



November 14, 2012

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Erin Light
Division 6 Engineer
Colorado Division of Water Resources
P.O. Box 773450
Steamboat Springs, CO 80477

RE: End of Year Summary, Stagecoach Reservoir Temporary Instream
Flow Water Right Loan, Water Division 6, Water District 58

Dear Erin:

On July 11, 2012, the Division of Water Resources (DWR) approved a Temporary Loan of water stored in Stagecoach Reservoir to the Colorado Water Conservation Board (CWCB) for Instream Flows under Section 37-83-105, C.R.S. Pursuant to the terms of DWR's approval, the Colorado Water Trust (CWT), acting as agent for the CWCB, hereby submits final records of water used for instream flows under the above-referenced Temporary Loan (see attached spreadsheet).

Summary

The request for approval of this temporary loan was submitted to the Division of Water Resources on June 21, 2012. However, stream flow conditions on the Yampa deteriorated prior to the loan being approved, and on June 28th, the Colorado Water Trust requested Upper Yampa to begin releasing the purchased water from Stagecoach Reservoir at a rate of 26.7 cfs. Consistent with the temporary loan application, Upper Yampa made first use of the released water for hydropower generation pursuant to their decrees. However, since the temporary loan had not yet been approved, these early releases were not legally protectable for any other uses downstream from Stagecoach Reservoir. CWT's intention for these early releases was to improve conditions for recreationists and aquatic species by increasing streamflow and lowering water temperature.

The Division of Water Resources (DWR) approved the Temporary Loan on July 11, 2012, and CWCB began utilizing released water for instream flows in the Yampa River. On that date, the Yampa River instream flow water right was water short. Flow in the Yampa River downstream from Stagecoach Reservoir was estimated to be approximately 41.4 cfs, excluding the instream flow releases. The Yampa River Instream Flow water right was decreed in Case No. 01CW106 for 72.5 cfs (4/1 - 8/14) and 47.5 cfs (8/15 - 3/31).

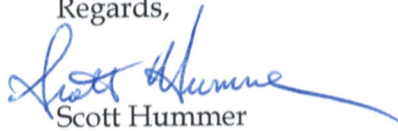
Water continued to be released at a rate of 26.7 cfs, first for hydropower and then for instream flow use, through September 11, 2012. On August 31st, pursuant to a sub-lease with the Colorado Water Trust, Tri-State Generation & Transmission began subsequent use of the instream flow

releases for decreed purposes at their Craig Power Station. Tri-State's use continued through September 11, 2012.

The amount of water required to supplement instream flows varied on a daily basis in response to natural flow conditions. With the exception of 9 days in mid-August when local rain events increased streamflow in the upper Yampa basin, the temporary loan was necessary to supplement the instream flow water right every day during the period July 11, 2012 through September 11, 2012.

On behalf of CWCB and CWT, we greatly appreciate the cooperation your office has demonstrated in implementing the new Temporary Loan statute during this drought year. We will continue to keep your office advised of any future projects.

Regards,


Scott Hummer
Projects Manager


Anne Janicki
Transaction Specialist

Attachments

cc: Linda Bassi, CWCB
Kevin Rein, DWR
Kevin McBride, UYWCD
Aaron Ladd, Atty. for Tri-State