

COLORADO Colorado Water Conservation Board Department of Natural Resources 1313 Sherman Street, Room 718 Denver, CO 80203

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Rebecca Mitchell, CWCB Director

TO: Colorado Water Conservation Board Members

FROM: Alexander Funk, Agricultural Water Resources Specialist Interstate, Federal, and Water Information Section

DATE: 1/17/2020

AGENDA ITEM: 7. Basin Fund MOA Technical Assistance Grant Program

Background:

In 2011, the Upper Colorado River Division States (Colorado, Wyoming, Utah, and New Mexico), the United States Bureau of Reclamation (Reclamation), the United States Department of Energy Western Area Power Administration, and the Colorado River Energy Distributors Association (CREDA) signed a Memorandum of Agreement (MOA) authorizing the use of the Upper Colorado River Basin Fund (Basin Fund) to further the purposes of the 1956 Colorado River Storage Project (CRSP) Act (Public Law 485). The MOA created a mechanism for the Upper Division States to access excess hydropower revenues for operations, maintenance and replacement costs (OM&R) for congressionally authorized CRSP Participating Projects (herein "Participating Projects") and to reduce the impact on the CRSP firm power rate by eliminating the collection of power revenues beyond that amount needed to repay the costs of the existing projects through Fiscal Year (FY) 2025. The Colorado Water Conservation Board (CWCB) represents Colorado in the implementation of the MOA and is responsible for ongoing project evaluation and prioritization.

The final 2019 Projects Bill (SB19-221) contained \$200,000 for technical assistance grants for Colorado Storage Project Act (CRSP) beneficiaries with approved MOA projects. Given the number of approved MOA projects in Colorado and concerns regarding ongoing cost increases, the Basin Fund MOA Technical Assistance Grant Program is designed to utilize state funds to leverage Basin Fund MOA resources, implement priority MOA projects, and avoid exceeding Colorado's overall MOA allocation. The Basin Fund MOA Technical Assistance Grant Program will be eligible for all CRSP participating projects and beneficiaries and limited to currently approved Basin Fund MOA projects. Funds through the program may be used for project design, environmental and regulatory compliance, and project permitting.

The proposed Basin Fund MOA Technical Assistance Fund Criteria and Procedures are contained in this memo.

Staff Recommendation: Staff recommends that the Board adopt the criteria and procedures for the Basin Fund MOA Technical Assistance Grant Program.



Interstate Compact Compliance • Watershed Protection • Flood Planning & Mitigation • Stream & Lake Protection





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Basin Fund MOA Technical Assistance Fund Criteria and Procedures

Eligibility

- Colorado River Storage Project Act (CRSP) participating projects and beneficiaries
- Must demonstrate eligibility for Basin Fund MOA projects

Project types

- Projects authorized under the Basin Fund MOA; operation, maintenance, and repair projects at CRSP participating projects
- Funding limited to currently approved Basin Fund MOA projects in Colorado
- All projects must adhere to Bureau of Reclamation standards and specifications

Technical assistance funds may be used as follows:

- No mandatory cost share percent
- Project design costs
- Environmental and regulatory compliance
- Project permitting
- No reimbursement for in-kind services

Procedure

- Rolling application process
- Director's discretion for grants less than \$50,000 to any single entity
- Board approval for larger grants
- If requests exceed available funds, applications will be evaluated according to the criteria within the *MOA Annual Prioritization Process* adopted by the Colorado Water Conservation Board

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