Feasibility of the Taylor Draw Hydroelectric Enterprise Turbine Assembly Refurbishment

Sponsored by the

Rio Blanco Water

Conservancy District

in conjunction with the

Colorado Water Conservation Board

COLORADO
Colorado Water Conservation Board
Department of Natural Resources

August 2024

Feasibility Study Approval
Pursuant to Colorado Revised Statutes 37-60-121 & 122, and in accordance with policies adopted by the Board, the CWCB staff has determined this Feasibility Study meets all applicable requirements for approval.

Joshua Godwin
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Signed Date

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Feasibility Study for Rio Blanco Water Conservancy District – Taylor Draw Hydroelectric Enterprise Hydro Electric Power Generation Project

Introduction (Need for the Project)

The Rio Blanco Water Conservancy District (RBWCD) was organized for the purposes of developing land and water resources for the greatest beneficial use of water within the District's boundaries. The District was organized by decree of the district court, in Rio Blanco County, Colorado, on November 9, 1990 in Civil Case Number 90CV26. The District has broad statutory powers concerning the conservation and utilization of water resources within its boundaries and is governed by a five (5) member Board of Directors (Appendix A - RBWCD By-laws). Acting upon this the RBWCD has several assets they are responsible for including Taylor Draw Dam, Kenney Reservoir and associated recreational amenities, agricultural lands, several hundred acres of high desert wetlands in various stages of succession, water decree portfolios issued by the State of Colorado, Taylor Draw Hydroelectric Enterprise and hydropower generation facility, and other property owned by the district.

Located about 6 miles east of Rangely, Colorado, Taylor Draw Dam was constructed in the early 1980's and put into service in 1983 creating 13,800 acre-feet of water storage and 615 surface acres in Kenney Reservoir to provide a firm water supply for municipal (including Rangely), agriculture, and industrial water supply for the water users within district boundaries, to provide needed flood control, recreation, and a source of hydroelectric power. The district (then Water Users Association Number 1) issued bonds to finance the construction of Taylor Draw Dam with 100% of the project being locally funded by the 2,700 residents within the district boundaries.

Taylor Draw Dam is operated as an instantaneous run-on-the-river project (releases at Taylor Draw Dam equal the inflow to Kenney Reservoir) for the protection of fish and wildlife resources in the White River and Kenney Reservoir. As previously stated, Kenney Reservoir had an original storage capacity of 13,800 AF and 615 surface acres. Today the capacity has been reduced to less than 2,100 acre-feet of storage and less than 270 surface acres due to sedimentation from the White River (Wheeler 2022). The remaining storage volume is the "dead pool" limit effectively meaning available storage at Kenney Reservoir is exhausted. Since 2012 the District has been actively progressing through numerous studies and permitting processes for Wolf Creek Reservoir to replace the lost storage and benefits of Kenney Reservoir, provide water supply for a future county wide blanket augmentation plan, drought resiliency and firm supply for the district including the Town of Rangely and our Intergovernmental Agreement partners, Yellow Jacket Water Conservancy District and Rio Blanco County. On December 1, 2022 the RBWCD exercised their hydropower water decrees by requesting the DWR to administer these District owned decrees leaving a standing order with the DWR that the call will

Commented [JG1]: So Kenney Reservoir doesn't store water?

Commented [JG2]: Are you abandoning the storage rights?

automatically be reinitiated when flows are insufficient to meet the decreed value.

On September 28, 1993, the RBWCD Board of Directors created the Taylor Draw Hydroelectric Enterprise via Board of Directors Resolution 93-07 (Appendix A). This resolution:

1. Authorized the creation of the Taylor Draw Dam Hydroelectric Enterprises pursuant to Article X, Section 20 of the Colorado Constitution, and Section 39-45-101 et. Seq., C.R.S. 1973.
2. Established that the Board of Directors of the RBWCD shall be the Board of Directors of the Taylor Draw Hydroelectric Enterprise.
3. Establishing that the Officers and Staff of the RBWCD shall be the Officers and Staff of the Taylor Draw Hydroelectric Enterprise.
4. Lease the District's Taylor Draw Power Flow Water Right for as long as the Enterprise exists.
5. Authorizing the Taylor Draw Hydroelectric Enterprise use of the District's Federal Energy Regulatory Commission (FERC) License #8914-CO for as long as the Enterprise exists (see appendix C). Enterprise use of this FERC License is subject to all present and future conditions placed upon said license by the FERC, its officers and staff.

The creation of the Taylor Draw Hydroelectric Enterprise included raising the crest of Taylor Draw Dam, construction of the 2.0-megawatt hydroelectric generation facility, associated inlet and outlet works, stilling basins, and electricity distribution equipment for integration into the local power grid. This project was financed through Colorado Water Resources and Power Development Authority and 100% locally funded by the district constituents.

The Taylor Draw Hydroelectric Enterprise is located on the White River in western Rio Blanco County at Taylor Draw Dam and is operated for the benefit of the district by creating and selling renewable hydroelectric energy to Moon Lake Electric Association (MLEA) for the benefit of their customers and members of the RBWCD. Water is diverted at Taylor Draw Dam, 6 miles east of Rangely, flows through 96-inch penstock to a 2.0-megawatt turbine assembly and generator transferring produced electricity to the electric distribution system. The hydroelectric project was put into service in April 1993. The full capacity of the generator requires 775 CFS of water to produce 2.25 MW of electricity per day. The 2.0 MW capacity is enough to provide electricity to approximately 2,000 homes or approximately 5,000 people, greater than the 2,700 residents within RBWCD boundaries. To date the project has produced over 347,556 mega-watts (1993-2023) of renewable electricity and nearly $15,000,000 in revenue averaging $485,000 each year. The project has and continues to provide income for the operation and maintenance of the enterprise and affiliated appurtenances associated with the enterprise.

Taylor Draw Dam is a Federal Energy Regulatory Commission (FERC) licensed project. FERC licenses are valid for 50 years. The license requires the district to remain in compliance with the Federal Power Act, FERC regulations, and the terms and conditions of our respective license to protect, mitigate, and enhance beneficial public uses and the environments.

The district operates and maintains their facilities in a proactive manner investing earned revenues for the best long-term returns. This approach has proven beneficial to sustaining a well-maintained and functioning project, keeping overhead down, minimizing reactive maintenance, and providing a consistent source of revenue. Key examples of this proactive approach:

- August 2015 NEI Electric Power Engineering, Inc. completed a hydroelectric facility electrical control assessment. This assessment included completed recommendations of calibrations of electrical relays

used in monitoring hydropower generation and the receiving power grid: replacement of critical interfacing components with MLEA for smooth integration of produced hydropower into their power transmission grid: replacement of switch yard transformers, reclosers, and reclosure controllers: and several additional upgrades to electric production and system monitoring controls. Each of these provides increased resiliency in transferring the produced hydroelectricity into the power transmission system.

- In 2016 a variety of projects were completed. The Taylor Draw Dam 96-inch hydraulic cylinder in Kenney Reservoir that operates the 96-inch outlet works that supplies water to the penstock was completely replaced, including new hydraulic lines made of non-corrosive materials. The 78-inch bypass gate hydraulic cylinder located downstream of the 96-inch outlet works used for bypassing water releases from the penstock to sustain flows to the White River when the hydroelectric generation is offline was refurbished and reinstalled. Finally, a generator assessment was completed by General Electric.

- The powerhouse that contains the hydroelectric generator, turbine assembly, and motor controls is approximately four (4) stories below ground level. In 2017 the Taylor Draw Hydroelectric Enterprise finalized a complete replacement of the Taylor Draw Hydroelectric Powerhouse sump pump system. This included replacement with High Density Polyethylene (HDPE) discharge piping, 3 new sump pumps, new check valves, new isolation values, new discharge manifold, and float switches.

- August 2017-2018 The Taylor Draw Dam Drainage Improvement Project objective was to provide internal drainage improvements for the left embankment section of Taylor Draw Dam and the powerhouse that contains most of the hydroelectric generation equipment. This included the installation of a new blanket drain in the left groin downstream side of the dam, replacement of the left abutment toe drains, remediation of abandoned utilities and hydraulic components, installation of a separate hill side drain, access improvements, and piezometer replacement.

- The hydroelectric turbine assembly uses filtered water from Kenney Reservoir as part of the internal "seal water" and other internal component lubrication for the turbine assembly. This equipment is also inside the powerhouse. In 2018 the water treatment facility was completely replaced and upgraded to a three (3) tank pressure filtration system, increased filtration capacity, new booster pump, valving, piping, and water treatment electrical controls.

- In 2021 the Taylor Draw Hydroelectric finalized an unanticipated internal assessment, replacement, and refurbishment of several components including rotor poles in the 2.0 mega-watt generator. Due to the COVID pandemic this task required the generator to be out of service for nearly 7 months. The generator assessment was considerably more technically involved than was completed in 2016. GE relayed to the district that normal generator life expectancy is 50 – 60 years. Their assessment detailed the generator condition as "very good" and is at less than typical half-life due to careful operation and maintenance.

- In 2022 Taylor Draw Dam experienced an unanticipated non-structural penstock liner failure impacting hydroelectric generation for nearly 5 months. The damaged liner was removed with the remaining liner secured in place and fully inspected. The liner failure required considerable analysis of the penstock by several engineering firms, FERC engineers, and Colorado Division of Dam Safety engineers. The outcome is the existing concrete penstock is in very good condition and is more than adequate for the project. The forensic analysis found the 2021 incident and 2022 liner failure were related.

The events from 2021 and 2022 did impact the Taylor Draw Hydroelectric Enterprise fund requiring the use of reserves leading to the District's decision to seek outside funding sources for the turbine refurbishment staying on track with our long-term plan. As outlined, the Taylor Draw Hydroelectric Enterprise has been industriously progressing through multiple scheduled proactive preventive maintenance, construction, and shutdown

Commented [JG3]: How is the slump in energy production made up for when the operation is down?

Commented [JG4]: Who's your regional Dam Safety inspector?

Commented [JG5R4]: Matt Wiesbrod

projects while adapting to operations due to drought, climate change, and unanticipated maintenance issues. The RBWCD, governing body of Taylor Draw Hydroelectric Enterprise, seeks to refurbish the turbine assembly (runner) as soon as practicable. The turbine refurbishment is part of an overall long range planning effort for the districts enterprise that will provide increased sustainable hydroelectric production security and bolster revenues that are used for enterprise operations and maintenance. Since hydropower generation is nonconsumptive other benefits to the district are relevant to this project:

- The flows used for hydropower generation upon release are available for other water users within the district boundaries including but not limited to irrigation, stock watering, municipal, industry, piscatorial, recreation, and many other uses bolstering the local economy.
- Provide a positive benefit to stream ecology and riparian zones.
- Support the recovery of the federally listed endangered Colorado River Pike Minnow and Razorback Suck that calls the White River “home”.
- Sustain the life cycles of a variety of Colorado conservation fish species that includes the Roundtail Chub, Flannelmouth Sucker, and Bluehead Sucker.
- Improved water quality.
- Improvements for the Town of Rangely water supply.
- Coordinated spike flows to mobilize beneficial stream sediments.
- Increased certainty of more consistent flows.
- Water conservation through the Colorado Prior Appropriation System

Taylor Draw Dam is a calling structure on the White River with water decrees specific for hydropower generation. Over the years the district practiced a good neighbor policy opting not to request administration of our water rights in the White River Basin. Action taken by the RBWCD Board of Directors, on December 1, 2022, the District requested water administration of the districts direct flow hydropower water rights to the Colorado Division of Water Resources to bolster flows at Taylor Draw Dam and provide improved consistency for hydropower generation. The request for administration is ongoing when flows in the White River are not adequate to meet the power conduit needs. The administration of district water rights has ushered in water conservation and accountability throughout the White River Basin. A properly functioning turbine plays a fundamental role in supporting flows within the district and for DWR water administration. Without the turbine refurbishment there is risk to district constituents and other beneficiaries, some that may be of interest to the state, since water administration at Taylor Draw Dam would be jeopardized increasing risk of increased water shortages and other associated negative impacts.

Project Sponsor

The Taylor Dram Hydroelectric Enterprise is owned and under the governance of the RBWCD, a Special District of the State of Colorado. The RWBCD can assess annual tax collections upon residents within the district and the Taylor Draw Hydroelectric Enterprise has a Power Purchase Agreement (PPA) with MLEA. The RBWCD articles of incorporation and by-laws are included in Appendix A.

Project Service Area and Facilities

The Taylor Draw Hydroelectric provides electricity to MLEA in Western Rio Blanco County and constituents of the district within Colorado. A map of the MLEA service area is in the back pocket of this report.

Hydrology and Water Rights

The source of water for hydroelectric generation is direct flow water rights from the White River and formerly storage within Kenney Reservoir (Taylor Draw Reservoir) that was created by the construction of Taylor Draw Dam. The water rights decreed at Taylor Draw Dam are diverted through a 96-inch outlet works and penstock that contains the turbine assembly, finally returned to the White River. The RBWCD has several water rights and decrees some of which are leased to the Taylor Draw Hydroelectric Enterprise.

A portion of the above water rights were made absolute in Case Number 95CW059. These specific rights are as follows:

Commented [JG6]: Has the limited storage capacity impacted the water rights or the operation of the hydro.

(1) Rangely Power Conduit in the amount of 620 CFS with an appropriation date of July 3, 1962, for power production in the 2.25-megawatt Taylor Draw Hydroelectric Generating Facility.
(2) Taylor Draw Power Conduit in the amount of 125 CFS with an appropriation date of October 22, 1982, for hydropower generation in said facility.
(3) Taylor Draw Reservoir in the amount of 13,800-acre feet, with an appropriation date of July 3, 1962, for power generation in said facility.
(4) Taylor Draw Reservoir, Second Filling, for 3,550-acre feet for hydroelectric power generation.

Sources, Appropriation Dates, Decree Amounts and Uses:

Commented [JG7]: I need all adjudication dates and court cases.

Name of Structure	Source	Appropriation Date	Decree Amounts	Decreed Uses
Rangely Power Conduit	White River	07/03/1962	620 cfs	Manufacturing, irrigation, domestic, municipal, stockwatering, piscatorial.
Taylor Draw Reservoir 2nd filling	White River	11/20/1980	13,800 acre feet	Manufacturing, irrigation, domestic, municipal, stockwatering, piscatorial.
Taylor Draw Power Conduit	White River	10/22/1982	900 cfs	Hydro-power generation
Taylor Draw Reservoir	White River	07/03/1962	13,800 a.f. trans. Rangely Reservoir	Manufacturing, irrigation, domestic, municipal, stockwatering, piscatorial.

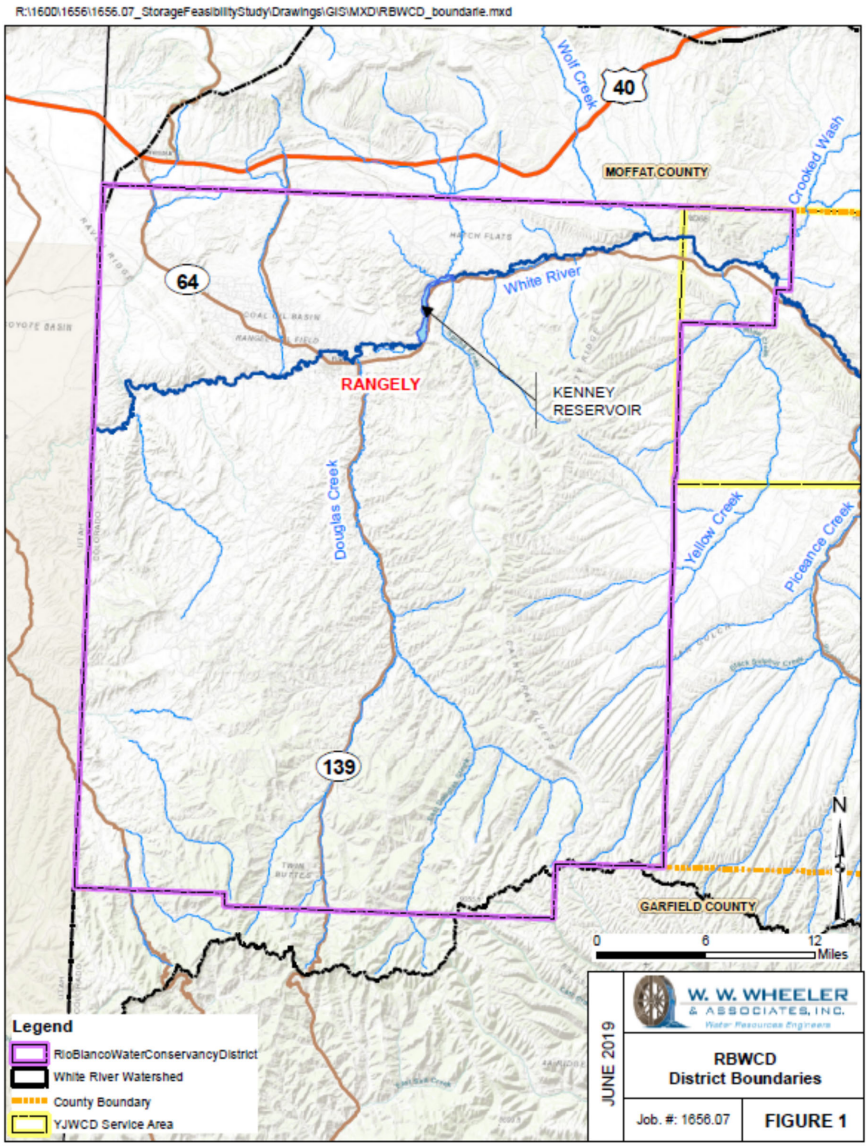
The district has additional water decrees as detailed in Case Number 2014CW3043 Wolf Creek Reservoir and Case Number 2019CW3006 Strawberry Creek Dam and Reservoir.

Case Number 2014CW3043 Wolf Creek Reservoir is a conditional water decree in the amount of 66,720 acre-feet with proposed beneficial use of municipal use (including but not limited to domestic, irrigation, commercial, and industrial uses) for the Town of Rangely, augmentation (to augment depletions through a future blanket augmentation plan for water users within the District Boundaries and within the Yellow Jacket Water Conservancy District boundaries pursuant to leases or exchanges of water under C.R.S. § 37-83-106), mitigation of environmental impacts of the Wolf Creek Reservoir project ("Mitigation"), hydroelectric power generation exercised only in conjunction with releases for other decreed beneficial uses, and in-reservoir uses for recreation, piscatorial, and wildlife habitat.

Case Number 2019CW3006 Strawberry Creek Dam and Reservoir is a conditional water decree. The district has agreed to file and pursue a change of water rights case to move the Strawberry Creek Alternate Point of Diversion (APOD) Rights to the potential site for the Wolf Creek Reservoir as decreed in Case No. 14CW3043 ("Change Case"). Any portions of the Strawberry Creek APOD Rights that are not necessary to allow storage of 66,720 acre-feet of water at the potential site for Wolf Creek Reservoir under the terms of the decree shall be canceled. Uses of the Strawberry Creek APOD Rights under any decree entered in the Change Case shall be limited to the following uses decreed for Wolf Creek Reservoir in Case No. 14CW3043: municipal use (including but not limited to domestic, irrigation, commercial, and industrial uses) for the Town of Rangely, augmentation (to augment depletions through a future blanket augmentation plan for water users within the District Boundaries and within the Yellow Jacket Water Conservancy District boundaries pursuant to leases or exchanges of water under C.R.S. § 37-83-106), mitigation of environmental impacts of the Wolf Creek Reservoir project ("Mitigation"), hydroelectric power generation exercised only in conjunction with releases for other decreed beneficial uses, and in-reservoir uses for recreation, piscatorial, and wildlife habitat. This decree is more senior in priority than the Wolf Creek Reservoir decree.

A summary of district water decrees is found in Appendix D.

Detailed Location Map



Taylor Draw Dam is located on the White River in Rio Blanco County, approximately six miles upstream and east of Rangely, Colorado. Water impounded by Taylor Draw Dam creates Kenney Reservoir.

Project Description and Alternatives

The purpose of this project is to provide a means for the Taylor Draw Hydroelectric Enterprise to continue generating electricity in the most efficient manner while minimizing stream flow variations, reducing the use for fossil fuel produce electricity, and utilize the multipurpose benefits provided by Taylor Draw Dam for the benefit of RBWCD constituents and state of Colorado. Four alternatives were considered:

1. The no-action alternative.
2. **Option A** – Permanently fix (weld) turbine blades, decommission blade control hydraulics, and develop new control program ($250,000).
3. **Option B** – Remove blade control linkages, block blades in place from the interior of the hub, replace seals, decommission blade control hydraulics, develop new control program. ($400,000).
4. **Option C** – Base refurbishment of the turbine assembly, refurbish runner, oil head, and oil supply tube, install new bearing, ($1.5 million).
5. **Option D** – All of Option C and refurbishment of the discharge ring, shaft, and blade control shaft, new bushings, sensors, new hardware, welding, and recoating. ($2.0 million)

Alternative No. 1 – No Action Alternative was considered unacceptable since it means the Hydroelectric enterprise could not reliably generate electricity and does not provide the maximum benefit to district constituents nor others benefiting from hydropower generation.

Alternative No. 2 – Option A was ruled out because the present operation design allows the turbine blades to move (open/close) based upon reservoir elevation and flows maximizing power generation. With the blades locked into a fixed position it reduces efficiency and may generate damaging cavitation. Does not address other worn components elevating project uncertainty on longevity. Some components could be found unusable, requiring additional repairs and unforeseen expenses. This option does not provide the maximum benefit to district constituents nor others benefiting from hydropower generation.

Alternative No. 3 – Option B was ruled out due to similarities to option A.

Alternative No. 4 – Option C & D was selected as a combination of the 2 options because the turbine assembly will be in a like-new condition and assesses existing turbine components for potential reuse. Maximizes equipment's life duration and reliability. Performs a dimensional assessment of turbine components determining what components are reusable and what needs replaced. This alternative more closely aligns with the direction of the district while providing benefit to district constituents and others benefiting from the non-consumptive water use and the conservation that hydropower generation provides the district.

The selected alternative, Alternative No. 4, involves a combination of a refurbishment of the turbine and a complete refurbishment based upon component condition. This involves removal of the entire turbine assembly and reinstallation to manufacture standards. The lead time for this alternative is 3 months for parts acquisition, staff scheduling, and coordination with the manufacturers shop for streamlined servicing. Overall, there is an anticipated 16-week outage depending upon availability of some parts and shop availability.

GE VERNOVA has prepared engineering designs and cost estimates for the project. Conceptual plans as prepared by GE VERNOVA are attached in the back pocket of this study.

Commented [JG8]: Has there been recent communication about lead times with the manufacturers?

Commented [JG9]: Anticipation on how much this will impact revenues?

Commented [JG10]: What % are the designs at?

Commented [JG11]: Is this a subsidiary of GE?

Commented [JG12R11]: Are they also the contractor?

The estimated cost of the completed project is $2,120,025. The cost breakdown is summarized inthe tables and sections below. The full GE VERNOVA Taylor Draw Turbine Refurbishment Report and selected alternative cost estimate is included in Appendix E.

Table 1. Off-site activities: Engineering, Project Management, Procurement, Quality, EHS and Site preparation activities, and shop refurbishment.

Off-site activities: Engineering, Project Management, Procurement, Quality, EHS and Site preparation activities, and shop refurbishment: sections 2.1-2.7 TOTAL excluding taxes *	**$ 873,500.00 USD**

** prices are in USD. They do not include taxes but will be invoiced as per contract and regulatory laws.*

Table 1.2 On-site activities: Site work and Engineering, Project Management remote support.

On-site disassembly activities: Site work, Engineering and Project Management remote support during site work, and travel costs related to the scope of work specifically described in sections 2.1, 2.2, 2.6 and 2.7 TOTAL excluding taxes *	**$ 479,000.00 USD**
On-site reassembly activities: Site work, Engineering and Project Management remote support during site work, and travel costs related to the scope of work specifically described in sections 2.1, 2.2, 2.6 and 2.7 TOTAL excluding taxes *	**$ 416,000.00 USD**

** prices are in USD. They do not include taxes but will be invoiced as per contract and regulatory laws.*

Additional budgetary items outside of the GE VERNOVA Cost estimate:

- Unit stop, dewatering, system shutdown, Lockout tagout, with unit ready for disassembly. This will be provided by district hydroelectric operators.
- Scaffolding support, crane and crane operator. Crane and operator cost estimate is $52,000.
- Site logistics, including, but not limited to: Office and breakroom trailer for the GE VERNOVA crew, porta-potties and wash stations, dumpster and waste management, access to power (120/480V), compressed air and water. District has combined this into one lump sum of $3,000.
- Security for GE VERNOVA tools stored on site. The district has onsight security for storage.
- Unit operation during signature testing and restart. This will be provided by district hydroelectric operators.
- The Bond Council opinion is estimated to cost $25,000.
- An additional 15% contingency has been added.

Implementation Schedule

GE VERNOVA is expected to complete the final refurbishment report by July 2024. Refurbishment Mobilization is anticipated to begin October 2024 and generator recommissioning May 2025. Full schedule details are included in Appendix E.

Permitting

The project has all the necessary permits in place. The district does not foresee any additional permit requirements. The district will provide notice to our Federal Energy Regulatory Commission point of contact and the Colorado Division of Water Resources.

TABOR (Taxpayer's Bill of Rights)

The Taylor Draw Hydroelectric Enterprise is established pursuant to Article X, Section 20 of the Colorado Constitution, and Section 39-45-101 et. Seq., C.R.S. 1973 and can incur multi-year debt. Taylor Draw Hydroelectric Enterprise has no known TABOR issues.

Institutional Considerations

Entities that are, or may be, involved in the design, construction, and financing of the project include:

- Rio Blanco Water Conservancy District -Taylor Draw Hydroelectric Enterprise; financing and construction
- Colorado Water Conservation Board (CWCB); financing
- GE VERNOVA; Engineering, project management, procurement related to the scope of work, and construction. Anticipates a crew of (1) site manager, (5) foreman/millwright and possibly (2) Engineers on site maximum.

The Taylor Draw Hydroelectric Enterprise will be the lead for the financing, design, and construction of the project and will be the entity entering into contracts and agreements with the various parties for the services provided by each.

Financial Analysis

Only one entity will be involved in financing the estimated maximum total project cost of $2,120,025. Taylor Draw Hydroelectric Enterprise is applying for a loan from the CWCB in the maximum amount of $2,120,025. The actual or estimated amounts by entity are given in Table 2.

Table 2. Sources of Funding

Entity	Grant	Loan	Percent Participation
CWCB	$0	$2,125,025	100%
Totals	**$0**	**$2,125,025**	**$2,125,025**

The Taylor Draw Hydroelectric Enterprise will cover any costs that exceed the estimated project cost.

Commented [JG13]: Next week is their board meeting.

Commented [JG14]: Has this been supplied to us?

Commented [JG15]: Reminder that it takes about 6 weeks to execute our contracts.

Commented [JG16]: Do we have bond counsel opinion?

The Taylor Draw Hydroelectric Enterprise is requesting a 30-year loan from the CWCB. The standard hydroelectric lending rate would be 2.0%, resulting in annual payments of $94,882.20. To this would be added $9,488.22 per year for the first 10 years to fund the emergency reserve account, for a total annual cost of $104,370.42. Table 3 is a summary of the financial aspects of the project. This represents produced electricity sold for $0.45 per Kilowatt hour with 11,432,589 kilowatt hours average production annually.

Table 3. Financial Summary

Project Cost	$2,125,025
Loan Amount	$2,125,025
CWCB Loan Payment Amount, including 10% loan reserve (annual)	$1
Average annual kilowatt hours produced (1993 - 2023)	11,432,589
Resale price per kilowatt hour	$0.045
Average annual revenue (1993 - 2023)	$488,803.47

Since all funding for the project is in the form of a loan, the enterprise would have no other debt service on this project. Operation and maintenance costs are expected to decrease and can be accommodated by its existing budget.

The district and MLEA presently have a Power Purchase Agreement (PPA) and Interconnection Agreement that was executed in 2014. This agreement expires August 2024. The present agreement sets a purchase price for the electricity generated at $0.045 per kWh which averaged $488,803 per year in revenue over the last 30 years. The district and MLEA are presently in the process of renegotiating the PPA. The district has budgeted an increase of annual hydropower revenues of $673,440 for 2024. In May 2023, MLEA provided a letter committing to the continued purchasing of all electricity generated by the district supporting the RBWCD Taylor Draw Dam Hydroelectric generation. (Appendix F)

Credit worthiness: Taylor Draw Hydroelectric Enterprise has no existing debt. The Amortization Table shows an annual payment of $104,370.42 per year, including loan reserve, and based upon budgeted annual income is well within acceptable business limits for loan repayment (see Table 5). Table 6 shows the Financial Ratios for theTaylor Draw Hydroelectric Enterprise and indicates average to strong ability to repay with the project in place.

Taylor Draw Hydroelectric Enterprise operates as a government owned business authorized to issue its own revenue bonds and using accounts for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. In this instance the user charges are collected as generated electricity power sales to MLEA. The enterprise has its own savings account and regularly transfers funds to the General Fund to balance the accounts for all expenses incurred by the Taylor Draw Hydroelectric Enterprise.

Commented [JG17]: Reminder that you don't send this to us. It is set aside in a method of your choice.

Commented [JG18]: What is this?

Commented [JG19]: How?

Commented [JG20]: It's expired now?

Commented [JG21]: At what price and for how long?

Commented [JG22]: You have the authority to take on debt?

Table 5. Amortization Table

Amortization Table

The following table is based on the information entered in the calculator form.

Principal Amount: $2,125,025.00
Interest Rate: 2 %
Term: 30 Years
Annual Payment: $94,882.20

Year	Interest	Principal	Balance
2025	$42,500.50	$52,381.70	$2,072,643.30
2026	$41,452.87	$53,429.34	$2,019,213.96
2027	$40,384.28	$54,497.92	$1,964,716.04
2028	$39,294.32	$55,587.88	$1,909,128.16
2029	$38,182.56	$56,699.64	$1,852,428.52
2030	$37,048.57	$57,833.63	$1,794,594.89
2031	$35,891.90	$58,990.30	$1,735,604.59
2032	$34,712.09	$60,170.11	$1,675,434.48
2033	$33,508.69	$61,373.51	$1,614,060.97
2034	$32,281.22	$62,600.98	$1,551,459.99
2035	$31,029.20	$63,853.00	$1,487,606.99
2036	$29,752.14	$65,130.06	$1,422,476.92
2037	$28,449.54	$66,432.66	$1,356,044.26
2038	$27,120.89	$67,761.32	$1,288,282.95
2039	$25,765.66	$69,116.54	$1,219,166.40
2040	$24,383.33	$70,498.87	$1,148,667.53
2041	$22,973.35	$71,908.85	$1,076,758.68
2042	$21,535.17	$73,347.03	$1,003,411.65
2043	$20,068.23	$74,813.97	$928,597.68
2044	$18,571.95	$76,310.25	$852,287.44
2045	$17,045.75	$77,836.45	$774,450.98
2046	$15,489.02	$79,393.18	$695,057.80
2047	$13,901.16	$80,981.05	$614,076.76
2048	$12,281.54	$82,600.67	$531,476.09
2049	$10,629.52	$84,252.68	$447,223.41
2050	$8,944.47	$85,937.73	$361,285.68
2051	$7,225.71	$87,656.49	$273,629.19
2052	$5,472.58	$89,409.62	$184,219.58
2053	$3,684.39	$91,197.81	$93,021.77
2054	$1,860.44	$93,021.77	$0.00

Table 6. Financial Ratios

Financial Ratio	***Without the project***	***With the project***
Operating Ratio (revenue/expense)	64% (weak)	100% (average)
Debit Service Coverage Ratio (revenues-expenses)/debt service	No debt (strong)	16% (strong)
Cash Reserves to Current Expense	196% (strong)	113% (strong)
Annual Cost per Kilowatt Hour Produced	$0.000/kWh (weak)	$0.045/kWh (strong)

Alternative financing considerations*:* Taylor Draw Hydroelectric Enterprise has investigated alternative financing sources. Colorado Water and Power Authority, Federal funding opportunities, and private lenders were assessed and found not favorable.

Commented [JG23]: Curious as to what the differences were.

***Collateral**:* As security for the CWCB loan the Taylor Draw Hydroelectric Enterprise will pledge revenues and fees from the project. The fees will be secured from Rio Blanco's Water Conservancy District's water activity enterprise consisting of members of the district as well as Moon Lake Electric Association. The income will be from power generation and direct sales to Moon Lake Electric Association.

Economic Analysis

The economic benefit of the project is considerable. Taylor Draw Hydroelectric Enterprise provides a 30-year average of 11,432,589 Kilowatt Hours of electricity to Moon Lake Electric Association which also encompasses RBWCD boundaries. The 30-year average financial return equates to $488,803 per year. "Normal Water Year" electricity production is 12,237,518 kilowatt hours. The project has returned $14,958,291 in revenue since put into service (1993-2023). Hydroelectric power generation is one benefit of Taylor Draw Dam and the associated Kenney Reservoir including but not limited to flood control, flatwater recreation, emergency Municipal water supply for the Town of Rangely, releases also used for irrigation, stock watering, and piscatorial. The Taylor Draw Hydroelectric Refurbishment is estimated to cost $2,125,025. The refurbishment is anticipated to provide greater than 30 years of reliable hydroelectric generation.

Commented [JG24]: What happens to MLEA if Taylor Draw doesn't exist?

Commented [JG25]: Learned a new word.

The economic benefits from this non consumptive water project reach far beyond hydropower generation. The Taylor Draw Dam Hydroelectric facility provides a unique opportunity of protection and enhancement for the White River water users, Town of Rangely, agriculture, recreation, water quality improvements, the environment including aiding in the recovery of the threatened and endangered Colorado Pike Minnow and Razor Back Sucker. All of which enhance the economic benefits of hydropower generation providing additional fiscal gains to the district, region, state, and federal government.

Social and Physical Impacts

The project will continue to create positive social and physical impacts since it will assure the continued operation of the existing hydroelectric generation facility. With this the district can support secondary benefits by improving recreational experiences by the improved flows, positive benefits to the river ecology with greater flow consistency, reduced water shortages providing peace-of-mind for water users negatively impacted by lower flows. The overall social and physical impacts to the river will be improved.

Conclusions

1. The Taylor Draw Hydroelectric Enterprise is an enterprise of Rio Blanco Water Conservancy District, a Special District of the State of Colorado with the ability to enter contract with the CWCB for the purpose of obtaining a Construction Fund loan.

2. All easements are in place for this project.

3. The project will provide for the continued renewable hydroelectric power generation for constituents within the RBWCD boundaries including multiple positive secondary benefits the Town of Rangely, State of Colorado, downstream Colorado River System Water Users, and the federal government.

4. The total estimated cost of the project is $2,125,025 and this will be financed. The Taylor

Draw Hydroelectric Enterprise is applying for a loan from the CWCB Water Project Loan Program.

5. Taylor Draw Hydroelectric Enterprise is eligible for a loan from the CWCB Water Project Loan Program because refurbishment of the turbine assembly is viable use of the loan program.

6. The project is technically and financially feasible

Appendix A

Articles of Incorporation, By-Laws,

and Enterprise Resolutions

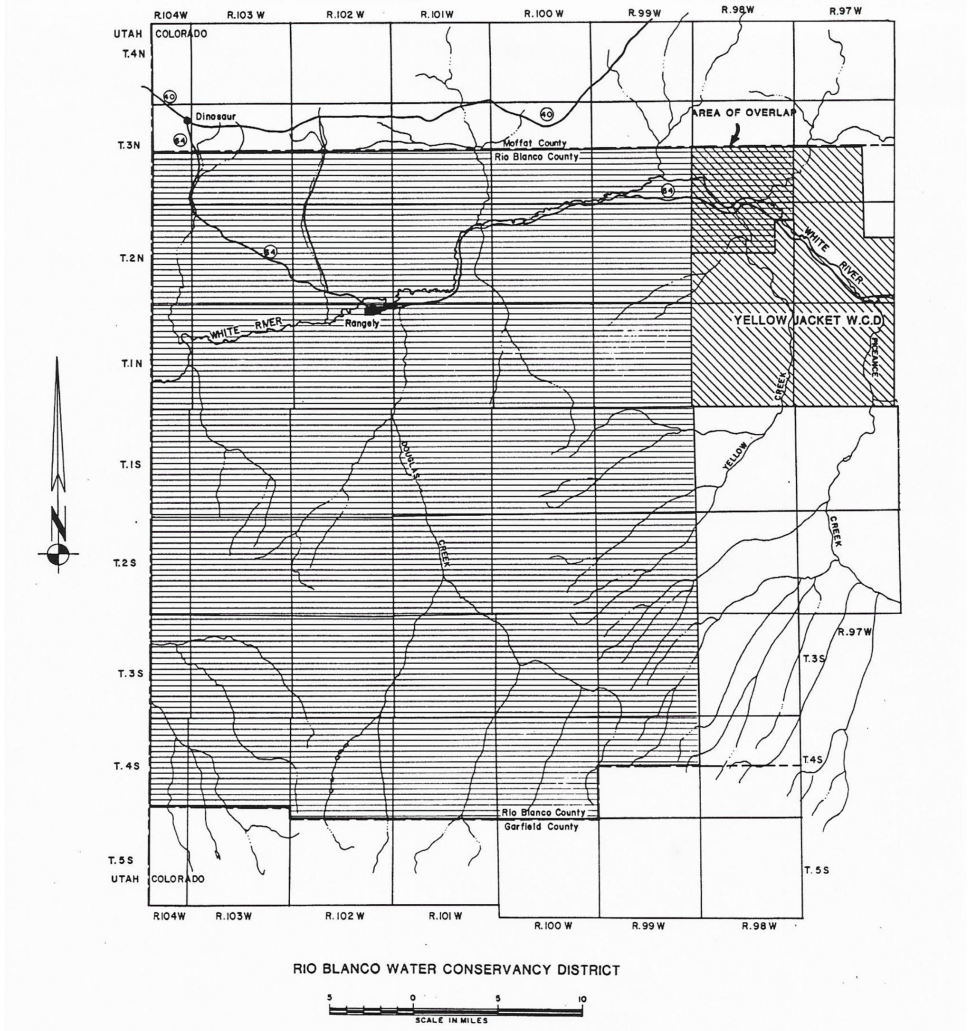
BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

PREAMBLE

The Rio Blanco Water Conservancy District was organized for the purposes of conserving and developing land and water resources for the greatest beneficial use of water within the District's boundaries. The District was organized by decree of the District Court, in and for Rio Blanco County, Colorado, on November 9, 1990, in Civil Case Number 90CV26. The District has broad statutory powers concerning the conservation and utilization of water resources within its boundaries.

BOUNDARIES

Beginning at the point where the Moffat-Rio Blanco County line intersect the Colorado-Utah border in T3N, R104W, 6th P.M., thence east along the Moffat-Rio Blanco County line to the line dividing R98W from R97W, 6th P.M., thence south four miles to the Southeast corner of Section 1, T2N, R98W, 6th P.M., thence west one mile to the Southwest corner of Section 1, T2N, R98W, 6th P.M., thence south to the Southeast corner of Section 14, T2N, R98W, 6th P.M., thence west five miles to the boundary line of R98W and R99W, 6th P.M., thence south on the aforementioned dividing line to its junction with the Rio Blanco-Garfield County Line, thence west following the aforementioned County line to its juncture with the Colorado-Utah border, thence north along the Colorado-Utah border to the point of beginning; see enclosed figure.



RIO BLANCO WATER CONSERVANCY DISTRICT

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SCALE IN MILES

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE I

GOVERNING BODY

A Board of Directors consisting of five (5) members appointed by the District Court sitting in and for Rio Blanco County, Colorado, in accordance with § 37-45-114 C.R.S., 1973 as amended.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE II

BOARD ORGANIZATION – APPOINTMENTS – VACANCIES

The Board of Directors shall annually, during their January meeting, elect one of its members as "Chairman of the Board", and "District President", and shall elect annually at the same time a Vice-President and Secretary-Treasurer of both the Board and the District.

The Secretary-Treasurer shall keep a permanent record of all its proceedings, minutes of all meetings, certificates, contracts, bonds given by employees, and all corporate acts which shall be open for inspection by all owners of real property in the District as well as to other interested parties; and, keep as Treasurer, strict and accurate accounts of all monies received by and disbursed for, and on behalf of the District, in permanent records. The records of the Secretary-Treasurer shall be classified as "Public Records" pursuant to § 24-72-202 (6) C.R.S., 1973 as amended.

Any vacancy on the Board of Directors shall be filled by appointment by the court pursuant to § 37-45-114 (1) (b), as amended. The appointee shall have the same qualifications as any other member of the Board, and shall serve until the end of the present term of the Director he/she replaces.

A vacancy shall be declared if any Director is absent from three (3) consecutive Regularly Scheduled Meetings of the Rio Blanco Water Conservancy District's Board of Directors unless excused by action of the District's Board of Directors as shown by the official minutes as maintained by the District's Secretary.

ADOPTED: September 25, 2013

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE III

GENERAL POWERS OF THE BOARD

The Board of Directors shall have those powers as outlined in §37-45-118 C.R.S., 1973, as amended.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE IV

MEETINGS

Regular Meetings: The Board of Directors meeting shall be held at the Rio Blanco Water Conservancy District's offices in Rangely, Colorado on the last Wednesday of each month beginning at 7:00 p.m..

Special Meetings: Special meeting may be called by the District's President upon notification of at least two (2) board members. Oral notices shall be deemed sufficient to satisfy the notification requirements. Consent to meet by three (3) board members shall constitute a meeting. Any board member may waive notice of a special meeting and his attendance at a called meeting shall constitute waiver of notice. Action may not be taken at any meeting called by oral notification. Action may be taken ONLY at those special meeting called and with written notification posted twenty-four (24) hours previously, together with a listing of business to be discussed. Written notice of Special Meetings shall be addressed or conveyed to the Director's last known Post Office address, or hand delivered to each Director.

Robert's Rules of Order, Revised shall be followed as guide for the conduction of all meetings.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE V

QUORUM

A quorum shall consist of at least three (3) Directors at any given meeting.

VOTING

Unless otherwise provided herein, voting results shall be based upon a simple majority. Votes to enter into "Executive Session" require a two-thirds majority vote. All votes shall be roll call votes.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE VI

DUTIES OF DISTRICT OFFICERS AND DIRECTORS

Chairman/President: The Board's Chairman/President shall preside at all meetings. He/she shall create and appoint individuals to committees as needed. He/she shall be bonded in accordance with §37-45-117 C.R.S., 1973, as amended. He/she shall be empowered to sign checks for the District, and shall perform other duties as required.

Vice Chairman/Vice President: The Board's Vice-Chairman/Vice-President shall assume the duties of the Chairman/President at such times as the Chairman/President is absent. He/she shall become Chairman/President if for any reason the Chairman/President relinquishes his/her position or office. He/she shall be bonded in accordance with §37-45-117 C.R.S., 1973, as amended. He/she shall be empowered to sign checks for the District, and shall perform other duties as required.

Secretary/Treasurer: The Board's Secretary/Treasurer shall be responsible for maintaining the minutes of all meeting of the District and shall be responsible for the custody and disposition of all District funds in accordance with the existing laws of the State of Colorado. The Secretary/Treasurer shall be bonded in accordance with §37-45-117 C.R.S., 1973, as amended. Five (5) signatures shall be registered for each of the District's bank accounts. Only Directors shall be authorized to sign District checks. Two (2) signatures shall be required on all District checks. The Secretary/Treasurer shall turn over all records to his/her successor. The Secretary/Treasurer shall cause an annual audit on the District's funds and this audit will be performed in accordance with Colorado Statutes by a Certified Public Accountant registered in the State of Colorado.

Other Directors: Each Director shall be bonded in accordance with §37-45-117 C.R.S., 1973, as amended. He/she shall be empowered to sign District checks, and shall perform other duties as required.

TERM OF OFFICE

District officers shall serve for a period of one (1) year beginning February 1st, and ending the following January 31st.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE VII

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ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE VIII

COMMITTEES

The President shall, by the Board's Regularly Scheduled March meeting make appointments to the District's "Standing Committees" for the upcoming year and shall name a Chairperson for each.

STANDING COMMITTEES

Executive Committee shall consist of all Directors and will meet as necessary for the review of existing policy and other pertinent matters. The District Manager shall be a non-voting member of this committee.

Finance/Investment Committee shall consist of three (3) Directors and shall meet periodically to review the financial conditions of the District, or to reinvest the District's surplus funds. This committee shall submit its findings and/or actions to the full Board for ratification at the Board's next regularly scheduled meeting following the committee's meeting. The District Manager shall be a non-voting member of this committee.

Salary Committee shall consist of three (3) Directors and shall meet annually, prior to budget preparation, to review the District's overall salary schedule and shall make a recommendation to the Board at their next Regularly Scheduled meeting following the committee's meeting. The District Manager shall be a non-voting member of this committee.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE IX

DISTRICT STAFF

Administration The Board of Directors shall select and employ a competent, experienced District Manager who shall be its direct executive representative in the management of the District. This District Manager shall be given the necessary authority and be held responsible for the administration of the District in all of its activities and subject to such policies as may be adopted, and such orders as may be issued by the Board of Directors. He/she shall act as the "duly authorized representative" of the Board of Directors in all matters in which the Board of Directors, has not formally designated some other person for that specific purpose.

Attorney The Board, shall appoint as "General Counsel" an attorney who shall be a qualified member of the Colorado bar to represent the District is all legal matters and to advise the Board with respect thereto.

Engineer The Board, shall appoint as "District Engineer" an individual or firm who is a licensed professional engineer in the State of Colorado, and who is qualified to advise and represent the Board on technical matters.

Special Counsel and Consulting Engineer The Board, may from time to time hire a special counsel and/or consulting engineer to assist in conducting the District's lawful business. The minimum qualifications for any special counsel or consulting engineer shall be the same as for the District's General Counsel or Engineer.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE X

COMPENSATION FOR DISTRICT OFFICERS AND STAFF

The Board of Directors shall establish by appropriate resolution compensation to be paid to the District's officers and staff.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE XI

DEBTS

No debts shall be contracted against the District except by order of the District's Board of Directors, and in accordance with the Water Conservancy District Act of Colorado, these by-laws, and all other applicable Colorado law.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE XII

RULES AND REGULATIONS

The Board of Directors, shall by appropriate resolution adopt rules and regulations governing the operation of water works and the distribution of water. These Rules and Regulations shall govern the procedures necessary for a water user to make changes in his/her water allotment, relocation, or transfer. These Rules and Regulations shall be printed and made available upon request to both water users and taxpayers.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE XIII

CORPORATE SEAL

The District adopts as its corporate seal the device described as follows:

The word "SEAL" surrounded by the name of the District.

ADOPTED: April 24, 1996

BY-LAWS
RIO BLANCO WATER CONSERVANCY DISTRICT

ARTICLE XIV

AMENDMENT

These by-laws may be amended or revoked at any meeting of the Board of Directors by an affirmative vote of three (3) members present at a meeting, provided a full statement of said proposed amendment shall have been sent by certified mail, return receipt to each board member at least seven (7) days prior to the regular or special meeting at which the amendments are to be considered.

REVISED, AMENDED, AND ADOPTED by action taken by the Board of Directors of the Rio Blanco Water Conservancy District during a Regularly Scheduled Meeting called subject to notice duly given on **April 24, 1996,** with 5 Directors in attendance, by motion duly made, seconded and passed.

John W. Neiberger
President

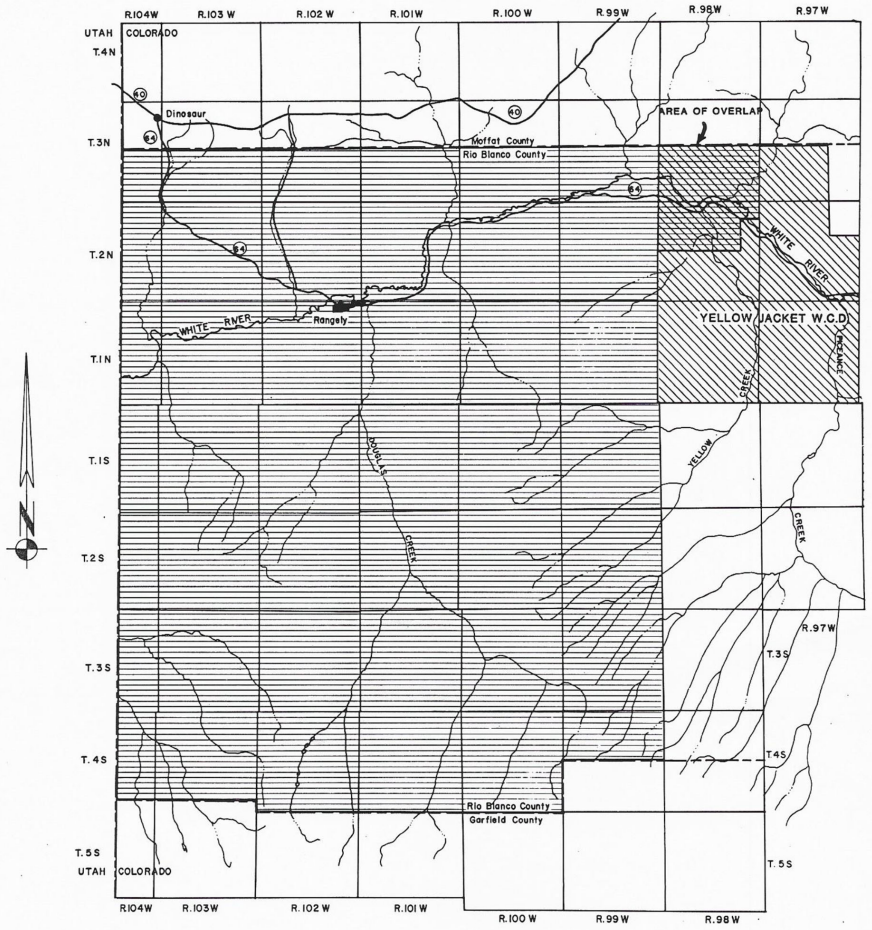
ATTEST

Peggy J. Rector
Secretary

REVIEWED AS TO LEGAL FORM

Russell L. George
General Counsel

ADOPTED: April 24, 1996



RIO BLANCO WATER CONSERVANCY DISTRICT

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SCALE IN MILES

DISTRICT COURT, COUNTY OF RIO BLANCO, STATE OF COLORADO

Case No. 90CV26

ORGANIZATIONAL DECREE

IN THE MATTER OF THE

PETITION FOR THE ORGANIZATION OF THE

RIO BLANCO WATER CONSERVANCY DISTRICT

THIS MATTER coming before the Court upon the PETITION FOR AN ELECTION ON THE ORGANIZATION OF THE RIO BLANCO WATER CONSERVANCY DISTRICT,

THE COURT FINDS AS FOLLOWS:

1. The election ordered by this Court by Order dated September 14, 1990, was held with the general election on November 6, 1990, in conformity with said Order.

2. Subsequent to said election, the canvassing body did promptly certify and transmit to this Court a statement of the result of the vote upon the proposition of the organization of the Rio Blanco Water Conservancy District.

3. The Court has tabulated the results of said election and canvass of the returns and finds that the vote was 621 for the organization and 110 against the organization.

4. The Court finds that a majority of the votes cast in said election are in favor of the organization of the Rio Blanco Water Conservancy District.

5. Population distribution in the area of the new district is such that it is impossible to fairly and equitably draw separate districts for representation by directors.

THEREFORE, THE COURT DECLARES, ORDERS AND DECREES as follows:

1. The Rio Blanco Water Conservancy District is hereby organized.

2. The legal boundaries of the Rio Blanco Water Conservancy District are as set forth on the legal description attached to this Order.

3. The corporate name of the district shall be the Rio Blanco Water Conservancy District.

4. The Rio Blanco Water Conservancy District shall be a political subdivision of the State of Colorado and a body corporate with all the powers of a public or municipal corporation.

5. Within 30 days of this Order, the Clerk of the District Court shall transmit to the Division of Local Government in the Department of Local Affairs and to the Rio Blanco County Clerk and Recorder copies of these Findings and this Decree. The same shall be filed with said Division, and a copy shall also be recorded in the office of the Rio Blanco Clerk and Recorder where it shall become a permanent record.

6. The Rio Blanco Water Conservancy District shall have five (5) directors serving at-large. Appointment of directors shall be made by this Court pursuant to section 37-45-114, C.R.S.

Done this 9th day of November, 1990, in Meeker, Colorado.

BY THE COURT:

Gavin D. Litwiller

District Judge

DISTRICT COURT OF
RIO BLANCO COUNTY, COLORADO
Certified to be a full, true and correct copy
of the original in my custody.
Dated: 11-9-90

Clerk/Deputy

DISTRICT COURT, COUNTY OF RIO BLANCO, STATE OF COLORADO

Case No. 90CV26

ORDER FOR APPOINTMENT OF DIRECTORS

IN THE MATTER OF THE

PETITION FOR THE ORGANIZATION OF THE

RIO BLANCO WATER CONSERVANCY DISTRICT

THIS MATTER coming before the Court upon the Motion for Appointment of Directors pursuant to Section 37-45-114, C.R.S.;

THE COURT FINDS that the statutory conditions precedent to granting the relief requested in said Motion have been met, and that the Motion is in proper form, and that the relief requested therein should be granted.

THEREFORE, THE COURT DECLARES, ORDERS AND DECREES as follows:

1. The following residents of the Rio Blanco Water Conservancy District are hereby appointed as the Board of Directors of the Rio Blanco Water Conservancy District:

a. Director A: Peggy J. Rector, 259 Crest, Rangely, Colorado 81648;

b. Director B: Phil Smith, 756 W. Main St., Rangely, Colorado 81648;

c. Director C: Mace Cox, 31359 Highway 64, Rangely, Colorado 81648;

d. Director D: Norman Klements, 119 South Street, Rangely, Colorado 81648; and

e. Director E: Keith Poole, 210 Ridge Road, Rangely, Colorado 81648.

2. Further, the Court hereby orders that the initial terms of all of the above directors shall be for two years, to expire on the date of the general election in November, 1992. Thereafter, the terms shall be as follows:

a. Director A: Until the general election in November, 1994; thereafter, the term shall be for four years;

b. Director B: Until the general election in November, 1994; thereafter, the term shall be for four years;

c. Director C: Until the general election in November, 1996; thereafter, the term shall be for four years;

d. Director D: Until the general election in November, 1996; thereafter, the term shall be for four years; and

e. Director E: Until the general election in November, 1998; thereafter, the term shall be for four years.

3. Further, the Court hereby orders that directors shall be appointed by the Court pursuant to said Section 37-45-114, C.R.S, until and unless the procedures for election of directors set forth in Section 37-45-114(2), C.R.S. have been complied with.

4. Further, the Court hereby orders that all directors shall be deemed to be at-large directors. The further qualifications for directors shall be as set forth in Section 37-45-114, C.R.S., to wit:

> Each director shall be a resident of the Rio Blanco Water Conservancy District, shall own real property within said district, and shall have a background reflecting the agricultural, municipal, industrial and other interests in the beneficial use of water within the District and shall be knowledgeable in water matters.

5. Further, the Court hereby orders that the above persons, and their successors, may assume their duties as directors immediately upon appointment by the Court (or election, as the case may be in the future) and at such time as each takes and subscribes to an oath as required by Section 37-45-115, C.R.S., and files same with the Clerk of this Court.

Done this 9th day of November, 1990, in open Court in Meeker, Colorado.

BY THE COURT:

Gavin D. Litwiller

GAVIN D. LITWILLER
District Judge

DISTRICT COURT OF
BLANCO, COUNTY, COLORADO
I do to be a full, true and correct copy
of original in my custody.
11-9-90
Clerk/Deputy

BOARD OF DIRECTORS
RESOLUTION 93-07

A RESOLUTION OF THE RIO BLANCO WATER CONSERVANCY DISTRICT'S BOARD OF DIRECTORS CREATING THE TAYLOR DRAW HYDROELECTRIC ENTERPRISE.

WHEREAS, the Rio Blanco Water Conservancy District is the owner, operator and Federal Energy Regulatory Commission licensee of the Taylor Draw Hydroelectric Project; and,

WHEREAS, the Taylor Draw Hydroelectric Project is located within, and the Rio Blanco Water Conservancy District is organized under the laws of the State of Colorado; and,

WHEREAS, Article X, Section 20 of Colorado's Constitution provides for the creation by public entities of various "enterprises"; and,

WHEREAS, Section 37-45-101 et seq. C.R.S. 1973 as amended, also provides for the creation by public entities of various "enterprises."

NOW THEREFORE BE IT RESOLVED BY action taken by the Board of Directors of the Rio Blanco Water Conservancy District, Colorado, during the Regularly Scheduled Meeting called subject to notice duly given, on the **28th** day of **September 1993**, with **3** Directors is attendance, by motion duly made, seconded and passed:

1. Authorizing the creation of the Taylor Draw Hydroelectric Enterprise pursuant to Article X, Section 20 of Colorado's Constitution, and Section 39-45-101 et. seq., C.R.S. 1973 as amended.

2. Establishing that the Board of Directors of the Rio Blanco Water Conservancy District shall be the Board of Directors of the Taylor Draw Hydroelectric Enterprise.

3. Establishing that the Officers and Staff of the Rio Blanco Water Conservancy District shall be the Officers and Staff of the Taylor Draw Hydroelectric Enterprise.

4. In consideration for the sum of ten dollars ($10) per annum leasing the District's Taylor Draw Power Flow Water Right to the Enterprise for so long as said Enterprise exists.

5. Authorizing Enterprise use of the District's Federal Energy Regulatory Commission (FERC) License #8914-CO for so long as said Enterprise exists. Enterprise use of this FERC License is subject to all present and future conditions placed upon said license by the FERC, its officers and staff. Legal responsibility for compliance with all of FERC 'S Rules and Regulations remains exclusively with the Rio Blanco Water Conservancy District.

SIGNED, the 4th day of October, 1993.

Norman J. Klements
President

ATTEST:

for Bernie Rice V.P.
Peggy J. Rector
Secretary

REVIEWED AS TO LEGAL FORM:

Russell L. George
General Counsel

BOARD OF DIRECTORS
RESOLUTION NO. 93-02

A RESOLUTION OF THE RIO BLANCO WATER CONSERVANCY DISTRICT'S BOARD OF DIRECTORS AUTHORIZING THE ESTABLISHMENT OF A HYDROELECTRIC MONEY FUND.

WHEREAS, Rio Blanco Water Conservancy District will annually receive revenue from the Taylor Draw Hydroelectric Facility; and,

WHEREAS, the Trust Indenture by and between the District and the Bank of Cherry Creek, N.A. dated March 1, 1992, specifies the manner in which all monies generated by the Taylor Draw Hydroelectric Facility are to be spent.

NOW THEREFORE, BE IT RESOLVED BY action taken by the Board of Directors of the Rio Blanco Water Conservancy District, Colorado, during a Regularly Scheduled meeting called subject to notice duly given, on the 26th day of January 1993, with **4** Directors in attendance, by motion duly made, seconded and passed that:

1. There shall be established at a local bank a Rio Blanco Water Conservancy District Hydroelectric Money Fund; and,

2. All monies generated by the Taylor Draw Hydroelectric Project shall be deposited into this money fund so long as the Indenture Agreement with the Bank of Cherry Creek, N.A. remains in effect.

3. That all monies deposited into said hydroelectric money Fund shall be disbursed in strict accordance with said Indenture Agreement.

SIGNED, this 2-23 day of February, 1993

Norman J. Klements
President

ATTEST:

Peggy J. Rector
Secretary/Treasurer

REVIEWED AS TO LEGAL FORM:

Russell L. George
General Counsel

Appendix B

WATER DECREES

DISTRICT COURT, WATER DIVISION NO. 6, STATE OF COLORADO 1955 Shield Drive, Unit 200 Steamboat Springs, CO 80487 (970) 879-5020 *telephone*	DATE FILED: October 8, 2018 10:41 AM CASE NUMBER: 2016CW3034
CONCERNING THE APPLICATION FOR WATER RIGHTS OF **RIO BLANCO WATER CONSERVANCY DISTRICT** **In the Colorado River or its Tributaries** **In Rio Blanco County, Colorado**	**▲ COURT USE ONLY ▲** Case Number: 2016CW3034 (08CW140)
FINDINGS OF FACT, RULING OF REFEREE AND DECREE OF COURT	

The above-entitled Application was originally filed on October 31, 2016 (referred to herein as the "Application"). This matter was referred to the undersigned as Water Referee for Water Division No. 6, State of Colorado, by the Water Judge of said Court in accordance with Article 92 of Chapter 37, C.R.S. 1973, known as The Water Right Determination and Administration Act of 1969.

The undersigned Referee, having made such investigations as are necessary to determine whether the statements in the Application are true, and having become fully advised with respect to the subject matter of the Application, does hereby make the following determination and Ruling as the Referee in this matter, to-wit:

FINDINGS OF FACT

1. The statements in the Application are true.

2. Name and Address of Applicant:

   Rio Blanco Water Conservancy District ("RBWCD")
   c/o Alden Vanden Brink, District Manager
   2252 E. Main Street
   Rangely, CO 81648

c/o Edward B. Olszewski, Esq.
Olszewski, Massih & Maurer P.C.
P.O. Box 916
Glenwood Springs, CO 81602

3. Neither the subject water rights nor their sources are located within a designated ground water basin.

4. Timely and adequate notice of the filing of this Application was given as required by law. No statements of Opposition were filed and the time for filing Statements of Opposition has expired.

5. The Division Engineer issued a Summary of Consultation Report in this matter on March 12, 2017. *See* C.R.S. § 37-92-302(4). The referee has considered the Summary of Consultation.

CLAIM FOR FINDING OF REASONABLE DILIGENCE

6. Names of structures: Rangely Power Conduit, Taylor Draw Reservoir 2nd Filling, Taylor Draw Power Conduit and Taylor Draw Reservoir.

7. Describe conditional water rights from previous decrees:

A. Original Decrees, Case Nos., Courts and Locations:

Name of Structure	Original Decree	Case No.	Court	Location
Rangely Power Conduit	11/21/1966	CA1269	Rio Blanco	NE Cor., Sec. 22, T.2N., R. 101 W. Bears N. 62 degrees 44'E. 513 feet.
Taylor Draw Reservoir 2nd filling	05/28/1982	82CW022	Water Div. 5	Whence the witness Cor. to SE Cor. Sec. 27, T. 2 N., R. 101W., bears S. 63 degrees 37'E. a distance of 1,065 feet. Said Witness Cor. is located 353.1 feet S. of SE Cor. Sec. 27.
Taylor Draw Power Conduit	07/05/1985	82CW383	Water Div.5	Whence the Witness Cor. For the SE Cor. Sec. 27, T. 2 N., R. 101 W. Bears S. 58 degrees 20'17" E. 1,470.31 feet.
Taylor Draw Reservoir	06/24/1982	81CW144	Water Div. 5	Whence the Witness Cor. to SE Cor. Sec. 27, T. 2 N., R. 101W. bears S. 63 degrees 37' E. a distance of 1065 feet.

B. Subsequent decree awarding findings of diligence:

Case No. 02CW7, decreed on December 2, 2002.
Case No. 08CW140, decreed on October 11, 2010.

C. Sources, Appropriation Dates, Decree Amounts and Uses:

Name of Structure	Source	Appropriation Date	Decree Amounts	Decreed Uses
Rangely Power Conduit	White River	07/03/1962	620 cfs	Manufacturing, irrigation, domestic, municipal, stockwatering, piscatorial.
Taylor Draw Reservoir 2nd filling	White River	11/20/1980	13,800 acre feet	Manufacturing, irrigation, domestic, municipal, stockwatering, piscatorial.
Taylor Draw Power Conduit	White River	10/22/1982	900 cfs	Hydro-power generation
Taylor Draw Reservoir	White River	07/03/1962	13,800 a.f. trans. Rangely Reservoir	Manufacturing, irrigation, domestic, municipal, stockwatering, piscatorial.

D. Remarks:

A portion of the above water rights were made absolute in Case No. 95CW059. These specific rights are as follows:

(1) Rangely Power Conduit in the amount of 620 cfs with an appropriation date of July 3, 1962, for power production in the 2-megawatt Taylor Draw Hydroelectric Generating Facility;
(2) Taylor Draw Power Conduit in the amount of 125 cfs with an appropriation date of October 22, 1982, for hydropower generation in said facility;
(3) Taylor Draw Reservoir in the amount of 13,800 acre feet, with an appropriation date of July 3, 1962, for power generation in said facility; and
(4) Taylor Draw Reservoir, Second Filling, for 3,550 acre feet for hydroelectric power generation.

E. The Application contains a detailed description of diligence activities and the court finds that the Applicant has diligently developed the conditional water rights referenced herein.

8. The following water rights and uses are sought to be continued as conditional water rights:

A. Rangely Power Conduit in the amount of 620 cfs with an appropriation date of July 3, 1962, for the conditional uses of manufacturing, irrigation, domestic, municipal, stockwatering, and piscatorial.

B. Taylor Draw Power Conduit in the amount of 775 cfs with an appropriation date of October 22, 1982, for the conditional use of hydropower generation;

C. Taylor Draw Reservoir in the amount of 13,800 acre feet, with an appropriation date of July 3, 1962, for the conditional uses of manufacturing, irrigation, domestic, municipal, stockwatering, piscatorial, and other.; and

D. Taylor Draw Reservoir, Second Filling, for 13,800 acre feet for the conditional uses of manufacturing, irrigation, domestic, municipal, stockwatering, and piscatorial, 10,250 acre feet of which remain conditional for hydroelectric power generation.

9. The decreed location for the Rangely Power Conduit was changed in Case No. 82CW384. The decreed point of diversion is now at the Taylor Draw Power Point Conduit as referenced above.

10. Applicant continues to develop its conditional water rights and requests the Court find the Applicant has been reasonably diligent in the development of its conditional water rights.

CONCLUSIONS OF LAW

11. The foregoing Findings of Fact are fully incorporated herein.

12. Notice of the Application was properly given. The Court has jurisdiction over the Applicant and over all persons or entities who had standing to appear, even though they did not do so.

13. The Application is complete, covering all applicable matters required pursuant to the Water Right Determination and Administration Act of 1969, C.R.S. §§ 37-92-101 through -602.

14. In compliance with C.R.S. 37-92-102(3), neither the Rangely Power Conduit water right or the Taylor Draw Reservoir storage right shall be used or released for instream piscatorial use absent

an agreement with the CWCB for instream flow use or other legal arrangement with an entity holding legal authority for this type of beneficial use.

15. The subject Application is in accordance with Colorado law. Applicant fulfilled all legal requirements for entry of a decree in this case.

RULING OF THE REFEREE AND DECREE OF COURT

16. The foregoing Findings of Fact and Conclusions of Law are incorporated herein by this reference.

17. The Applicant has been diligent in the development of the conditional water right described above.

18. The applicant shall install and maintain at the applicant's expense, adequate meters, gauges, or other measuring devices as the State and Division Engineer may require. In addition, upon request by the Division Engineer, the Applicant shall provide the Division Engineer with copies of all records and accounts and other such information requested by the Division Engineer as will allow for the administration of these water rights.

19. Applicant during the next diligence period shall prepare a "Water Supply Plan" for the conditional water rights described above. The Water Supply Plan, at a minimum, should: a) Identify a reasonable water supply planning period; b) Identify whether and how the conditional water rights can be developed at their current or an alternative location; c) Analyze the amount of water reasonably necessary to serve its reasonably anticipated needs; d) Evaluate whether any portion of the conditional water right will not be needed or usable; e) Analyze the amount of water physically and legally available at the decreed points of diversion; f) Analyze the Applicant's ability to obtain the necessary permitting and access to perfect the water rights; and g) Provide an estimate of the cost of construction of the water rights and Applicant's ability to finance such cost.

20. Applicant agrees that Neither the Rangely Power Conduit water right or the Taylor Draw Reservoir storage right shall be used or released for instream piscatorial use absent an agreement with the CWCB for instream flow use or other legal arrangement with an entity holding legal authority for this type of beneficial use.

21. Should the Applicant desire to maintain the remaining conditional water rights confirmed herein, an Application for Finding of Reasonable Diligence shall be filed by no later than **October 31, 2024**, unless a determination has been made that such conditional rights have been made absolute by reason of the completion of the appropriation, or is otherwise disposed of.

22. Pursuant to Rule 9 of the Uniform Local Rules for All State Water Court Divisions, upon the sale or other transfer of the conditional water rights decreed herein, the transferee shall file with the Division 6 Water Court a notice of transfer which shall state:

a. The title and case number of this Case No. 2016CW3034;

b. The description of the conditional water right transferred;

c. The name of the transferor;

d. The name and mailing address of the transferee; and

e. A copy of the recorded deed.

The owner of said conditional water rights shall also notify the Clerk of the Division 6 Water Court of any change in mailing address. The Clerk shall place any notice of transfer or change of address in the case file of this Case No. 2016CW3034 and in the case file (if any) in which the Court first made a finding of reasonable diligence.

It is accordingly ordered that this Ruling of Referee and Judgment and Decree shall be filed with the Water Clerk and shall become effective upon such filing, subject to judicial review pursuant to C.R.S. § 37-92-304, as amended.

It is further ordered that a copy of this ruling of Referee and judgment and decree shall be filed with the State Engineer and the Division Engineer for Water Division No. 6.

DATED this 23rd day of August, 2018.

BY THE REFEREE:

/s/ Daniel R. Birch
Water Referee
Water Division No. 6, State of Colorado

JUDGMENT AND DECREE

No protest was filed in this matter, and accordingly, the foregoing Ruling is confirmed and approved, and is made the Judgment and Decree of this Court. Should the Applicant desire to maintain the conditional water rights decreed herein, an application for finding of reasonable diligence shall be filed by **October 31, 2024,** unless a determination has been made prior to that time that such conditional water rights have been made absolute by reason of completion of the appropriations.

DATED this 8th day of October, 2018.

BY THE WATER COURT:

Michael A. O'Hara, III, Water Judge
Water Division No. 6, State of Colorado

DISTRICT COURT, WATER DIVISION NO. 6, STATE OF COLORADO Routt County Justice Center 1955 Shield Drive, Unit 200 Steamboat Springs, CO 80487 (970) 879-5020 *telephone*	DATE FILED: January 7, 2021 6:04 PM CASE NUMBER: 2014CW3043
CONCERNING THE APPLICATION FOR WATER RIGHTS OF **The RIO BLANCO WATER CONSERVANCY DISTRICT, a Colorado Water Conservancy District** **In the White River or its Tributaries** **In RIO BLANCO COUNTY, COLORADO**	**▲ COURT USE ONLY ▲** Case Number: 2014CW3043
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND JUDGMENT AND DECREE OF THE WATER COURT	

The above-entitled Application was filed on December 29, 2014 (referred to herein as the "Application"). This matter was referred to the Water Referee on December 30, 2014 for Water Division No. 6, State of Colorado, by the Water Judge of said Court in accordance with Article 92 of Chapter 37, C.R.S. 1973, known as The Water Right Determination and Administration Act of 1969. On December 4, 2015, the Water Referee at his discretion re-referred the matter back to the Water Judge, however, the Water Judge acted as the Referee until October 9, 2019, when the at issue date was set and the matter was put on a trial track.

The Court, having reviewed the files, and having become fully advised with respect to the subject matter of the Application, does hereby make the following determinations in this matter, to-wit:

FINDINGS OF FACT

1. The statements in the Application are true.

2. Name and Address of Applicant:

   Rio Blanco Water Conservancy District
   c/o Alden Vanden Brink, Manager
   2252 East Main Street
   Rangely, Colorado 81648
   E-mail: rbwcd@yahoo.com
   (970) 675-5055

3. Neither the subject water rights nor their sources are located within a designated ground water basin.

4. Timely and adequate notice of the filing of this Application was given as required by law.

5. Statements of Opposition were filed by John W. Savage aka John W. Savage, Jr., Joan L. Savage, Roy E. Savage, Marshall T. Savage and Daniel W. Savage (Savage) on February 9, 2015; Exxon Mobil Corporation (Exxon) on February 25, 2015; United States of America, Department of the Interior, Bureau of Land Management, White River Field Office (BLM) on February 26, 2015; TerraCarta Energy Resources, LLC (TerraCarta) on February 27, 2015 and Oscar S. Wyatt, Jr. (Wyatt) on February 27, 2015. 4 M Ranch, LLC (4MRanch) gave Notice Regarding Name Change of Named Opposer from Wyatt to 4MRanch on April 13, 2016. 4MRanch was substituted as a party for Savage on November 5, 2019. The Colorado Water Conservation Board (CWCB) intervened in the case and the court entered an order approving its intervention on July 13, 2015. The Colorado State Engineer and the Division 6 Engineer (Engineers) intervened in this case and the court entered an order approving their intervention on February 12, 2020. The time for filing Statements of Opposition has expired.

6. Stipulations have been filed and orders approving those Stipulations have been entered by the Court as follows:

a. Savage March 14, 2016; Order approving same March 20, 2016 (Savage Stipulation). 4MRanch is bound by the Savage Stipulation.
b. BLM August 26, 2016; Order approving same August 27, 2016.
c. CWCB March 6, 2017; Order approving same March 13, 2017.
d. TerraCarta June 27, 2018; Order approving same June 28, 2018.
e. Exxon November 25, 2019; Order approving same November 29, 2019; Amended Stipulation July 7, 2020; Order approving same July 8, 2020.
f. 4M withdrew its Statement of Opposition on July 6, 2020.
g. Engineers January 5, 2021; Order approving same on January 7, 2021.

7. The Division Engineer issued the Summary of Consultation Report in this matter on March 17, 2015, an Additional Written Report on October 4, 2018 and a Second Additional Report on August 2, 2019. *See* C.R.S. § 37-92-302(4). The Water Judge has considered the Summary of Consultation and the two Additional Reports and those issues have been addressed to the satisfaction of the Division Engineer in this Decree.

CLAIM FOR WATER STORAGE RIGHT

8. Name of structure: Wolf Creek Reservoir

9. Legal description for alternative places of storage:

Wolf Creek Off-Channel Dam and Reservoir: The left abutment (looking downstream) of the Wolf Creek Off-Channel Dam is located in the NW¼ of the SW¼ of Section 23, Township 3N., Range 99 W. of the 6th P.M., at a point 1,007 feet east of the west section line of Section 23 and 1,450 feet north of the south section line of Section 23, in Rio Blanco County, Colorado. Maps showing the location of the Wolf Creek Off-Channel Reservoir are attached as Figures 1 and 2.

Wolf Creek Mainstem Dam and Reservoir: The left abutment (looking downstream) of the Wolf Creek Mainstem Dam is located in the SW¼ of the NW¼ of Section 34, Township 3N., Range 99 W. of the 6th P.M., at a point 390 feet east of the west section line of Section 34 and 3,730 feet north of the south section line of Section 34, in Rio Blanco County, Colorado. Maps showing the location of the Wolf Creek Mainstem Dam and Reservoir are attached as Figures 3 and 4.

10. Sources:

Wolf Creek Off-Channel Dam and Reservoir:

a. White River, diverting up to 400 cfs at the Wolf Creek Reservoir Pump and Pipeline located in the NE¼ of the SE¼ of Section 27, Township 3 N., Range 99 W. 6th P.M., 480 feet west of the east section line of Section 27 and 2,620 feet north of the south section line of Section 27, in Rio Blanco County, Colorado. A map showing the location of the Wolf Creek Reservoir Pump and Pipeline is attached as Figure 1.

b. Natural inflow from Divide Creek, Wolf Creek, Middle Fork Wolf Creek, East Fork Wolf Creek, and Coal Creek, all tributary to the White River.

Wolf Creek Mainstem Dam and Reservoir: White River

11. Date of appropriation: March 31, 2013.

a. How appropriation was initiated: formation of requisite intent to appropriate water coupled with actions manifesting such intent, including but not limited to public discussions and meetings, numerous engineering, planning and feasibility studies, site visits, field surveying, land acquisition, pre-permitting activities, and formal District action to adjudicate water rights.

b. Date water applied to beneficial use: N/A.

12. Amount claimed: 66,720 acre-feet, conditional. Only one of the two alternative places of storage will be utilized and upon making the water right at one location absolute, the alternative place of storage shall be cancelled.

13. Use or Proposed Use: municipal use (including but not limited to domestic, irrigation, commercial, and industrial uses) for the Town of Rangely, augmentation (to augment depletions through a future blanket augmentation plan for water users within the District Boundaries and within the Yellow Jacket Water Conservancy District boundaries pursuant to leases or exchanges of water under C.R.S. § 37-83-106), mitigation of environmental impacts of the Wolf Creek Reservoir project ("Mitigation"), hydroelectric power generation exercised only in conjunction with releases for other decreed beneficial uses, and in-reservoir uses for recreation, piscatorial, and wildlife habitat.

14. Dam and Reservoir Information:

Wolf Creek Off-Channel Dam and Reservoir:

a. Surface area of high water line: 2,025 acres

b. Vertical height of dam in feet: 110 feet.

c. Length of dam in feet: 3,800 feet.

d. Total capacity of reservoir in acre-feet: 66,720

e. Active capacity: 66,720 acre-feet Dead storage: None

Wolf Creek Mainstem Dam and Reservoir:

a. Surface area of high water line: 2,257 acres

b. Vertical height of dam in feet: 127 feet.

c. Length of dam in feet: 2500 feet.

d. Total capacity of reservoir in acre-feet: 66,720 acre-feet

e. Active capacity: 66,720 acre-feet Dead storage: None

Remarks: Applicant will not construct both reservoirs. Applicant's preferred alternative is the Wolf Creek Off-Channel Dam and Reservoir.

STIPULATED TERMS AND CONDITIONS

15. The following stipulated terms and conditions are incorporated herein:

a. That the use of stored water by exchange upstream of the outlet works for the reservoir, including augmentation use wherein upstream out-of-priority depletions are replaced with downstream reservoir water, shall be made only after resume notice and a new water court application that includes this augmentation source has been decreed or substitute water supply plan approved by the State and Division Engineer's Office pending a final decree. In the event an administrative exchange is sought by Applicant, Applicant shall give CWCB prior notice of such request for administrative exchange with sufficient time, if possible, for opportunity for the CWCB to propose protective terms and conditions if the exchanges extend through any instream flow reach. Notice shall be via e-mail to the Stream and Lake Protection Section of the CWCB, dnr_cwcbisf@state.co.us, but if this email address is unavailable or email is otherwise ineffective notice shall be sent via

Certified U.S. Mail to: CWCB, Section Chief, Stream and Lake Protection Section, 1313 Sherman Street, Room 719, Denver CO 80203.

b. In the event the Applicant applies for and is successful in moving any of its existing or acquired water storage rights to either the Wolf Creek Off-Channel Dam and Reservoir or Wolf Creek Mainstem Reservoir Dam and Reservoir, all or a portion of the subject water right decreed herein in the amount and for the uses so moved shall be cancelled, thereby reducing the total amount decreed for the subject water right. However, notwithstanding the forgoing, Applicant may maintain that portion of the water right decreed herein for which Applicant has no similar water uses available from other water rights.

   i. In the event all other decreed uses for the subject water right are cancelled under this paragraph 15.b except Mitigation, all amounts of the subject water right shall also be cancelled except for that amount of water determined in the future to be necessary for Mitigation.

   ii. Similarly, in the event the municipal and augmentation uses for the subject water right are cancelled under this paragraph 15.b, the only remaining decreed use for which water may specifically be released from the reservoir is Mitigation. Thus, in this event, the annual amount of water that may be released from the reservoir under the subject water right shall be limited to the amount of water determined in the future to be necessary for Mitigation in approvals for the project.

c. Pursuant to the January 5, 2021 stipulation between the Applicant and the Engineers, the terms of which are fully incorporated by this reference, the following shall apply to the subject water right decreed herein:

   i. Annual releases from the reservoir under the subject water right shall be limited to 7,000 acre-feet for municipal and augmentation uses and 20,720 acre-feet for Mitigation, as those uses are described in paragraph 13, above.

   ii. Up to 20,720 acre-feet of the total decreed amount of 66,720 acre-feet may be used for Mitigation. Water released for Mitigation shall be limited to the amount of water as may be determined in the future to be necessary for that purpose in approvals for the project. Once that determination has been made, the difference between the 20,720 acre-foot amount and the amount determined to be necessary for Mitigation shall be cancelled, thereby reducing the total amount decreed for the subject water right as well as the amount that may be released for Mitigation by that cancelled amount.

CONCLUSIONS OF LAW

16. The foregoing Findings of Fact are fully incorporated herein.

17. Notice of the Application was properly given. The Court has jurisdiction over the Applicant and over all persons or entities who had standing to appear, even though they did not do so.

18. The Application is complete, covering all applicable matters required pursuant to the Water Right Determination and Administration Act of 1969, C.R.S. §§ 37-92-101 through -602.

19. Pursuant to C.R.S. § 37-45-118(1)(j), Applicant shall use the water rights claimed herein within its district boundaries, as those boundaries currently exist or may be expanded by inclusion of additional lands pursuant to C.R.S. § 37-45-136. Applicant may also provide water to other areas pursuant to intergovernmental agreement as authorized by C.R.S. § 29-1-203 and C.R.S. § 37-83-106.

20. The subject Application is in accordance with Colorado law. Applicant has fulfilled all legal requirements for entry of a decree in this case.

JUDGMENT AND DECREE OF COURT

21. The foregoing Findings of Fact and Conclusions of Law are incorporated herein by this reference.

22. The Applicant is hereby granted the conditional water rights claimed herein.

23. Should the Applicant desire to maintain the conditional water rights confirmed herein, an Application for Finding of Reasonable Diligence shall be filed by January 31, 2027, unless a determination has been made that such conditional rights have been made absolute by reason of the completion of the appropriation, or is otherwise disposed of.

24. Pursuant to Rule 9 of the Uniform Local Rules for All State Water Court Divisions, upon the sale or other transfer of the conditional water rights decreed herein, the transferee shall file with the Division 6 Water Court a notice of transfer which shall state:

a. The title and case number of this Case No. 2014CW3043;

b. The description of the conditional water right transferred;

c. The name of the transferor;

d. The name and mailing address of the transferee; and

e. A copy of the recorded deed.

The owner of said conditional water rights shall also notify the Clerk of the Division 6 Water Court of any change in mailing address. The Clerk shall place any notice of transfer or

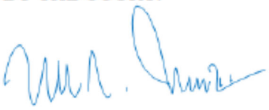
change of address in the case file of this Case No. 2014CW3043 and in the case file (if any) in which the Court first made a finding of reasonable diligence.

It is accordingly ordered that this Judgment and Decree shall be filed with the Water Clerk and shall become effective upon such filing, subject to judicial review pursuant to C.R.S. § 37-92-304, as amended.

It is further ordered that a copy of this Judgment and Decree shall be filed with the State Engineer and the Division Engineer for Water Division No. 6.

DATED this 7th day of January, 2021.

BY THE COURT:



Michael A. O'Hara, III, Water Judge
Water Division 6, State of Colorado

DISTRICT COURT, WATER DIVISION NO. 6, STATE OF COLORADO Routt County Justice Center 1955 Shield Drive, Unit 200 Steamboat Springs, CO 80487 (970) 879-5020 *telephone*	DATE FILED: July 27, 2022 1:59 PM CASE NUMBER: 2019CW3006
CONCERNING THE APPLICATION FOR WATER RIGHTS OF **RIO BLANCO WATER CONSERVANCY DISTRICT** **In the Colorado River or its Tributaries** **In Eagle County, Colorado**	▲ COURT USE ONLY ▲ Case Number: 2019CW3006 (11CW8 [Div. 6], 03CW41, 95CW52, 88CW85, 84CW70, 80CW94, W-2137, W-3854, W-2140, W-2139, W-2137 and C.A. 1296 [all in Div. 5]) Div.: Ctrm.:
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND JUDGMENT AND DECREE OF COURT	

The above-entitled Application was originally filed on March 29, 2019 (referred to herein as the "Application") and an Amended Application was filed correcting the county on the caption on April 2, 2019. This matter was initially referred to the Water Referee for Water Division No. 6, State of Colorado, but then re-referred by the Water Referee to the Water Judge on August 16, 2021 in accordance with Article 92 of Chapter 37, C.R.S. 1973, known as The Water Right Determination and Administration Act of 1969.

The Water Judge, having made such investigations as are necessary to determine whether the statements in the Application are true, and having become fully advised with respect to the subject matter of the Application, does hereby make the following determination in this matter, to-wit:

FINDINGS OF FACT

1. The statements in the Application are true.

2. Name and address of Applicant:

Rio Blanco Water Conservancy District ("RBWCD")
c/o Alden Vanden Brink, District Manager
2252 E. Main Street
Rangely, CO 81648

(970) 675-5055
al@rioblancowcd.org

3. Neither the subject water rights nor their sources are located within a designated ground water basin.

4. Timely and adequate notice of the filing of this Application was given as required by law. A Statement of Opposition was filed by 4M Ranch, LLC on May 17, 2019. 4M Ranch, LLC subsequently filed a Motion to Re-Refer on August 13, 2021 and an Order of Re-Referral was entered on August 16, 2021. The State Engineer and Division Engineer for Water Division No. 6 filed an uncontested Motion to Intervene on October 8, 2021 and an Order granting the intervention was entered on October 8, 2021. The time for filing Statements of Opposition has expired. A Stipulation between the Applicant and Opposers State Engineer and Division Engineer was filed on June 7, 2022. A Stipulation between the Applicant and Opposer 4M Ranch, LLC was filed on July 22, 2022. The Court has approved the Stipulations.

5. The Report of the Division Engineer was filed in this matter on November 6, 2019, and an additional written report outlining outstanding concerns of the Division Engineer was filed on July 22, 2021. A Response to the Report of the Division Engineer was filed March 11, 2020 and a Supplemental Response on June 15, 2021. *See* C.R.S. § 37-92-302(4). The Court has considered the Reports and the Responses.

CLAIM FOR FINDING OF REASONABLE DILIGENCE

6. Names of Structures: Strawberry Creek Dam and Reservoir, Strawberry Creek Dam and Reservoir as an Alternate Point of Diversion and Storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights, Strawberry Creek Pipeline, Wray Gulch Dam and Reservoir, Wray Gulch Dam and Reservoir as an Alternate Point of Diversion and Storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights, and Wray Gulch Pipeline. Location maps for all structures are attached as Exhibit A.

7. Applicant is only seeking to maintain the Strawberry Creek Dam and Reservoir as an Alternate Point of Diversion and Storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights described in paragraph 8.A below. The remaining water rights described in the application and in paragraphs 8.B through 8.F below shall be cancelled.

8. Describe conditional water rights:

A. Strawberry Creek Dam and Reservoir as an Alternate Point of Diversion and Storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights ("Strawberry Creek APOD Rights").

(1) Date of Original Decree for the Rio Blanco Reservoir and Patterson Creek Collection System water rights: November 21, 1966

Case No.:	C.A. 1269
Court:	District Court, Rio Blanco County

Changed to alternate points of diversion and storage:

Date of Decree:	November 13, 1981
Case No.:	W-3854
Court:	District Court, Water Division No. 5.

Subsequent decrees awarding findings of diligence:

Case Nos.:	11CW8 [Div. 6]; 03CW41, 95CW52, 88CW85, 84CW70, 80CW94, W-0789, W-0044 [all in Div. 5].

(2) Location: SE Cor. Sec. 31, T.2N, R.94W bears S.37°36'W a distance of 3,278 feet.

(3) Source: In Civil Action 1269, the sources of Rio Blanco Reservoir and the Patterson Creek Collection System water rights were decreed as the South Fork White River and Patterson Creek. In Case No. W-3854, Strawberry Creek Dam and Reservoir was decreed as an alternate point of diversion and storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights. The decreed sources of Strawberry Creek Dam and Reservoir are Strawberry Creek and the White River.

(4) Appropriation Date: October 31, 1961.

(5) Amount: In Civil Action 1269, Rio Blanco Reservoir was decreed a conditional storage water right for 131,034.5 acre-feet, and the Patterson Creek Collection System was decreed a conditional water right for 75 cfs for the purpose of filling Rio Blanco Reservoir. In Case No. W-3854, Strawberry Creek Dam and Reservoir was decreed as an alternate point of diversion and storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights in the quantity available in Strawberry Creek Dam and Reservoir, not to exceed 75,957 acre-feet.

(6) Uses: Manufacturing, irrigation, domestic, municipal, stock-watering, piscatorial, and other beneficial purposes. In Case No. 11CW008, the applicant refined the term "other beneficial purposes" contained in the original decree in Civil Action 1269 for the Rio Blanco Reservoir water rights and Patterson Creek Collection system water rights as changed to alternate points of diversion and storage

at Strawberry Creek Dam and Reservoir and Wray Gulch Dam and Reservoir in Case No. W-3854 to the following list of beneficial uses, including all necessary associated uses: Irrigation, agricultural, municipal, domestic, industrial, commercial, construction, livestock uses, hydro-power production, power generation and cooling, evaporation, wastewater treatment, fire protection, fish and wildlife and recreation. The water may be used directly for such purposes, and/or it may be used to replace depletions resulting from such purposes by augmentation, replacement, and or exchange in . accordance with applicable law. Any use of the Rio Blanco Reservoir water rights and Patterson Creek Collection system water rights as changed to alternate points of diversion and storage at Strawberry Creek Dam and Reservoir for replacement and/or augmentation shall be made only in accordance with a plan for augmentation or substitute water supply plan approved in accordance with applicable law, and any use of those water rights by exchange shall be made only in accordance with applicable law.

B. Strawberry Creek Dam and Reservoir.

(1) Date of Original Decree: July 29, 1974
Case No.: W-2140
Court: District Court, Water Division No. 5

Subsequent decrees awarding findings of diligence:
Case Nos.: 11CW8 [Div. 6]; 03CW41, 95CW52, 88CW85, 84CW70, 80CW94, W-2140-78 [all in Div. 5].

(2) Location: SE Cor. Sec. 31, T.2N, R.94W bears S.37°36'W a distance of 3,278 feet.

Public Land Survey System (PLSS): The centerline axis of the dam forming Strawberry Creek Reservoir intersects its right abutment in the NE ¼ of the SW ¼, Section 31, T. 2N., R. 94 W. of the 6th P.M. at a point 1,985' North of the South section line and 1,590' East of the West section line.

(3) Source: White River and Strawberry Creek

(4) Appropriation Date: June 16, 1972.

(5) Amount: 75,957 a.f.

Case Nos.: 11CW8 [Div. 6]; 03CW41, 95CW52, 88CW85, 84CW70, 80CW94, W-0789, W-0044 [all in Div. 5].

(2) Location: W Cor. Sec. 36, T.2N, R.97W bears N.21°36'W a distance of 2,349 feet.

(3) Source: In Civil Action 1269, the sources of Rio Blanco Reservoir and the Patterson Creek Collection System water rights were decreed as the South Fork White River and Patterson Creek. In Case No. W-3854, Wray Gulch Dam and Reservoir was decreed as an alternate point of diversion and storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights. The decreed sources of Wray Gulch Dam and Reservoir are Wray Gulch and the White River.

(4) Appropriation Date: October 31, 1961.

(5) Amount: In Civil Action 1269, Rio Blanco Reservoir was decreed a storage water right for 131,034.5 acre-feet, and the Patterson Creek Collection System was decreed a water right for 75 cfs for the purpose of filling Rio Blanco Reservoir. In Case No. W-3854, Wray Gulch Dam and Reservoir was decreed as an alternate point of diversion and storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights in the quantity available in Wray Gulch Dam and Reservoir, not to exceed 29,374 acre-feet.

(6) Uses: Manufacturing, irrigation, domestic, municipal, stock-watering, piscatorial, and other beneficial purposes. In Case No. 11CW008, the applicant refined the term "other beneficial purposes" contained in the original decree in Civil Action 1269 for the Rio Blanco Reservoir water rights and Patterson Creek Collection system water rights as changed to alternate points of diversion and storage at Strawberry Creek Dam and Reservoir and Wray Gulch Dam and Reservoir in Case No. W-3854 to the following list of beneficial uses, including all necessary associated uses: Irrigation, agricultural, municipal, domestic, industrial, commercial, construction, livestock uses, hydro-power production, power generation and cooling, evaporation, wastewater treatment, fire protection, fish and wildlife and recreation. The water may be used directly for such purposes, and/or it may be used to replace depletions resulting from such purposes by augmentation, replacement, and or exchange in , accordance with applicable law. Any use of the Rio Blanco Reservoir water rights and Patterson Creek Collection system

Case Nos.: 11CW8 [Div. 6]; 03CW41, 95CW52, 88CW85, 84CW70, 80CW94, W-2139-78 [all in Div. 5].

(2) Location: NE Cor. Sec. 35, T.2N, R.97W bears N.05°50'E a distance of 3,690 feet.

(3) Source: White River

(4) Appropriation Date: July 19, 1972.

(5) Amount: 450 c.f.s.

(6) Uses: Irrigation, industrial, municipal, domestic, and recreation.

9. The Application provided a detailed outline of what has been done towards placing water to beneficial use during the diligence period and the court finds that the applicant has been reasonably diligent in the development of the conditional Strawberry Creek APOD Rights described in paragraph 8.A above.

10. The Division 5 Water Court's decree in Case No. W-3854 ("W-3854 Decree") decreed the following alternate points of diversion and storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights originally confirmed by the November 21, 1966 decree entered in C.A. 1269 by the District Court for Rio Blanco County ("C.A. 1269 Decree"): (i) Strawberry Creek Dam and Reservoir in the quantity available in the reservoir, not to exceed 75,957 acre-feet as described in paragraph 8.A above; (ii) Wray Gulch Dam and Reservoir in the quantity available in the reservoir, not to exceed 29,374 acre-feet as described in paragraph 8.E above; and (iii) Rangely Reservoir in the quantity available in the reservoir, not to exceed 63,056.3 acre-feet. Both the original points of diversion and storage of the Rio Blanco Reservoir and Patterson Creek Collection System water rights confirmed by the C.A. 1296 Decree and the alternate point of diversion and storage at Rangely Reservoir decreed by the W-3854 Decree have been abandoned. Therefore, after the Wray Gulch Dam and Reservoir alternate point of diversion and storage is canceled by entry of this Decree, the only amount and points of diversion and storage of the Rio Blanco Reservoir and Patterson Creek Collection System water rights confirmed by the C.A. 1269 Decree and modified by the W-3854 Decree that remain in existence will be the amount and points of diversion and storage of the Strawberry Creek APOD Rights described in paragraph 8.A above.

CONCLUSIONS OF LAW

11. The foregoing Findings of Fact are fully incorporated herein.

12. Notice of the Application was properly given. The Court has jurisdiction over the Applicant and over all persons or entities who had standing to appear, even though they did not do

water rights as changed to alternate points of diversion and storage at Strawberry Creek Dam and Reservoir for replacement and/or augmentation shall be made only in accordance with a plan for augmentation or substitute water supply plan approved in accordance with applicable law, and any use of those water rights by exchange shall be made only in accordance with applicable law.

E. Wray Gulch Dam and Reservoir.

(1) Date of Original Decree: July 29, 1974
Case No.: W-2138
Court: District Court, Water Division No. 5

Subsequent decrees awarding findings of diligence:
Case Nos.: 11CW8 [Div. 6]; 03CW41, 95CW52, 88CW85, 84CW70, 80CW94, W-2138-78 [all in Div. 5].

(2) Location: W Cor. Sec. 36, T.2N, R.97W bears N.21°36'W a distance of 2,349 feet.

Public Land Survey System (PLSS): SW ¼ of the NW ¼, Section 36, T. 2N., R. 97 W. of the 6th P.M. at a point 2,149' South of the North section line and 954' East of the West section line.

(3) Source: Wray Gulch and White River

(4) Appropriation Date: July 19, 1972.

(5) Amount: 29,374 a.f.

(6) Uses: Irrigation, industrial, municipal, domestic, and recreation.

F. Wray Gulch Pipeline.

(1) Date of Original Decree: July 29, 1974
Case No.: W-2139
Court: District Court, Water Division No. 5

Subsequent decrees awarding findings of diligence:

(6) Uses: Irrigation, industrial, municipal, domestic, and recreation.

C. Strawberry Creek Pipeline.

(1) Date of Original Decree: July 29, 1974
Case No.: W-2137
Court: District Court, Water Division No. 5

Subsequent decrees awarding findings of diligence:
Case Nos.: 11CW8 [Div. 6]; 03CW41, 95CW52, 88CW85, 84CW70, 80CW94, W-2137-78 [all in Div. 5].

(2) Location: SE Cor. Sec. 31, T.2N, R.94W bears S.37°36'W a distance of 3,278 feet.

Public Land Survey System (PLSS): SE ¼ of the SW ¼, Section 29, T. 1N., R. 94 W. of the 6th P.M. at a point 640' North of the South section line and 1,468' East of the West section line.

(3) Source: White River

(4) Appropriation Date: June 16, 1972.

(5) Amount: 400 c.f.s.

(6) Uses: Irrigation, industrial, municipal, domestic, and recreation.

D. Wray Gulch Dam and Reservoir as an Alternate Point of Diversion and Storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights.

(1) Date of Original Decree: November 21, 1966
Case No.: C.A. 1269
Court: District Court, Rio Blanco County

Changed to alternate points of diversion and storage:
Date of Decree: November 13, 1981
Case No.: W-3854
Court: District Court, Water Division No. 5.

Subsequent decrees awarding findings of diligence:

so.

13. The Application is complete, covering all applicable matters required pursuant to the Water Right Determination and Administration Act of 1969, C.R.S. §§ 37-92-101 through -602.

14. The subject Application is in accordance with Colorado law. Applicant fulfilled all legal requirements for entry of a decree in this case.

JUDGMENT AND DECREE OF COURT

15. The foregoing Findings of Fact and Conclusions of Law are incorporated herein by this reference.

16. The Applicant has been diligent in the development of the conditional Strawberry Creek APOD Rights described in paragraph 8.A above and the Strawberry Creek APOD Rights shall be continued in full force and effect as conditional water rights subject to the terms and conditions of this Decree.

17. The Court hereby cancels the following conditional water rights:

A. The Strawberry Creek Dam and Reservoir, as described in paragraph 8.B above, in the amount of 75,957 acre-feet for all decreed beneficial uses.

B. Strawberry Creek Pipeline, as described in paragraph 8.C above, in the amount of 400 c.f.s. for all decreed beneficial uses.

C. Wray Gulch Dam and Reservoir as an Alternate Point of Diversion and Storage for the Rio Blanco Reservoir and Patterson Creek Collection System water rights, as described in paragraph 8.D above, in the amounts of 29,374 acre-feet and 75 c.f.s. for all decreed beneficial uses.

D. Wray Gulch Dam and Reservoir, as described in paragraph 8.E above, in the amount of 29,374 acre-feet for all decreed beneficial uses.

E. Wray Gulch Pipeline, as described in paragraph 8.F above, in the amount of 450 c.f.s. for all decreed beneficial uses.

18. Terms and Conditions.

A. Applicant agrees that it will not develop the Strawberry Creek APOD Rights at their currently decreed location. Instead, prior to the next diligence filing for the Strawberry Creek APOD Rights, Applicant shall file and pursue a change of water rights case to move the Strawberry Creek APOD Rights to the potential sites for the Wolf Creek Reservoir as decreed in Case No. 14CW3043 ("Change Case"). Applicant may also seek in the Change Case to change the use of the Strawberry Creek APOD Rights as necessary to make them available for the

uses decreed for Wolf Creek Reservoir in Case No. 14CW3043. Any claim to change the Strawberry Creek APOD Rights must be supported by a contemplated draft evaluation.

B. Any portions of the Strawberry Creek APOD Rights that are not included in the Change Case shall be canceled.

C. If Applicant's application in the Change Case is denied, dismissed, or withdrawn, the Strawberry Creek APOD Rights shall be canceled.

D. Any portions of the Strawberry Creek APOD Rights that are not necessary to allow storage of 66,720 acre-feet of water at the potential sites for Wolf Creek Reservoir under the terms of any decree entered in the Change Case shall be canceled by the decree entered in the Change Case.

E. Uses of the Strawberry Creek APOD Rights under any decree entered in the Change Case shall be limited to the following uses decreed for Wolf Creek Reservoir in Case No. 14CW3043: municipal use (including but not limited to domestic, irrigation, commercial, and industrial uses) for the Town of Rangely, augmentation (to augment depletions through a future blanket augmentation plan for water users within the District Boundaries and within the Yellow Jacket Water Conservancy District boundaries pursuant to leases or exchanges of water under C.R.S. § 37-83-106), mitigation of environmental impacts of the Wolf Creek Reservoir project ("Mitigation"), hydroelectric power generation exercised only in conjunction with releases for other decreed beneficial uses, and in-reservoir uses for recreation, piscatorial, and wildlife habitat.

F. Under any decree entered in the Change Case, annual releases from Wolf Creek Reservoir under the Strawberry Creek APOD Rights shall be limited to 7,000 acre-feet for municipal and augmentation uses and 20,720 acre-feet for Mitigation, as those uses are described in paragraph 18.E, above.

G. Under any decree entered in the Change Case, up to 20,720 acre-feet of the total 66,720 acre-feet to be stored in Wolf Creek Reservoir under the Strawberry Creek APOD Rights may be used for Mitigation. Water released for Mitigation shall be limited to the amount of water as may be determined in the future to be necessary for that purpose in approvals for the project. Once that determination has been made, the difference between the 20,720 acre-foot amount and the amount determined to be necessary for Mitigation shall be cancelled, thereby reducing the total amount decreed for the Strawberry Creek APOD Rights as well as the amount that may be released for Mitigation by that cancelled amount.

19. Should the Applicant desire to maintain the remaining conditional water rights confirmed herein, an Application for Finding of Reasonable Diligence shall be filed in the same month of the sixth calendar year following entry of this decree, unless a determination has been made that such conditional rights have been made absolute by reason of the completion of the appropriation, or is

otherwise disposed of.

20. Pursuant to Rule 9 of the Uniform Local Rules for All State Water Court Divisions, upon the sale or other transfer of the conditional water rights decreed herein, the transferee shall file with the Division 6 Water Court a notice of transfer which shall state:

a. The title and case number of this Case No. 19CW3006;

b. The description of the conditional water right transferred;

c. The name of the transferor;

d. The name and mailing address of the transferee; and

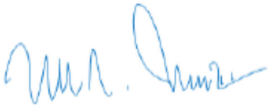
e. A copy of the recorded deed.

The owner of said conditional water rights shall also notify the Clerk of the Division 6 Water Court of any change in mailing address. The Clerk shall place any notice of transfer or change of address in the case file of this Case No. 19CW3006 and in the case file (if any) in which the Court first made a finding of reasonable diligence.

The foregoing is confirmed and approved, and is made the Judgment and Decree of this Court. Should the Applicant desire to maintain the conditional water rights decreed herein, an application for finding of reasonable diligence shall be filed by **July 31, 2028**, unless a determination has been made prior to that time that such conditional water rights have been made absolute by reason of completion of the appropriations.

DATED this 27th day of July, 2022.

BY THE WATER JUDGE:



Michael A. O'Hara, III, Water Judge
Water Division No. 6, State of Colorado

Appendix C

FEDERAL ENERGY REGULATORY COMMISSION LICENSE

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Colorado River Water Conservation District and the Water Users' Association No. 1 — Project No. 8914-000

ORDER ISSUING LICENSE
(Major Project-5MW or Less)

(Issued July 6, 1987)

The Colorado River Water Conservation District and the Water Users' Association No. 1 filed a license application under Part I of the Federal Power Act to construct, operate, and maintain the Taylor Draw Project, located on the White River in Rio Blanco County, Colorado. The project would partially occupy lands of the United States administered by the Bureau of Land Management.

Notice of the application has been published. The motions to intervene, comments, and protests that have been filed by agencies and individuals have been fully considered in determining whether to issue this license, as discussed below. 1/

Comprehensive Plans

Section 10(a)(2) of the Act, as amended by ECPA, requires the Commission to consider the extent to which a project is consistent with comprehensive plans (where they exist) for improving, developing, or conserving a waterway or waterways affected by the project. The plans must be prepared by an agency established pursuant to federal law that has the authority to prepare such plans or by the state in which the facility is or will be located. The Commission considers plans to be within the scope of section 10(a) (2), only if such plans reflect the preparers' own balancing of the competing uses of a waterway, based on their data and on applicable policy considerations (i.e., if the preparers consider and balance all relevant public use considerations). With regard to plans prepared at the state level, such plans are within the scope of section 10(a)(2), only if they are prepared and adopted pursuant to a specific act of the state legislature and developed, implemented, and managed by an appropriate state agency. 2/

The staff identified no comprehensive plans of the types referred to in section 10(a)(2) of the Act relevant to this project. The staff reviewed one resource plan that touches on various aspects of waterway management in relation to the proposed project as part of our broad public interest examination under section 10(a)(1) of the Act. 3/ No conflicts were found.

1/ The Colorado Department of Natural Resources filed a late motion to intervene which was denied on June 26, 1987.

2/ Fieldcrest Mills, Inc. Proceeding, 37 FERC ¶61,264 (1986).

3/ Colorado Outdoor Recreation Plan, Colorado Division of Parks and Outdoor Recreation, 1981.

Based on a review of the agency and public comments filed in this proceeding, and on the staff's independent analysis, the Taylor Draw Project is best adapted to a comprehensive plan for the Kenney Reservoir and the White River, taking into consideration the beneficial public uses described in section 10(a)(1) of the Act.

Summary of Findings

An EA was issued for this project. Background information, analysis of impacts, support for related license articles, and the basis for a finding of no significant impact on the environment are contained in the EA attached to this order. Issuance of this license is not a major federal action significantly affecting the quality of the human environment.

The design of this project is consistent with the engineering standards governing dam safety. The project will be safe if constructed, operated, and maintained in accordance with the requirements of this license. Analysis of related issues is provided in the Safety and Design Assessment attached to this order.

The Director, Office of Hydropower Licensing, concludes that the project would not conflict with any planned or authorized development, and would be best adapted to comprehensive development of the waterway for beneficial public uses.

The Director orders:

(A) This license is issued to the Colorado River Water Conservation District and the Water Users' Association No. 1 (licensee) for a period of 50 years, effective the first day of the month in which this order is issued, to construct, operate, and maintain the Taylor Draw Project. This license is subject to the terms and conditions of the Act, which is incorporated by reference as part of this license, and subject to the regulations the Commission issues under the provisions of the Act.

(B) The project consists of:

(1) All lands, to the extent of the licensee's interests in those lands, enclosed by the project boundary shown by Exhibit G:

Exhibit G-	FERC No. 8914-	Showing
1	4	Project Location Map
2	5	Project Location Map Detail
3	6	Project Boundary for Transmission line
4	7	Project Boundary for transmission Line
5	8	Project Boundary for transmission line

(2) Project works consisting of: (a) the Taylor Draw Dam, a 1,100-foot-long earthfill structure, about 75 feet in height; (2) the Kenney Reservoir, which has a surface elevation of 5,317.5 feet, and a storage capacity of 13,800 acre-feet; (3) an existing submerged intake; (4) an existing 96-inch-diameter conduit approximately 300 feet long, bifurcating into an 80-inch-diameter penstock section, approximately 200 feet long; (5) a proposed powerhouse containing a single 1,600-kW generating unit; (6) a proposed 100-foot-long, 20-foot-wide tailrace; (7) 4.16-kV generator leads, a 4.16/12.5-kV transformer, a 7-mile-long, 12.5-kV transmission line; and (8) appurtenant facilities.

The project works generally described above are more specifically shown and described by those portions of Exhibits A and F recommended for approval in the attached Safety and Design Assessment.

(3) All of the structures, fixtures, equipment or facilities used to operate or maintain the project and located within the project boundary, all portable property that may be employed in connection with the project and located within or outside the project boundary, and all riparian or other rights that are necessary or appropriate in the operation or maintenance of the project.

(C) The Exhibit G described above and those sections of Exhibits A and F recommended for approval in the attached Safety and Design Assessment are approved and made part of the license.

(D) This license is subject to the articles set forth in Form L-2, (October 1975), entitled "Terms and Conditions of License for Unconstructed Major Project Affecting Lands of the United States", except Article 20. The license is also subject to the following additional articles:

Article 201. The licensee shall pay the United States the following annual charge, effective the first day of the month in which this license is issued:

a. For the purpose of reimbursing the United States for the cost of administration of Part I of the Act, a reasonable amount as determined in accordance with the provisions of the Commission's regulations in effect from time to time. The authorized installed capacity for that purpose is 2,130 horsepower.

b. For the purpose of recompensing the United States for the use, occupancy, and enjoyment of 100.9 acres of its lands other than for transmission line right-of-way, a reasonable annual charge as determined by the Commission in accordance with its regulations, in effect from time to time.

c. For the purpose of recompensing the United States for the use, occupancy, and enjoyment of 15.3 acres of its lands for transmission line right-of-way, a reasonable amount as determined in accordance with the provisions of the Commission's regulations in effect from time to time.

Article 202. The licensee shall clear and keep clear to an adequate width all lands along open conduits and shall dispose of all temporary structures, unused timber, brush, refuse, or other material unnecessary for the purposes of the project which result from maintenance, operation, or alteration of the project works. In addition, all trees along the periphery of project reservoirs which may die during operation of the project shall be removed. All clearing of lands and disposal of unnecessary material shall be done with due diligence to the satisfaction of the authorized representative of the Commission and in accordance with appropriate federal, state, and local statutes and regulations.

Article 301. The licensee shall commence construction of project works within two years from the issuance date of the license and shall complete construction of the project within four years from the issuance date of the license.

Article 302. The licensee shall at least 60 days prior to start of construction, submit one copy to the Commission's Regional Director and two copies to the Director, Division of Inspections of the final contract drawings and specifications for pertinent features of the project, such as water retention structures, powerhouse, and water conveyance structures. The Director, Division of Inspections, may require changes in the plans and specifications to assure a safe and adequate project.

Article 303. The licensee shall review and approve the design of contractor-designed cofferdams and deep excavations prior to the start of construction and shall ensure that construction of cofferdams and deep excavations is consistent with the approved design. At least 30 days prior to start of construction of the cofferdam, licensee shall submit to the Commission's Regional Director, Division of Inspections, one copy each of the approved cofferdam construction drawings and specifications and the letter(s) of approval.

Article 304. The licensee shall file revised Exhibit F drawings showing the final design of the Taylor Draw Dam and any appurtenant facilities modified to pass the PMF, for approval of the Director, Office of Hydropower Licensing. The revised Exhibit F drawings shall be accompanied by a supporting design report, including stability analyses and a construction schedule. The licensee shall not commence construction of any project structure until the corresponding revised Exhibit F drawing has been approved.

Article 305. The licensee shall retain a board of two or more qualified, independent, engineering consultants to review the design, specifications, and construction of the project for safety and adequacy. At least one of the engineering consultants shall be experienced in reinforced earth design and construction.

The names and qualifications of the board members shall be submitted to the Director, Office of Hydropower Licensing, for approval, with a copy to the Commission's Regional Director. Among other things, the board shall assess the geology of the project site and surroundings; the design, specifications, and construction of the dikes, dams, spillways; and construction procedures and progress. The licensee shall furnish to the board, with a copy to the Regional Director and two copies to the Director, Office of Hydropower Licensing, prior to each meeting, allowing sufficient time for review, documentation showing details and analyses of design and construction features to be discussed, significant events in design and construction that have occurred since the last board of consultants meeting, drawings, questions to be asked, a list of items for discussion, an agenda, and a statement indicating the specific level of review to be performed by the board. Within 30 days after each board of consultants meeting, the licensee shall submit to the Director, Division of Inspections, copies of the board's report and a statement of intent to comply with the board's recommendations, or a statement identifying a plan to resolve the issue(s). In the event of noncompliance, provide detailed reasons for not doing so. The board's review comments for each portion of the project shall be submitted prior to or simultaneously with the submission of the corresponding Exhibit F final design drawings and design memoranda. The licensee shall also submit a final report of the board upon completion of the project. The final report shall contain a statement indicating the board's opinion with respect to the construction, safety, and adequacy of the project structure(s).

Article 306. The licensee shall within 90 days of completion of construction file, for approval by the Commission, revised Exhibits A, F and G to describe and show the project as-built.

Article 401. The licensee, after consultation with the Bureau of Land Management, the Water Quality Control Division of the Colorado Department of Health, the Colorado Division of Wildlife, and the U.S. Fish and Wildlife Service, and prior to conducting any land-clearing, land-disturbing, or spoil-producing activities at the project, shall file with the Commission, within 1 year from the date of issuance of this license, a plan to control erosion and dust and to minimize the quantity of sediment or other potential water pollutants resulting from project construction, spoil-disposal, and project operation. The plan shall also include descriptions of control measures, functional design drawings of control measures, topographic map locations of control measures, an implementation schedule, monitoring and maintenance programs for project construction and operation, and provisions for periodic review of the plan and for making any necessary revisions to the plan. The licensee shall include in the filing documentation of agency consultation on the plan, and copies of agency comments or recommendations. If the licensee disagrees with any agency recommendations, the licensee shall provide a discussion of the reasons for disagreeing, based on actual-site geological, soil, and groundwater conditions. The Commission reserves the right to require changes to the plan. Unless the Director, Office of Hydropower Licensing, directs otherwise, the licensee may commence land-clearing, land-disturbing, or spoil-producing activities at the project, 60 days after filing this plan.

Article 402. The licensee shall operate the Taylor Draw Hydroelectric Project in an instantaneous run-of-river mode for the protection of fish and wildlife resources in the White River and Kenney reservoir. The licensee, in operating the project in an instantaneous run-of-river mode, shall at all times act to minimize the fluctuation of the reservoir surface elevation, i.e., maintain discharge from the project so that flow in the White River, as measured immediately downstream from the project tailrace, approximates the instantaneous sum of inflow to the project reservoir. Instantaneous run-of-river operation may be temporarily modified if required by operating emergencies beyond the control of the licensee, for the protection of the federally listed endangered Colorado squawfish, and for short periods upon mutual agreement by the licensee, the Colorado Division of Wildlife, and the U.S. Fish and Wildlife Service.

Article 403. The licensee shall implement provisions and conservation measures for the protection of the federally listed endangered Colorado squawfish, as described in the Biological Opinion of the U.S. Fish and Wildlife Service (FWS) dated May 20, 1982, and in the Memorandum of Agreement dated August 13, 1982, among the FWS, the Colorado Division of Wildlife, and the licensee. The licensee shall implement measures to ensure operational flexibility that allows for: (1) changes, if needed, in flow regimes to maintain adequate water quality (e.g., temperature and dissolved oxygen) and streamflow; (2) installation of fish passage facilities, if determined necessary for unobstructed movement; and (3) prevention of the development of competitive fisheries, if determined to pose a threat to the survival of the federally listed endangered Colorado squawfish.

Article 404. The licensee, after consultation with the U.S. Fish and Wildlife Service, the Bureau of Land Management, and the Colorado Division of Wildlife, and within 1 year from the date of issuance of the license, shall file for Commission approval a transmission line design plan, prepared in accordance with the guidelines set forth in "Suggested Practices for Raptor Protection on Power Lines," Raptor Research Report No. 4, Raptor Research Foundation, Inc., 1981. The plan shall include: detailed design drawings of the transmission line, clearly showing phase-spacing, configuration, and grounding practices; a construction schedule; and agency comments on the adequacy of the design plan. The licensee shall not conduct any transmission line construction until the plan is approved by the Commission.

Article 405. The licensee shall consult with the Bureau of Land Management, the Colorado Division of Parks and Outdoor Recreation, the Colorado Division of Wildlife, the Rio Blanco County Planning Office, and the Town of Rangely to determine the need for any additional measures or facilities to protect or enhance recreational opportunities at the Taylor Draw Hydroelectric Project. Within 1 year from the date of issuance of this license, the licensee shall file a report on the findings with the Commission and, if necessary, for Commission approval, a plan to implement any

measures or facilities that have been determined necessary to protect or enhance recreational use at the project. Documentation of consultation with the aforementioned agencies shall be included in the filing.

Article 406. The licensee, before starting any ground-disturbing or land-clearing activities within the project boundaries, other than that specifically authorized in this license, shall consult with the Colorado State Historic Preservation Officer (SHPO) about the need for a cultural resources survey and salvage work. The licensee shall file with the Commission documentation of the nature and extent of consultation, including a cultural resources management plan and a schedule to conduct the necessary investigation, together with a copy of a letter from the SHPO commenting on the plan and schedule, 60 days before starting any such ground-disturbing or land-clearing activities. The licensee shall make funds available in a reasonable amount for the required work. If the licensee discovers any previously unidentified archeological or historic sites during the course of constructing or developing project works or other facilities at the project, the licensee shall stop all construction and development activities in the vicinity of the sites and shall consult with a qualified cultural resources specialist and the SHPO concerning the eligibility of the sites for listing in the National Register of Historic Places and any measures needed to avoid the sites or to mitigate effects on the sites. If the licensee and the SHPO cannot agree on the amount of money to be spent for project-specific archeological and historical purposes, the Commission reserves the right to require the licensee to conduct the necessary work at the licensee's own expense.

Article 407. (a) In accordance with the provisions of this article, the licensee shall have the authority to grant permission for certain types of use and occupancy of project lands and waters and to convey certain interests in project lands and waters for certain other types of use and occupancy, without prior Commission approval. The licensee may exercise the authority only if the proposed use and occupancy is consistent with the purposes of protecting and enhancing the scenic, recreational, and other environmental values of the project. For those purposes, the licensee shall also have continuing responsibility to supervise and control the uses and occupancies for which it grants permission, and to monitor the use of, and ensure compliance with the covenants of the instrument of conveyance for, any interests that it has conveyed, under this article. If a permitted use and occupancy violates any condition of this article or any other condition imposed by the licensee for protection and enhancement of the project's scenic, recreational, or other environmental values, or if a covenant of a conveyance made under the authority of this article is violated, the licensee shall take any lawful action necessary to correct the violation. For a permitted use or occupancy, that action includes, if necessary, cancelling the permission to use and occupy the project lands and waters and requiring the removal of any non-complying structures and facilities.

(b) The types of use and occupancy of project lands and waters for which the licensee may grant permission without prior Commission approval are: (1) landscape plantings; (2) non-commercial piers, landings, boat docks, or similar structures and facilities that can accommodate no more than 10 water craft at a time and where said facility is intended to serve single-family type dwellings; and (3) embankments, bulkheads, retaining walls, or similar structures for erosion control to protect the existing shoreline. To the extent feasible and desirable to protect and enhance the project's scenic, recreational, and other environmental values, the licensee shall require multiple use and occupancy of facilities for access to project lands or waters. The licensee shall also ensure, to the satisfaction of the Commission's authorized representative, that the uses and occupancies for which it grants permission are maintained in good repair and comply with applicable state and local health and safety requirements. Before granting permission for construction of bulkheads or retaining walls, the licensee shall: (1) inspect the site of the proposed construction, (2) consider whether the planting of vegetation or the use of riprap would be adequate to control erosion at the site, and (3) determine that the proposed construction is needed and would not change the basic contour of the reservoir shoreline. To implement this paragraph (b), the licensee may, among other things, establish a program for issuing permits for the specified types of use and occupancy of project lands and waters, which may be subject to the payment of a reasonable fee to cover the licensee's costs of administering the permit program. The Commission reserves the right to require the licensee to file a description of its standards, guidelines, and procedures for implementing this paragraph (b) and to require modification of those standards, guidelines, or procedures.

(c) The licensee may convey easements or rights-of-way across, or leases of, project lands for: (1) replacement, expansion, realignment, or maintenance of bridges and roads for which all necessary state and federal approvals have been obtained; (2) storm drains and water mains; (3) sewers that do not discharge into project waters; (4) minor access roads; (5) telephone, gas, and electric utility distribution lines; (6) non-project overhead electric transmission lines that do not require erection of support structures within the project boundary; (7) submarine, overhead, or underground major telephone distribution cables or major electric distribution lines (69-kV or less); and (8) water intake or pumping facilities that do not extract more than one million gallons per day from a project reservoir. No later than January 31 of each year, the licensee shall file three copies of a report briefly describing for each conveyance made under this paragraph (c) during the prior calendar year, the type of interest conveyed, the location of the lands subject to the conveyance, and the nature of the use for which the interest was conveyed.

(d) The licensee may convey fee title to, easements or rights-of-way across, or leases of project lands for: (1) construction of new bridges or roads for which all necessary state and

federal approvals have been obtained; (2) sewer or effluent lines that discharge into project waters, for which all necessary federal and state water quality certificates or permits have been obtained; (3) other pipelines that cross project lands or waters but do not discharge into project waters; (4) non-project overhead electric transmission lines that require erection of support structures within the project boundary, for which all necessary federal and state approvals have been obtained; (5) private or public marinas that can accommodate no more than 10 watercraft at a time and are located at least one-half mile from any other private or public marina; (6) recreational development consistent with an approved Exhibit R or approved report on recreational resources of an Exhibit E; and (7) other uses, if: (i) the amount of land conveyed for a particular use is five acres or less; (ii) all of the land conveyed is located at least 75 feet, measured horizontally, from the edge of the project reservoir at normal maximum surface elevation; and (iii) no more than 50 total acres of project lands for each project development are conveyed under this clause (d)(7) in any calendar year. At least 45 days before conveying any interest in project lands under this paragraph (d), the licensee must submit a letter to the Director, Office of Hydropower Licensing, stating its intent to convey the interest and briefly describing the type of interest and location of the lands to be conveyed (a marked Exhibit G or K map may be used), the nature of the proposed use, the identity of any federal or state agency official consulted, and any federal or state approvals required for the proposed use. Unless the Director, within 45 days from the filing date, requires the licensee to file an application for prior approval, the licensee may convey the intended interest at the end of that period.

(e) The following additional conditions apply to any intended conveyance under paragraphs (c) or (d) of this article:

(1) Before conveying the interest, the licensee shall consult with federal and state fish and wildlife or recreation agencies, as appropriate, and the State Historic Preservation Officer.

(2) Before conveying the interest, the licensee shall determine that the proposed use of the lands to be conveyed is not inconsistent with any approved Exhibit R or approved report on recreational resources of an Exhibit E; or, if the project does not have an approved Exhibit R or approved report on recreational resources, that the lands to be conveyed do not have recreational value.

(3) The instrument of conveyance must include covenants running with the land adequate to ensure that: (i) the use of the lands conveyed shall not endanger health, create a nuisance, or otherwise be incompatible with overall project recreational use; and (ii) the grantee shall take all reasonable precautions to ensure that the construction, operation, and maintenance of structures or facilities on the conveyed lands will occur in a

manner that will protect the scenic, recreational, and environmental values of the project.

(4) The Commission reserves the right to require the licensee to take reasonable remedial action to correct any violation of the terms and conditions of this article, for the protection and enhancement of the project's scenic, recreational, and other environmental values.

(f) The conveyance of an interest in project lands under this article does not in itself change the project boundaries. The project boundaries may be changed to exclude land conveyed under this article only upon approval of revised Exhibit G or K drawings (project boundary maps) reflecting exclusion of that land. Lands conveyed under this article will be excluded from the project only upon a determination that the lands are not necessary for project purposes, such as operation and maintenance, flowage, recreation, public access, protection of environmental resources, and shoreline control, including shoreline aesthetic values. Absent extraordinary circumstances, proposals to exclude lands from the project conveyed under this article from the project shall be consolidated for consideration when revised Exhibit G or K drawings would be filed for approval for other purposes.

(g) The authority granted to the licensee under this article shall not apply to any part of the public lands and reservations of the United States included within the project boundary.

(E) This order is issued under authority delegated to the Director and is final unless appealed under Rule 1902 to the Commission by any party within 30 days from the issuance date of this order. The licensee's failure to appeal this order shall constitute acceptance of the license.

Fred E. Springer
Acting Director, Office
of Hydropower Licensing

Appendix C

TAYLOR DRAW TURBINE REFURBISHMENT
REPORT AND COST ESTIMATE

TAYLOR DRAW

Turbine refurbishment

RIO BLANCO CONSERVANCY DISTRICT
GE VERNOVA Proposal Ref: 1271278
Date: June 28, 2024

GE VERNOVA

GE Renewables US LLC
8000 E. Maplewood Avenue, Suite 250
Greenwood Village, CO, 80111
T +579 886-2222
F +579 886-2223
www.gevernova.com
hydroservices.nam@ge.com

June 28, 2024

Alden Vanden Brink
Rio Blanco Water Conservancy District
2252 East Main Street
Rangely, Colorado 81648
(970) 675-5055

Subject: Taylor Draw Turbine Refurbishment
GE VERNOVA Reference: 1271278

Dear Mr. Vanden Brink,

GE VERNOVA is pleased to submit its proposal for the refurbishment work on your Taylor Draw turbine. Based on our email and phone exchanges, I am sending you a firm fixed price quote for the Engineering, project management, the machine shop repair and the supply parts related to the service. Additionally, a Time and Material estimate for the site portion of the repair is also offered.

We look forward to hearing from you and we will be happy to answer any question you may have.

Sincerely yours,

Thomas O'Brien
Hydro Services Proposal Manager
Hydro Power

M +1 346 425 0001
Thomas.OBrien@ge.com

c.c. Nicolas Dehlinger, Nicolas Vidal, Matt Pevarnik

1. CONTEXT

The Rio Blanco Water Conservancy District (RBWCD) Taylor Draw hydroelectric project consists of a 2,398 kVA 360 rpm Kaplan turbine supplied by GE VERNOVA (GEC Alsthom at the time of the supply) in 1993. RBWCD has recently been experiencing issues with the turbine's blade mechanism. Following an investigation in February – March 2024 performed on site by GE VERNOVA (GEV), the recommendation for a turbine overhaul was made to RBWCD. This proposal details the Engineering, machine-shop and site work associated with the proposed turbine refurbishment project. GEV is confident that the proposed solution will restore the turbine to a like new condition, while maximizing its the life duration and reliability.

2. PROPOSAL SCOPE

This section provides the technical description for the refurbishment of the Taylor Draw turbine. GEV proposes to execute the steps in the chronological order listed below. We will develop site specific procedures for this work. The following scope of work will be performed:

2.1 Pre-Disassembly Signature Testing
2.2 Unit Disassembly
2.3 Shipping of Components to Shop for Refurbishment
2.4 Refurbishment of Parts
2.5 Shipping of Components to Site
2.6 Reassembly of Unit
2.7 Re-commissioning and Restart of Unit.

GEV will provide Engineering, Project Management, Quality and Site support for this scope of work. The following sections detail the scope indicated above.

2.1 Pre-disassembly signature testing:

GEV will complete a pre-disassembly signature test that will provide a baseline for comparison to the finished work. In the offline condition we will record stroke and pressure of the wicket gates and runner blades. We will then perform a heat run to record temperatures, vibrations, noise, wicket gate opening, head, power, and flow using temporary and existing power plant sensors. Signature testing will be conducted at a power output achievable by RBWCD during the pre-disassembly campaign. GEV will verify like or better performance at the same output after unit restart (see 2.7).

2.2 Unit disassembly

Upon completion of the operational testing, we will define benchmarks and a main universal coordinate system (UCS) and record the pre-disassembly measurements on our site record sheets. The site record sheets will be developed specifically for Taylor Draw based on the available drawings.

The turbine disassembly will begin immediately after the pre-disassembly measurements. During turbine disassembly we will fill out the site record sheets which will include measurements, orientation, alignment, shim presence and position, damages, unexpected findings, and discrepancies from available drawings.

There are several components that need to be disassembled which are not in the scope of turbine refurbishment. If any issues are found in these components during visual inspection GEV will notify RBWCD and help develop a plan to address the issues (outside of the original scope of work). Those parts will stay on site and will be reassembled as-is during the unit reassembly. This includes the following parts:

- All generators part (stator parts, rotor parts, generator bearings).
- The discharge ring (28.01).
- All other parts which must be disassembled to have access to the parts for repair in the workshop (piping, sensors, supports).

For disturbed parts, all standard sealing material will be replaced by new ones. All standard bolts smaller than Ø20mm will be replaced by new ones. All non-standard sealing hardware and bolts bigger than Ø20mm will be kept as is and could be replace by new ones at extra cost if their condition requires it.

The generator will be removed by disconnecting the generator shaft from the turbine shaft, dismantling the generator bearings, unbolting the generator frame from the floor, securing the rotor and stator, and lifting the generator out of the powerhouse. This equipment will be stored on-site, out of the way for the turbine disassembly. Once the turbine shaft (33.01) and blade control shaft (34.01) are removed from the powerhouse the generator equipment will be replaced in its location in the powerhouse while the shop work on the turbine is being completed. Storage and protection of parts remaining on site is RBWCD responsibility.
During disassembly, GEV does not expect complications, but if some parts are seized or welded, they could need to be destroyed (cut, grind…) to perform unit disassembly. Repair or replacement of these parts for unit reassembly is considered as additional work. For example, GEV expects the spacer sleeve (42.01), and intermediate rings (42.12, 42.13) will be removed from the shaft without damage, however they may need to be cut off, which will require new pieces to be built.

2.3 Shipping of components to shop for refurbishment.

All parts to be shipped will be properly packaged and secured by GEV for their transportation to and from the workshop for refurbishment.

Important note: for the shipping of the shaft, GEV will design a shaft transportation device. This device will ensure safe and proper rigging of the shaft on a trailer for shipping of the shaft to the refurbishment shop and back to site. This transportation device will become property of RBWCD after use.

2.4 Refurbishment of parts

The following components will be shipped to workshop for refurbishment: The item numbers refer to the original drawings developed by Neyrpic (Intellectual Property of GEV) during first installation of the unit:

Item name	Item number
Runner refurbishment	
Runner	728-04699.08.30.00
Runner Hub	728-04699.08.32.02
Blades	728-04699.08.32.01
Cross-Brace guide	728-04699.08.32.24
Runner cone	728-04699.08.32.03
Sealing ring	728-04699.08.33.06
Cross-brace	728-04699.08.32.06
Guide	728-04699.08.32.22
Links	728-04699.08.32.05
Pins	728-04699.08.32.10 728-04699.08.32.11
Levers	728-04699.08.32.04
Chape	728-04699.08.32.07 728-04699.08.32.34
Hydraulics nuts	728-04699.08.32.18 728-04699.08.32.19
Sealing Crown	728-04699.08.42.11

Item name	Item number
Turbine shaft refurbishment	
Turbine Shaft	728-04699.08.33.01
Keys	728-04699.08.34.11 728-04699.08.32.14 728-04699.08.32.15
Intermediate ring	728-04699.08.42.12 728-04699.08.42.13
Ring	728-04699.08.42.01
Intermediate labyrinth	728-04699.08.42.14
Blade control part refurbishment	
Blade control shaft	728-04699.08.34.01
Servomotor piston	728-04699.08.34.03
Piston nut	728-04699.08.34.06
Piston stroke limiter	728-04699.08.34.07 728-04699.08.34.08
Oil pipe refurbishment	
Rotary seal (Oil head)	728-04699.08.36.00
Oil supply tube	728-04699.08.36.02
Shaft seal refurbishment	
Labyrinth Ring	728-04699.08.42.02
Sealing block	728-04699.08.42.04
Joint support	728-04699.08.42.06
Joint support cover	728-04699.08.42.08
Labyrinth halves	728-04699.08.42.15
Two-piece cones	728-04699.08.42.16

The following components will be replaced by new ones during refurbishment:

Shaft seal	
Runner blade bushings	728-04699.08.32.08 728-04699.08.32.09 728-04699.08.32.13 728-04699.08.32.17
Blade control shaft bushings	728-04699.08.33.07 728-04699.08.34.09 728-04699.08.34.12
Turbine shaft seal segments	728-04699.08.42.09 728-04699.08.42.10
Turbine shaft bearing & adapter sleeve	728-04699.08.42.18 728-04699.08.42.17
All disturbed seals associated to the runner, the turbine shaft, blade control shaft, turbine shaft seal and oil pipe seal	N/A
All disturbed bolts smaller than Ø20mm associated to the runner, the turbine shaft, blade control shaft, turbine shaft seal and oil pipe seal	N/A

Refurbishment of runner parts will include:

- Runner part will be cleaned according to SSPC-SP1 (and SSPC-SP3 is needed for non painted surfaces) for stainless steel parts and parts keeping original paint and as per to SSPC-SP10 for the parts that are going to be painted.
- Perform visual inspection and as found report of all components. Dye penetrant or Magnetic particles examinations in critical part's regions.
- Perform dimensional inspection of parts. Only relevant dimensions to assess the condition of the parts will be measured.
- Any additional works following existing part inspection (non destructive and dimensional inspections) will be treated in T&M.
- During disassembly, identify each item to be able to put them back as before disassembly.
- All bolting under Ø20mm shall be replaced with equivalent size and material.
- All bolting above Ø 20mm shall be cleaned and inspected.
- All dismantled O-ring and seals shall be replaced by new ones.
- Record thickness and position of every shim found during runner disassembly to be available for reinstallation during reassembly.
- All runner parts made in carbon steel in the water flow (cross-brace guide, runner cone, runner hub) will be sand blast and paint. One type of paint will be use for every surface (surfaces immerged in oil and water) as per specification HNASTD00 MEF 01-203 F DC-H07a (see in Appendix B).
- The runner, the turbine shaft and the blade control shaft will be assembled for pressure test (servomotor system at 120 bars and runner enclosure at 5 bars) to ensure that the blades operate freely and there is no leak. RBWCD may witness the test upon request.

Refurbishment of the shaft seal will include:

- Shaft seal parts will be cleaned according to SSPC-SP1 (and SSPC-SP3 is needed for non painted surfaces).
- Perform visual inspection and as found report of all components. Dye penetrant or Magnetic particles examinations in critical part's regions.
- Perform dimensional inspection of parts. Only relevant dimensions to assess the condition of the parts will be measured.
- Any additional works following existing part inspection (non destructive and dimensional inspections) will be treated as a change order to the original purchase order.
- During disassembly, identify each item to be able to put them back as before disassembly.
- All bolting under Ø20mm shall be replaced with equivalent size and material.
- All bolting above Ø 20mm shall be cleaned and inspected.
- All dismantled O-ring and seals shall be replaced by new ones.
- Any additional works (dimensional inspection, repair, etc.) will be treated as a change order to the original purchase order.

Refurbishment of the oil supply tube will include:

- The oil supply tube will be cleaned according to SSPC-SP1.
- Perform visual inspection and as found report of all components. Dye penetrant or Magnetic particles examinations in critical part's regions.
- Perform dimensional inspection of parts. Only relevant dimensions to assess the condition of the parts will be measured.
- Oil supply (36.02) tube will be pressure test at 120 bar.

On-site inspection of remaining components:

- Generator bearing inspection.
  The bearing babbitt will be visually inspected and measurements recorded on a Site Record Sheet. Dye penetrant testing, oil analysis may be recommended based on the initial findings but would be treated as a change order to the original purchase order.
- Generator Visual Inspection
  Base scope: The generator stator and rotor will be visually inspected for anomalies.
  Upon initial inspection, GEV may recommend that the generator rotor be removed from the stator for a more thorough visual inspection including NDT of any areas of interest. This recommendation, if accepted by RBWCD would be treated as a change order to the original purchase order.
- Generator electrical tests: Insulation Resistance (IR) and dc resistance tests on stator and rotor winding and Polarization Index (PI) on stator winding.
- Distributor inspection
  Base scope: The distributor will be visually inspected and recorded on a Site Record Sheet.
  NDT testing including Dye penetrant testing, etc. Cleaning and painting may be recommended upon inspection and treated as a change order to the original purchase order.
- HPU
  Base scope: The HPU will be visually inspected and recorded on a Site Record Sheet.
  Motor and pump testing, oil analysis, internal tank inspection may be recommended upon inspection and treated as a change order to the original purchase order.
- Piping
  Base scope: The piping will be visually inspected and recorded on a Site Record Sheet. Interior surface cleaning, NDT testing, pressure testing may be recommended upon inspection and treated as a change order to the original purchase order.
- Sensors
  Base scope: Sensors will be visually inspected and recorded on a Site Record Sheet.
  Sensor testing and calibration, other than those mentioned elsewhere may be recommended upon inspection and treated as a change order to the original purchase order.

2.5 Shipping of components from shop back to site

See 2.3

2.6 Reassembly of unit

Once the parts have been refurbished at the shop GEV will reassemble the turbine and generator on site. During reassembly we will fill out the site record sheets which will include measurements, orientation, alignment, shim presence and position. We will ensure that the unit is aligned similar to the as-found condition or better.

2.7 Re-commissioning and re-start of the unit:

Upon completion of the reassembly and with RBWCD's support, GEV will conduct a dry test of the wicket gates and blades to ensure proper operation and calibrate the instrumentation. GEV will then perform a commissioning test with temperature and vibration measurement during the following operations: unit at operating speed with no load on the generator (SNL), load rejections at partial load, and a heat run up to 100% load.

Not included in the scope of this work, but within our expertise,

- balancing of the generator.
- Index test and performance test.
- Cam law optimization
- Speed control, excitation, and synchronization optimization.

Upon request of if recommended during the site work, this work could be performed as a change order to the original contract.

2.8 Additional clarifications on the scope of work:

Along with the scope described above, the following Engineering activities and deliverables activities are included:

- Inspection, data analysis, engineering recommendation.
- History docket with final dimension from shop, inspection reports, material.
- Generator and thrust Bearing visual inspection on-site (no NDT qualification).
- Hydraulic nut to install the bearing onto the adaptor sleeve on the runner shaft.

The following activities are recommended to occur during the runner refurbishment outage but not essential. To minimize cost to RBWCD, following additional recommended scope is not included in GEV's scope:

- Cavitation repair
- Excitation, protection inspection, test, and upgrade
- Control inspection, test, upgrade
- Turbine Distributor dismantling and refurbishment.
- Generator and thrust bearings NDT and refurbishment.
- Inlet valve inspection, test, upgrade
- Gates and penstock inspection, test, upgrade
- Civil structure inspection, test, upgrade
- Power transformer inspection, test, upgrade

Upon interest, GEV can assist RBWCD with some parts of this additional recommended scope.

3. SUPPORT EXPECTED FROM RBWCD AND DIVISION OF WORK

For this project and around the scope of work described in section 2, GEV is offering the following division of work:

#	Item	RBWCD	GEV
1	Engineering, project management and procurement related to the scope of work described in section 2		X
2	Unit stop, dewatering, system shutdown, Lockout tagout, with unit ready for disassembly	X	
3	Tooling/equipment and manpower required for pre-disassembly signature testing, disassembly, shipping of components described in section 2, reassembly and recommissioning/restart of the unit		X
4	Scaffolding support[A], crane and crane operator[B]	X	
5	Site logistics, including, but not limited to: Office and breakroom trailer for the GE VERNOVA crew[C], porta-potties and wash stations, dumpster and waste management, access to power (120/480V), compressed air and water.	X	
6	Security for GE VERNOVA tools stored on site	X	
7	Unit operation during signature testing and restart	X	

[A] Scaffolding support is not anticipated at this time, but site conditions may evolve.
[B] GEV will share a lifting plan with RBWCD before site mobilization for disassembly
[C] GEV anticipates a crew of (1) GEV site manager, (5) foreman/millwright and possibly (2) Engineers on site maximum.

4. EXCLUDED FROM THIS OFFER

The following is excluded from GEV's proposal:

- Unit control (PLC) algorithm programing, the current program will be retained.
- Distributor, inlet valves, gates, servomotor refurbishment work or replacement.
- Refurbishment work on the generator bearings.
- Refurbishment on the generator rotor, stator, or excitation
- Refurbishment of the discharge ring
- New spacer sleeve (42.01), and intermediate rings (42.12, 42.13) are not included in this scope of work
- Oil tank rework
- Piping replacement
- Any concrete evaluation or work
- Special tooling. The Taylor Draw unit is meant to be installed using standard tools. Any special assembly tooling left with the unit during original assembly should have been kept by RBWCD and will be reused during the work.
- Detailed engineering analysis, detailed repair procedures for unexpected defects or anomalies discovered during disassembly and parts inspections.
- Crack repair. (Excavation, NDT, welding, heat treatment, metal spray)
- Repair due to excessive corrosion, pitting, distortion, damages. GE considers removing 1.5mm on every surface to clean. Should defect remain after material removal, analysis, recommendation, and repair would be additional cost.
- No drawing and Operation and Maintenance manual will be provided.
- All damages, delays, or inconveniences resulting from work performed by other contractors, subcontractors or employees provided by the Client.
- Costs for asbestos/lead sampling
- All damages, delays, or inconveniences resulting from asbestos and/or lead paint presence.
- Signature testing (see 2.1) will be conducted at a power output achievable by RBWCD during the pre-disassembly campaign. GEV will verify like or better performance at the same output after unit restart. GEV cannot be held responsible for any vibration, temperature and behavior issues of the unit at any other output than the one tested.
- And, in general, anything not specifically included in this proposal.

5. ASBESTOS

GEV has strict policies about Asbestos. To ensure workers safety, a certificate of absence of Asbestos will have to be provided to GEV before the work. Testing requirements will be communicated by GEV in the disassembly procedure. If Asbestos is found, GEV and RBWCD will have to agree on remediation, Engineering controls and air monitoring to be set to conduct the work, with costs handled by RBWCD.

Nothing in this Offer shall be interpreted as placing any responsibility or liability on GEV, or GEV's personnel for pre-existing conditions at the Site such as, but not limited to, pollution, contamination (such as contamination of the Purchaser's equipment subject of the Work), hazardous waste or toxic material, or for the generation, emission, or disposal of such substances. The Purchaser shall protect and indemnify GEV and GEV's personnel against any and all claims or liabilities based on such preexisting conditions.

Prior to the performance of any Work at the Site, the Purchaser shall disclose to GEV, in writing, the location of any hazardous materials present in or on any buildings, structures, machinery and equipment or areas of the Site, particularly asbestos present in the equipment subject to the Work, of which the Purchaser is aware and which will have or should be expected to have an impact on GEV's performance of the Work because of environmental health and/or safety concerns.

In case asbestos or other hazardous materials are encountered during the course of the Work, either declared or undeclared by the Purchaser, GEV shall immediately contact the Purchaser, stop the Work in progress and remove its personnel from the corresponding area.

GEV shall immediately liaise with the Purchaser in order to mutually agree on the actions necessary to minimize delay of the Work (if any).

The ownership and costs for the removal and disposal of asbestos or any other hazardous materials shall remain with the Purchaser. Performance of the Work shall be suspended until total disposal of asbestos or any other hazardous materials unless Work can be carried out in another area, which is free of asbestos and any other hazardous materials. The time for performance of the Work shall be extended accordingly. Any resulting costs whatsoever (including demobilization and/or mobilization) incurred by GEV shall be reimbursed by the Purchaser."

6. PRICE

GEV owns all documents and drawings from the original installation of the unit in the 1990s. Additionally, the GEV team has experience with similar turbine refurbishments. Based on our experience and the current age of the unit, there is a risk of discoveries (defined as condition of the unit or site that differs and was unknown to GEV) from while disassembling the units or with the parts after workshop initial inspections. These discoveries may increase the expected scope of work, beyond what is quoted in this proposal, possibly leading to schedule and price change. To alleviate this risk for both entities, GEV has priced the scope of work with:

- A Firm price approach for all the off-site Engineering, Project Management, Procurement, Quality, Site preparation activities, as well as the shop refurbishment of the turbine and the replaced/refurbished components described in sections 2.
- A Time and Material (T&M) approach for the site portion of the scope (including Site work, Engineering and Project Management remote support during site work, and Travel costs related to the scope of work specifically described in sections 2.1, 2.2, 2.6 and 2.7) related to the on-site disassembly and reassembly of the unit.

6.1 Off-site activities: Engineering, Project Management, Procurement, Quality, EHS and Site preparation activities, and shop refurbishment.

☒ **Fix and Firm**
☐ **Time and Material Estimate**

We offer the following firm fix price for this portion of the work:

6.1	**Off-site activities: Engineering, Project Management, Procurement, Quality, EHS and Site preparation activities, and shop refurbishment: sections 2.1-2.7 TOTAL excluding taxes ***	**$ 873,500.00 USD**

** prices are in USD. They do not include taxes but will be invoiced as per contract and regulatory laws.*

6.2 On-site activities: Site work and Engineering, Project Management remote support.

☐ **Fix and Firm**
☒ **Time and Material Estimate**

We offer the following estimate for this portion of the work:

6.2(a)	**On-site disassembly activities: Site work, Engineering and Project Management remote support during site work, and travel costs related to the scope of work specifically described in sections 2.1, 2.2, 2.6 and 2.7** TOTAL excluding taxes *	**$ 479,000.00 USD**
6.2(b)	**On-site reassembly activities: Site work, Engineering and Project Management remote support during site work, and travel costs related to the scope of work specifically described in sections 2.1, 2.2, 2.6 and 2.7** TOTAL excluding taxes *	**$ 416,000.00 USD**

** prices are in USD. They do not include taxes but will be invoiced as per contract and regulatory laws.*

Time and Material estimates above assume a GEV Site team composed of:

- (1) GEV Site Manager
- (1) GEV subcontracted foreman
- (4) GEV subcontracted Millwrights
- Engineering crew on remote support with 2 visits during disassembly/reassembly.
- Project Manager on remote support with 2 visits to site during disassembly/reassembly
- (1) GEV Safety representative on remote support with 2 visits to site during disassembly.
- All travel and accommodation costs associated with on-site personnel.
- Cost estimates are per the rates and markups defined in Appendix B.

7. SCHEDULE

Below is a high level schedule. A detailed schedule will be provided after receipt of PO.

Acknowledgement of Purchase Order by GEV	September 3, 2024
Mobilization to Site for Disassembly	October 14-15, 2024
EHS Orientation	October 16-17, 2024
Pre-Disassembly Measurements and Tests	October 17-22, 2024
Start of Disassembly	October 23. 2024
Post Disassembly Inspections	November 8-12, 2024
Marking and Tagging of Components	November 12-15, 2024
Packaging and Shipping of Components	November 15-18, 2024
Demobilization from Site	November 19-20, 2024
Shipping of Components to Shop	November 19-24, 2024
Shop Repairs	November 27, 2024 to April 24, 2025
Shipping of Components to Site	April 24-28, 2025
Mobilization to Site for Re-assembly	April 24-28, 2024
Unpacking and Installation of Turbine	April 28, 2025 to May 13, 2025
Generator Re-assembly and Testing	May 14-19, 2025
Unit Recommissioning and Restart	May 19-23, 2025
Site Demobilization	May 23-27, 2025

8. PAYMENT TERMS AND MILESTONES

For the Firm Priced portion of the work GEV is offering the following milestone

Contract award	30%
Completion of Pre-Disassembly Signature Testing	10%
Start of Unit Disassembly	10%
Shipment of Component to Shop for Refurbishment	20%
Arrival of Components at Shop for Refurbishment	15%
Shipment of Components from Shop to Site	15%

For the Time and Material portion of the work GEV will bill monthly with weekly approved time sheets.

9. TERMS AND CONDITIONS

In the absence of agreed upon terms and conditions for this contract, GEV propose to use the attached "GE RENEWABLES US LLC GENERAL CONDITIONS OF SERVICE (DOMESTIC) in Appendix C

IN WITNESS WHEREOF THE PARTIES HAVE SIGNED:

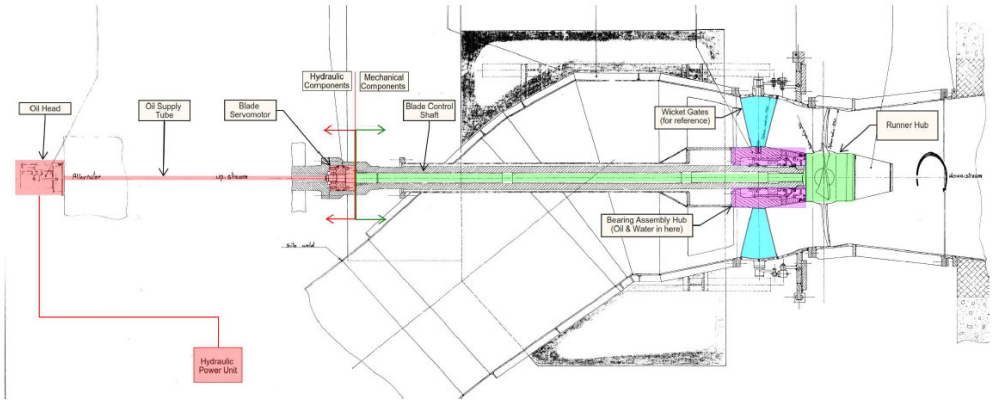
In Greenwood Village, CO, on June 28th, 2024	In Rangely, CO, on _____
Matt Pevarnik	
Matt Pevarnik Vice President GE Renewables US LLC	Alden Vanden Brink District Manager Rio Blanco Water Conservancy District

Any Client's purchase orders will be accepted only when issued in accordance with the Terms and Conditions of this proposal, unless otherwise agreed to in writing by the parties. Where the work is undertaken, at the Client's request, in good faith prior to the receipt of the Client's written purchase order, it is understood and agreed that the terms and conditions of this proposal shall apply and that any additions, deletions or modifications to the terms and conditions of this proposal made by the Client in a written purchase order without the written agreement of GE Renewables US LLC are to be considered null and void. Please sign and return this document to us at your earliest convenience so that we may activate the project and start preparing for the job.

NOTE: The above signatory attests that he/she is legally authorized to sign this agreement for the Client
This proposal is valid until 07/15/2024

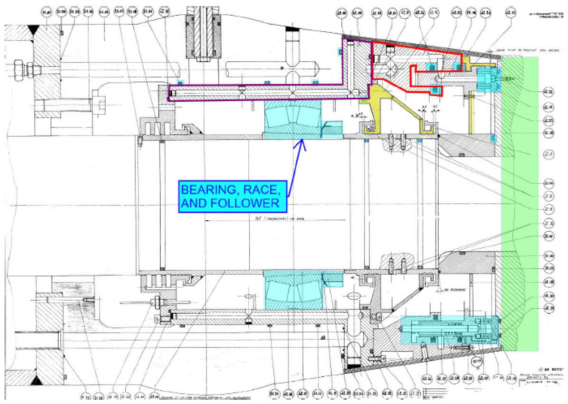
Turbine Layout

GE VERNOVA



GE VERNOVA

Green is runner
Blue is parts replacement
Yellow is things to remove



Appendix F

POWER PURCHASE AGREEMENT AND MOON LAKE ELECTRIC ASSOCIATION LETTER

2014 AMENDMENT
TO
POWER PURCHASE AND INTERCONNECTION AGREEMENT
BETWEEN
RIO BLANCO WATER CONSERVANCY DISTRICT
AND
MOON LAKE ELECTRIC ASSOCIATION, INC.

This 2014 Amendment (this "2014 Amendment") to the POWER PURCHASE AND INTERCONNECTION AGREEMENT BETWEEN RIO BLANCO WATER CONSERVANCY DISTRICT AND MOON LAKE ELECTRIC ASSOCIATION, INC. (the "1991 Agreement") dated July 10, 1991 between MOON LAKE ELECTRIC ASSOCIATION, INC., a corporation duly organized and existing under the laws of the State of Utah, it successors and assigns (hereinafter "Moon Lake") and RIO BLANCO WATER CONSERVANCY DISTRICT, its successors and assigns (hereinafter "the Water Conservancy District") is entered into as of the 05 day of August, 2014, but effective as of the Effective Amendment Date as defined herein.

RECITALS:

A. The Water Conservancy District constructed the Taylor Draw Dam and its associated Kenney Reservoir on the White River in Rio Blanco County in the State of Colorado. The Water Conservancy District also constructed the Taylor Draw Dam hydroelectric power plant including its interconnection facilities (the "Facility").

B. Moon Lake constructed its interconnection facilities to interconnect with the Facility as part of its electric power system.

C. The performance tests for the hydroelectric plant and interconnection facilities were accepted by both Parties hereto on April 9, 1993. The Facility has been continuously operated by the Water Conservancy District and Moon Lake has purchased the electric power and energy generated by the Facility upon the terms and conditions set forth in the 1991 Agreement, as amended, since that date;

D. The 1991 Agreement, as amended, has been in effect since its effective date of July 10, 1991. The Initial Term, as defined by the 1991 Agreement, was for a period of twenty (20) years from the April 9, 1993 event and, by mutual agreement of both Parties, has continued to remain in effect until such time as this 2014 Amendment was prepared and accepted by both Parties hereto in writing.

E. This 2014 Amendment memorializes the result of the efforts and negotiations of the Parties to enter into an additional long-term extension of the 1991 Agreement, as amended.

NOW THEREFORE, in consideration of the covenants and agreements herein contained to be kept and performed, the Parties hereto agree as follows:

AGREEMENT:

1. DEFINITIONS. Capitalized Terms not otherwise defined herein shall have the meaning set forth pursuant to the 1991 Agreement.

1.1 "Effective Amendment Date" shall mean September 1, 2014.

2. TERM AND TERMINATION. Section 2.0 of the 1991 Agreement, as amended, is hereby replaced as follows:

A. The Term of the 1991 Agreement shall be extended by this 2014 Amendment from its Effective Amendment Date through August 31, 2024 (ten (10) consecutive years) subject to execution and delivery of this 2014 Amendment by the Parties to each other and receipt of necessary approvals, if any. At the end of this new 10-year Term, this 2014 Amendment, as amended shall be renewed for an additional ten (10) consecutive years upon reasonable review and adjustment of rates and changes, and upon the mutual agreement of both Parties.

3. SALE AND PURCHASE OF POWER. Section 3.0 of the 1991 Agreement, as amended, shall remain effective during the Term of the 2014 Amendment as stated in the 1991 Agreement, as amended by the following:

A. From and after the Effective Amendment Date through August 31, 2024, the rates and charges and principles for the Sale and Purchase of Power delivered by the Facility at the Interconnection Point as defined under Section 3.0 of the 1991 Agreement, as amended, shall be modified to an energy only rate. Moon Lake shall pay an Energy Payment monthly to the Water Conservancy District equal to the Metered Energy Output (kWh) delivered to Moon Lake for the Current Billing Period times an electrical Loss Factor times an energy rate ($/kWh). The electrical Loss Factor is (0.963). The energy rate per kWh is $0.045 per kWh.

4. REQUIRED PAYMENT IN THE EVENT OF TERMINATION OR BREACH. Section 4.0 of the 1991 Agreement, as amended, shall be amended as follows:

A. Subsection 4.6 shall have the word 'original' removed from the second sentence of that Subsection.

5. AFFECT OF 2014 AMENDMENT. Other than as specifically set forth herein or in the 1991 Agreement, as amended, except with the written consent of the other Party, no Party hereto, nor any person or entity acting or purporting to act on behalf or with the authority of any of them, may change or adjust the rates, term or any other provision contained in this 2014 Amendment or the 1991 Agreement, as amended. Amendments to the 1991 Agreement as of the Effective Amendment Date above are outlined in Exhibit 1 hereof.

6. MISCELLANEOUS PROVISIONS.

6.1 Merger Clause. This Amendment, together with the 1991 Agreement as amended pursuant hereto, constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof. This 2014 Amendment shall be binding upon and inure to the benefit of the Parties hereto, their successors and assigns.

6.2 Severability. In the event any portion of this 2014 Amendment or the 1991 Agreement, as amended pursuant hereto, is declared illegal, unlawful or unenforceable by a court or regulatory agency of competent jurisdiction, all other portions of the 2014 Agreement and the 1991 Agreement shall remain binding on the Parties, unless the court or regulatory agency holds that such provisions are not separable from all other provisions of the 2014 Amendment and the 1991 Agreement.

6.3 Authority. Each Party to this 2014 Amendment expressly warrants that it is possessed of all necessary authority, and has taken all necessary actions, to enter into and perform its obligations hereunder and that the person or persons executing the 2014 Amendment on its behalf possess all necessary authority to do so.

6.5 Counterparts. This 2014 Amendment may be executed in multiple counterparts, each of which shall constitute an original, and all of which taken together shall constitute one and the same instrument.

6.6 Due Authorization. By signing this 2014 Amendment as indicated below, each of the undersigned hereby acknowledges and warrants for the benefit of the other Party hereto, that he/she is duly authorized to execute this 2014 Amendment in his or her capacity indicated below and that, upon such execution and delivery hereof, this 2014 Amendment shall be binding and enforceable against the Party indicated above such person's signature in accordance with the terms hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this 2014 Amendment as of the date first written above.

MOON LAKE ELECTRIC ASSOCIATION, INC.

Corporate Seal

By: _____

GRANT J. EARL
Print Name

General Manager/CEO
Title

RIO BLANCO WATER CONSERVANCY DISTRICT

Corporate Seal

By: _____

WADE R COX
Print Name

Title

EXHIBIT 1

TO THE
2014 AMENDMENT
TO
POWER PURCHASE AND INTERCONNECTION AGREEMENT
BETWEEN
RIO BLANCO WATER CONSERVANCY DISTRICT
AND
MOON LAKE ELECTRIC ASSOCIATION, INC.

The following is a list of Amendments that have been made to the Power Purchase and Interconnection Agreement between Rio Blanco Water Conservancy District and Moon Lake Electric Association, Inc. entered into on July 10th, 1991. These Amendments were entered into by the Parties and became effective between July 10, 1991 and the Affective Amendment Date of the 2014 Amendment.

1. An Amendment to the 1991 Agreement was made after experience with billing and payment showed that modifications to the 1991 Agreement were necessary. This Amendment was titled "Modification of Sections 7.1, 8.1, and 8.2 of the 1991 Taylor Draw Hydroelectric Power Purchase and Interconnection Agreement" and the Amendment became effective as approved by the respective Boards on November 17, 1993.

2. An Amendment to the 1991 Agreement titled "Modification of Operating Conditions of the Taylor Draw Hydroelectric Plant with Respect to Kilovar Absorption by Generator" became necessary and became effective September 8, 1993 upon approved by the respective Boards. Operating limits were changed from the 1991 Agreement.

3. An Amendment to the 1991 Agreement was required prior to approval by the Rural Electrification Administration (REA). Section 11.0 was amended by addition of a statement at the end of the original Section 11.0. Section 20 was added to the 1991 Agreement stating that the 1991 Agreement required Approval by the REA Administrator before becoming effective. Acceptance of this Amendment was approved by the respective Boards on March 9, 1994. REA accepted the 1991 Agreement, as amended, on May 6, 1994.

Note: At the time this 2014 Amendment was entered into, Moon Lake no longer is a Borrower from REA and therefore, this 2014 Amendment will not be subject to the REA Administrator's approval.

4. A proposed Amendment to the 1991 Agreement titled "September 15, 1994 Modification of Operating Condition of Taylor Draw Hydroelectric Plant with Respect to Kilovar Absorption by Generator" was dated September 15, 1994. Operating limits were changed after gaining experience in the operation of the Facility from the previous Amendment dated September 8, 1993. Both Parties accepted the modification by approval of their respective Boards as of October 12, 1994.

5. Moon Lake's major wholesale power supplier when the 1991 Agreement became effective was Deseret Generation and Transmission Cooperative ("Deseret"). Deseret went through a debt restructuring process that affected Moon Lake. As a result of the Deseret restructuring, Deseret's Member Cooperatives (including Moon Lake) were required to integrate and pool their wholesale power resources. The Water Conservancy District's Facility is one of Moon Lake's wholesale power resources and the 1991 Agreement had to be modified under the title "Amendment of Agreement for Taylor Draw Hydro-Electric Facility – as prompted by Deseret Restructuring". This modification generally affected the shifting of the Firm Capacity from Moon Lake's monthly peak to the Deseret Member's monthly peak and from a 15-minute basis to an hourly basis. Deseret had indicated its intention to furnish Moon Lake with a signal signifying an impending Deseret Member monthly peak. Moon Lake was to furnish this signal to the Water Conservancy District, if it so desired upon written request. This Amendment was accepted in writing by the respective Boards and became effective as of May 15, 1997.

   Note: Deseret remains Moon Lake's major wholesale power supplier as of the date of the 2014 Amendment.

This Exhibit 1 is accepted as attached to and part of the 2014 Amendment by both Parties as witnessed by the signatures below:

Title President

Rio Blanco Water Conservancy District

Title General Manager/CEO

Moon Lake Electric Association, Inc.

MOON LAKE
MLEA
ELECTRIC ASSOCIATION

P.O. BOX 278 ·800 WEST HWY 40 ·ROOSEVELT, UTAH 84066 ·435-722-5400

To Whom It May Concern,

May 30, 2023

Moon Lake Electric Association, Inc. (MLEA) is a non-profit rural electric cooperative operating in northeastern Utah and northwestern Colorado. We serve approximately 20,000 meters in our service territory with over 4,000 miles of transmission and distribution line. MLEA has produced clean hydroelectric power with our own FERC licensed hydro-electric projects for over 80 years. We've also benefitted by power purchase agreements with Rio Blanco Water Conservancy District involving their Taylor Dam hydroelectric generation. We fully support all economic hydroelectric generation to fulfill the needs of our membership. This pollution free source of energy is highly dependable and provides a far more consistent source of power during peak loading times than many of the non-dispatchable resources currently being integrated into Western Interconnection.

MLEA is extremely concerned with the growing trend of decommissioning many of the dispatchable generation resources in the area. We believe this will result in price instability and may also lead to widespread power outages. Energy from dependable non-emitting resources such as hydroelectric generation will be all the more critical as many utilities transition away from traditional resources. Small hydro generators could become the only resource supporting our communities should the current transition to non-dispatchable resources result in blackouts. While these hydroelectric sites are small, they can also provide a small degree of rate stability and certainty. These small generators are on a short list of resource types that have long term regulatory certainty which makes them all the more valuable from a capacity perspective.

Over the last several years MLEA has faced expensive FERC process costs associated with our currently licensed projects. We encourage governing entities to minimize permitting and process costs for these projects to the best of their abilities. MLEA firmly believes that these projects are in the best interest of local communities and as such deserve special consideration.

Best Regards,

Yankton Johnson
General Manager
Moon Lake Electric Association

Appendix G

CWCB Loan Application
CWCB Memorandum of Loan Approval

Appendix I

RIO BLANCO WATER CONSERVANCY DISTRICT BOARD OF DIRECTORS
RESOLUTION 2024-01

RIO BLANCO WATER CONSERVANCY DISTRICT BOARD OF DIRECTORS

RESOLUTION 2024-01

A RESOLUTION OF THE TAYLOR DRAW HYDROELECTRIC ENTERPRISE TO OBTAIN A WATER PROJECT LOAN THROUGH THE COLORADO WATER CONSERVATION BOARD FOR THE REFURBISHMENT OF THE TAYLOR DRAW HYDROELECTIC TURBINE ASSEMBLY.

WHEREAS, the Rio Blanco Water Conservancy District is the owner, operator, and Federal Regulatory Commission licensee of the Taylor Draw Hydroelectric Project; and,

WHEREAS, the Taylor Draw Hydroelectric Project is located within, the Rio Blanco Water Conservancy District and is organized under the laws of the State of Colorado; and,

WHEREAS, the Board of Directors of the Rio Blanco Water Conservancy District is the Board of Directors of the Taylor Draw Hydroelectric Enterprise created and authorized by Board of Directors Resolution 93-07; and

WHEREAS, the Board of Directors of the Taylor Draw Hydroelectric Enterprise seeks to obtain the most favorable financing for the project; and

WHEREAS, at the regular board meeting held on July 31, 2024 the Board of Directors approved a motion authorizing the Taylor Draw Hydroelectric Enterprise to take action securing financing for the refurbishment of the Taylor Draw Hydroelectric Project and to approve and obtain loans and or other financing means necessary to finance the project;

NOW THEREFORE BE IT RESOLVED BY action taken by the Board of Directors of the Taylor Draw Hydroelectric Enterprise, during the Regularly Scheduled Meeting at 2252 East Main Street Rangely, Colorado, called subject to notice duly given on the 31st day of July 2024, with 4 Directors in attendance by motion duly made, seconded, and passed:

1. That the total estimated construction cost for refurbishment of the Taylor Draw Hydroelectric turbine (runner) assembly including the actual construction, construction engineering, and Bond Council is $2,125,025.
2. That the Taylor Draw Hydroelectric Enterprise is applying to the Colorado Water Conservation Board for $2,125,025 in the State Water Project Loan Program to finance this project, said fund to be repaid over a period of 30 years.
3. Authorizing Officers and Staff of the Taylor Draw Hydroelectric Enterprise to submit necessary applications and supporting documents to the Colorado Water Conservation Board through the Water Project Loan Program to obtain financing for the refurbishment of the turbine (runner) assembly.

RIO BLANCO WATER CONSERVANCY DISTRICT BOARD OF DIRECTORS

RESOLUTION 2024-01

SIGNED, the 31st day of July, 2024

Tim Winkler

Tim Winkler, President

ATTEST:

M.E. Morgan

Mike Morgan/Secretary

BACK PACKET

RBWCD AND MLEA MAP OF SERVICE AREA