Ray wanted to not model depletions, but demands in the future. However, system operation isn't reflected this way. Andy said the term "demand" is being used in different ways: 1) taps by a city, for example; and 2) as in the model, backcasted demands at the tunnel to satisfy storage and other needs. E.g., what would Denver Water *liked to have had* delivered through the tunnel in 2005. Depletions = demands - water not available. Tom noted that we still need to go through the meeting summary and clarify some portions where comments indicate. >Randy will work on the discussion of depletion accounting under #2, and Jana will clean up item #3, then Jana will ask Ray for his thoughts on #2.h.
- 1) Afterwards Andy Moore provided information on **Backcasting**: Taking a level of demand representative of a certain year, e.g., for 2005, and using it for previous years (e.g., using a study period of 1971-2005) when the demand level would have been lower (due to lower population, etc.). This demand level, for the case of transmountain diversions to Front Range cities, reflects the population and per capita usage, etc., for that year. The idea behind using this approach is we get to see what effect that higher level demand (e.g., for 2005) would have had in previous years (e.g., 1971-2005) with different hydrology, especially in wetter years on the west slope, since then an entity like Denver Water would have taken more water under their water rights in those years with a higher demand level than they took historically with a lower demand level.

If we want to see what the relative depletion change from a certain year to another (e.g., from 2000 to 2005), backcasting for the 2000 level of demand for the study period would also be done and then we would perform the two model runs described in App. B in the PBO (the StateMod C1 and C2 run approach). We would take the 2000 and 2005 demand levels for each of the main transmountain diverters and use them back in time through the 1971-2005 study period. Then we would compare the results for the 2000 and 2005 backcasting model runs for the study period, and the differences would give us an annual average net change in depletions.

Normally we would expect this to give us a net increase in depletions, but during a drought period like the last many years, there would be many instances of demand levels greater than the water actually available, and so we actually could get a net decrease in depletions (like the StateCU approach showed for the 2000-2005 period).

The main reason for the StateMod C1, C2 backcasting approach is that it gives us a way to look at what effects other years with different hydrologies have on the relative levels of depletions based on backcasted demands. With the StateCU purely historical approach, we see the actual depletions for a certain period, but if the population levels and demands were rapidly increasing during that period (AND there was water available for at least some of those increased demands), the StateCU approach would not show us the full story.