



In the Matter of the Proposed Acquisition of an Interest in the Shoshone Power Plant Water Rights



COLORADO
Colorado Water
Conservation Board

Department of Natural Resources

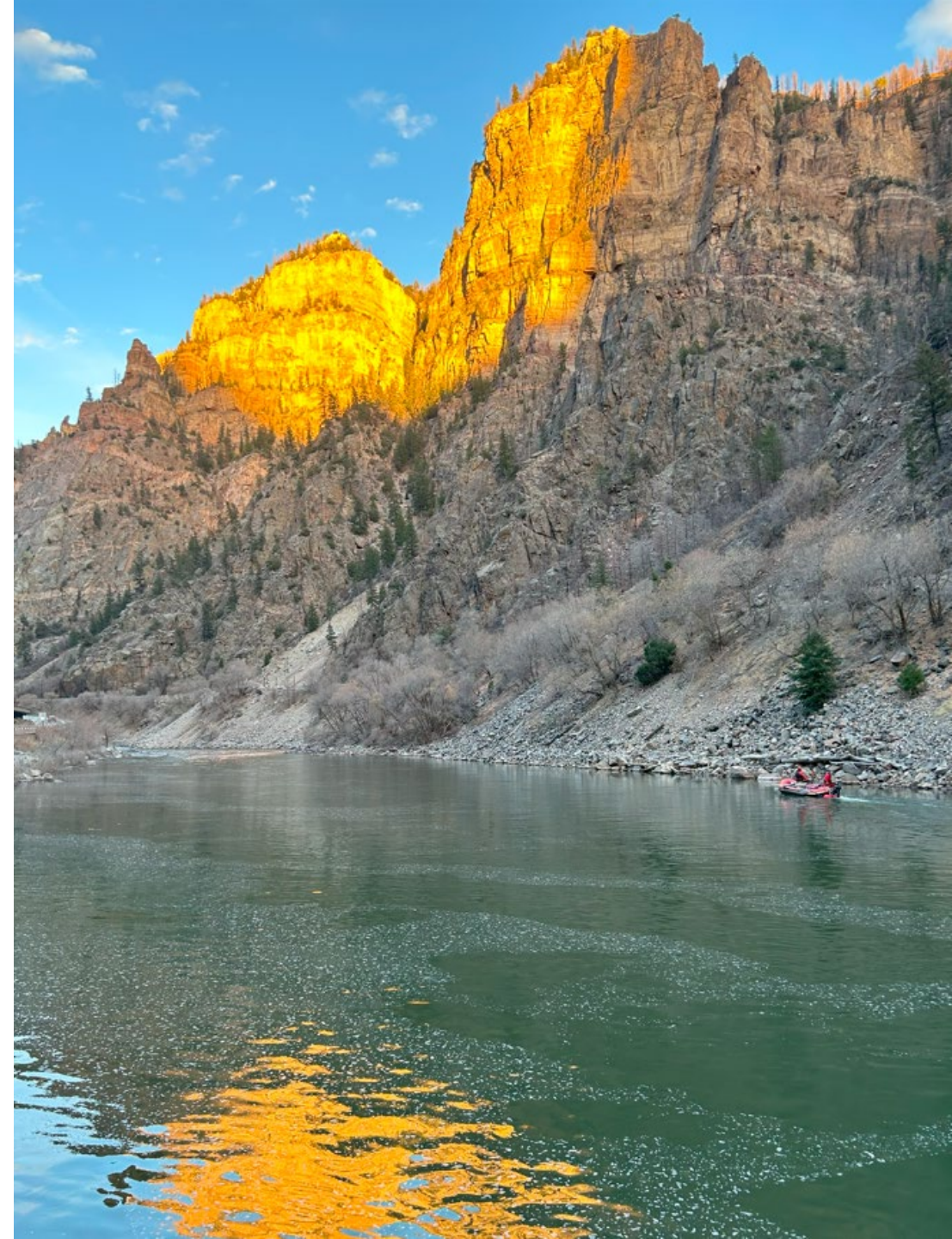


Activities Since Sept. Mtg.

- Mediation efforts led by the Colorado Forum continued
- Negotiations did not result in all Parties reaching a stipulated resolution
- CWCB and RD revised the ISF Agreement to address the Board's Four Directives and related matters raised by numerous parties, including the Front Range Entities



Shoshone Hearing
November 2025



1a CWCB Staff will provide a revised ISF Agreement in November to address relevant external agreements. The revised ISF Agreement will not include the terms of the external agreements, but will reference them to notify the water court they exist.

Paragraph 23. The CWCB and River District acknowledge certain agreements exist that pertain to the Shoshone Water Rights, including the 2007 Call Reduction Agreement; the June 27, 2016, Shoshone Outage Protocol Agreement; the September 26, 2013, Colorado River Cooperative Agreement; the August 1, 2018, Aurora/Busk-Ivanhoe Settlement Agreement; and the March 1, 2024, Colorado Springs Blue River Settlement Agreement Concerning Water Rights. Those agreements are not incorporated into or adopted as part of this ISF Agreement. This ISF Agreement is not intended to and does not modify those agreements in any way.



Shoshone Hearing
November 2025

1b CWCB Staff will work with the River District to clarify that the River District will pay the costs and incorporate the costs related to measurement infrastructure mentioned in ISF agreement paragraph 6.

Paragraph 6. In the event any new infrastructure or stream gaging stations are either necessary or desirable for the implementation of this ISF Agreement, or in the event that any new infrastructure—including measuring devices—are deemed necessary by the Engineers with respect to the Shoshone Water Rights, the Parties agree to work cooperatively with each other in good faith to accommodate the installation of any such infrastructure or gaging stations, which are necessary to make water available for instream flow use under this ISF Agreement, in an efficient and economical manner. The River District will be responsible for the costs associated with any infrastructure reasonably determined to be necessary by the Division 5 Engineer to measure and administer water available for instream flow use, including the cost to construct, maintain, and operate any measuring devices.

Paragraph 22. Neither the CWCB nor PSCo is responsible for construction or modification of any structures that may be necessary for use of the Shoshone Water Rights for instream flow purposes. The River District is responsible for all costs associated with installation and maintenance of any infrastructure reasonably necessary to enable and administer the instream flow use of the Shoshone Water Rights.



1c The River District will, and CWCB Staff should, provide any additional analysis as to where this measurement infrastructure would be located.

- The Shoshone Water rights have been administered based on the Dotsero stream gage since 1940.
- Adding ISF use to the Shoshone Rights may not require any change to the location where these rights are administered.
- DWR is currently conducting a formal process to develop measurement rules in Water Division 5.
- This is technical issue that can be solved at a later time, if needed.



2) CWCB Staff will be objective regarding the average consumptive use and average historical use calculation to assess what is the best methodology during any additional negotiations leading up to November. Staff will not endorse any proposed analyses provided to date.

Paragraph 14 A. During the change of use water court process authorized by this ISF Agreement, the staff of the CWCB shall provide objective expertise and input consistent with the CWCB's statutory authority and obligations

Paragraph 15. This ISF Agreement should not be construed as an endorsement by the CWCB of the November 8, 2024, draft report prepared by BBA Water Consultants, Inc., or the preliminary historical use assessment contained therein.



Shoshone Hearing
November 2025

3) The Board requests an analysis of whether there is a need to be explicit in the ISF agreement regarding when it is referring to the Board or Staff. If this is clear to Staff, no further action is needed.

- The ISF Agreement has been clarified where needed.

4) The Board requests clarification from CWCB Staff on the various and related roles of the Board, CWCB Staff, and the River District in requesting administration of the ISF water right.

- Paragraph 7 of the ISF Agreement has been substantially modified to address concerns discussed at the September Hearing and the related roles of the Board, CWCB Staff, and the River District in requesting administration of the Shoshone water rights for ISF use.



STAFF RECOMMENDATION

1. Accept a perpetual interest in the junior and senior Shoshone Water Rights for ISF use up to the full decreed amounts and determine that this use will preserve and improve the natural environment to a reasonable degree;
2. Direct the CWCB Director to sign the proposed ISF Agreement;
3. Determine that protecting the Shoshone Water Rights in the Shoshone Reach, subject to the terms and conditions in the final water court decree, in amounts up to the stream flow rates recommended by CPW to preserve and improve the natural environment, is the best utilization of the acquired interest water to preserve and improve the natural environment to a reasonable degree; and
4. Direct Staff to work with the Attorney General's Office and the River District and PSCo as Co-Applicants to file a water court application requesting to add instream flow use to the Shoshone Water Rights in accordance with section 37-92-102(3), C.R.S.



COLORADO
RIVER DISTRICT



SHOSHONE

WATER RIGHTS PRESERVATION



Revised Proposed ISF Agreement

Responsive to CWCB Board's Four Directives

**CRD to pay for
any necessary
infrastructure**

Para. 6 & 22
The River District will be responsible for the costs associated with the installation of any infrastructure or devices reasonably determined to be necessary by the Division Engineer to administer the Shoshone Water Rights, including the cost to construct, maintain, and operate any such devices.

**Objectivity in
Water Court**

Para. 14.A
During the change of use proceeding in water court, CWCB Staff shall provide objective expertise and input consistent with the CWCB's statutory authority and obligations.

**Acknowledge
Other
Agreements**

- Para. 23**
- 2007 Call Relaxation Agreement
 - 2016 ShOP Agreement
 - CRCA
 - Aurora/Busk Ivanhoe Settlement Agreement
 - Colorado Springs Blue River MOU

*ISF Agreement does not modify the referenced agreements.

**Administration
of Shoshone ISF**

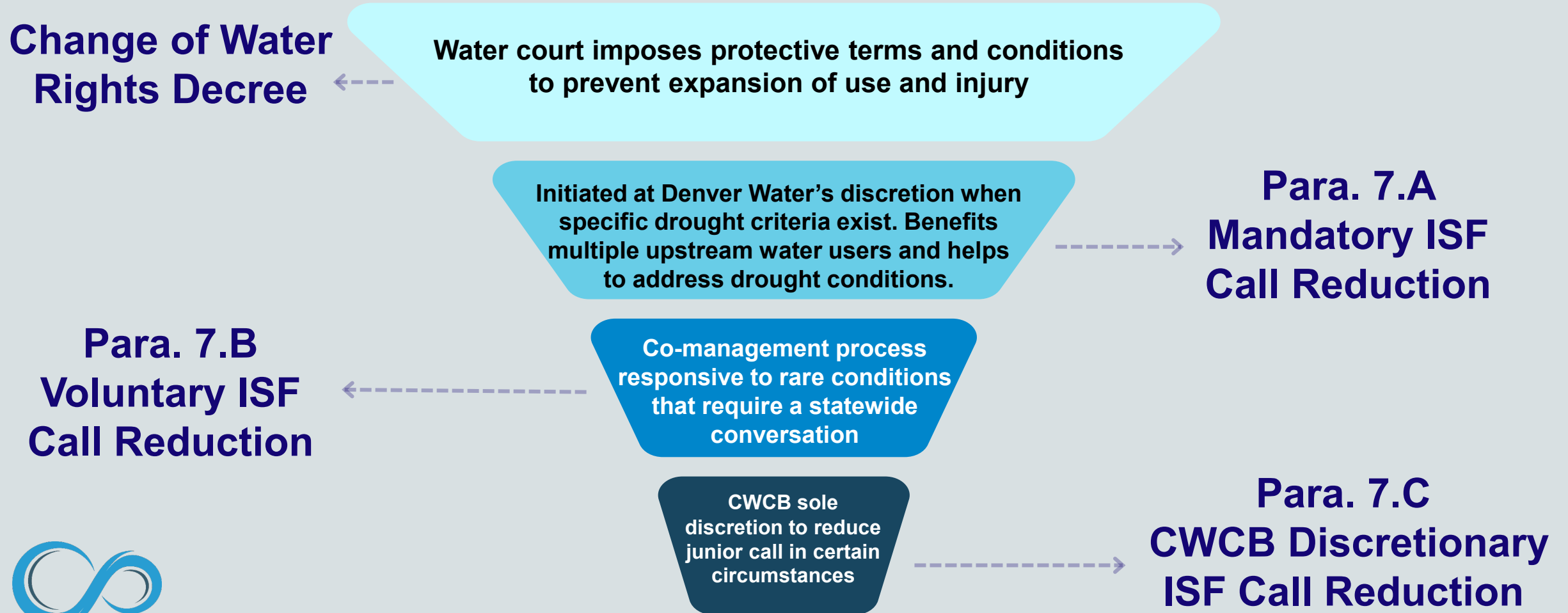
Para. 7. A, B, C
Clarification of the collaborative process jointly managed by River District and CWCB — with input from stakeholders—in requesting water rights administration.

*Details on following slides

*Additional non-substantive editorial revisions
also included*



Limits on the Exercise of the Shoshone Water Rights for Instream Flow Purposes



Mandatory ISF Call Reduction (Para. 7.A)

Shoshone ISF is being exercised



Water Shortage criteria met



At Denver Water's sole discretion, "Mandatory ISF Call Reduction" is implemented

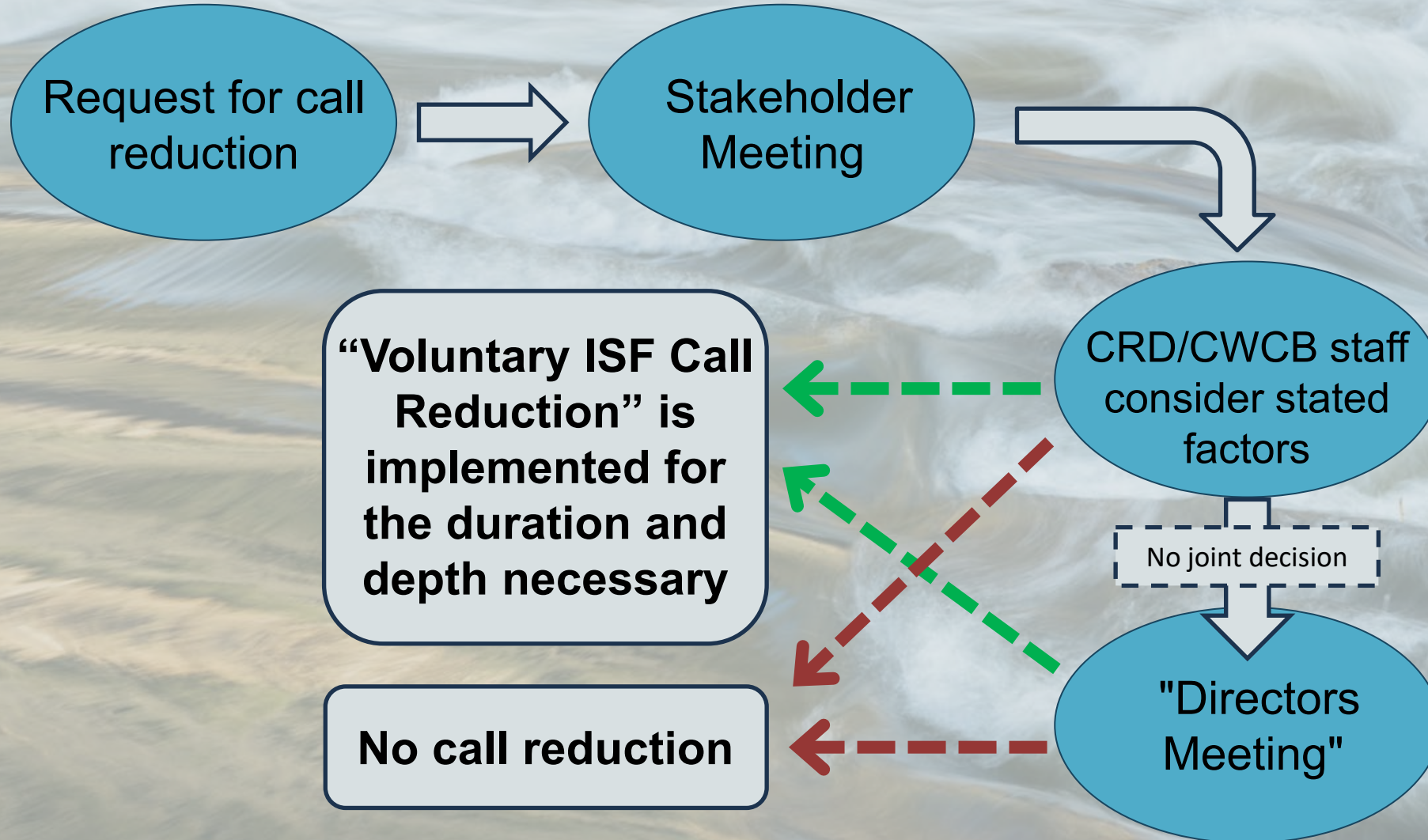
March 14 - May 20



Saved Water
90% Denver Water
10% West Slope
(Northern Water, Aurora, and Colorado Springs are not obligated to share saved water with West Slope.)



Decision to Implement Voluntary ISF Call Reduction (Para. 7.B)



Compact Collaboration (Para. 7.B)

Consider ways to avoid disparate impacts during potential Compact administration

Para. 7.B.iii.m provides that, if the State Engineer determines that water rights administration is needed pursuant to the Compacts, the CWCB and the River District will work with water users on both sides of the Divide to consider ways to avoid disparate impacts when the Shoshone ISF is being exercised.

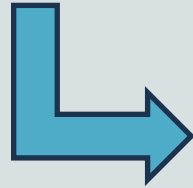
Non-interference with State Engineer's authority

Para. 7.B.ix acknowledges the exclusive authority of the State Engineer to determine whether administration is necessary to comply with the Compacts and that any Voluntary ISF Call Reduction or collaborative process under the ISF Agreement shall not interfere with the State Engineer's exclusive duties and authorities.

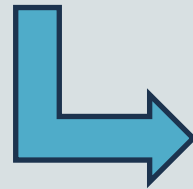


CWCB Discretionary ISF Call Reduction (Para. 7.C)

If the River District and the CWCB have not reached agreement on whether to implement a Voluntary ISF Call Reduction under Para. 7.B.



The requesting party has implemented water use restrictions limiting outdoor watering to one day per week (or equivalent restriction).



The CWCB may implement a discretionary reduction of the ISF Call of the Junior Shoshone Right.

Not more than once in a twenty-year period



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