



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Colorado Water Conservation Board

Water Plan

Water Project Summary

Name of Applicant	Western Resource Advocates
Name of Water Project	Supporting Local Decision Making on Large Water Users
Grant Request Amount	\$225,690.75
Primary Category	\$225,690.75
<i>Conservation & Land Use Planning</i>	
Total Applicant Match	\$75,230.25
<i>Applicant Cash Match</i>	\$75,230.25
<i>Applicant In-Kind Match</i>	\$0.00
Total Other Sources of Funding	\$0.00
Total Project Cost	\$300,921.00

Applicant & Grantee Information

Name of Grantee: Western Resource Advocates

Mailing Address: 2260 Baseline Road, Suite 200 Boulder CO 80302

Organization Contact: James Larson

Position/Title:

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Phone: 720-763-3733

Organization Contact - Alternate: Lindsay Rogers

Position/Title: Water Policy Analyst

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Grant Management Contact: James Larson

Position/Title:

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Phone: 720-763-3733

Grant Management Contact - Alternate: Lindsay Rogers

Position/Title: Water Policy Analyst

Email: lindsay.rogers@westernresources.org

Phone: 720-927-3055

Description of Grantee/Applicant

Western Resource Advocates (WRA) protects the West's land, air, and water to ensure vibrant communities exist in balance with nature.

Type of Eligible Entity

- ☐ Public (Government)
- ☐ Public (District)
- ☐ Public (Municipality)
- ☐ Ditch Company

- ☐ Private Incorporated
- ☐ Private Individual, Partnership, or Sole Proprietor
- ☒ Non-governmental Organization
- ☐ Covered Entity
- ☐ Other

Category of Water Project

- ☐ Agricultural Projects
Developing communications materials that specifically work with and educate the agricultural community on headwater restoration, identifying the state of the science of this type of work to assist agricultural users among others.
- ☒ Conservation & Land Use Planning
Activities and projects that implement long-term strategies for conservation, land use, and drought planning.
- ☐ Engagement & Innovation Activities
Activities and projects that support water education, outreach, and innovation efforts. Please fill out the Supplemental Application on the website.
- ☐ Watershed Restoration & Recreation
Projects that promote watershed health, environmental health, and recreation.
- ☐ Water Storage & Supply
Projects that facilitate the development of additional storage, artificial aquifer recharge, and dredging existing reservoirs to restore the reservoirs' full decreed capacity and Multi-beneficial projects and those projects identified in basin implementation plans to address the water supply and demand gap.

Location of Water Project

Latitude 39.999800
 Longitude -105.264090
 Lat Long Flag Default/Proponent headquarters: If the location cannot be defined with flags above, use location of project proponent headquarters
 Water Source
 Basins Statewide
 Counties
 Districts

Water Project Overview

Major Water Use Type Municipal
 Type of Water Project Study
 Scheduled Start Date - Design 5/1/2026
 Scheduled Start Date - Construction
 Description
 Large industrial water users – such as bottling plants, food manufacturers, semiconductor plants, and hyperscale data centers – place significant pressure on a community's limited water resources. WRA's new report projects that Colorado data centers alone could result in up to 8,500 acre-feet per year of new on-site water demands by 2035, with an additional 26,500 acre-feet per year of water demand from power generation.

Local water providers and land use jurisdictions have the authority to determine how large user development occurs in their communities. However, with artificial intelligence and cloud computing driving rapid growth in this sector, many lack sufficient information, tools, and policy frameworks to evaluate proposed facilities and

determine whether and how they should be developed.

This project will explore water- and land- use planning policy options and development review processes to guide local decision making on new large users. The project team, Western Resource Advocates and the Brendle Group, will support communities through written guidance, work sessions, and direct technical assistance in assessing – and, if desired, adjusting – their strategies for managing new high-volume users.

This important project will provide public benefit and will advance the Colorado Water Plan as described in the "Water Project Justification" section of this application.

Measurable Results

	New Storage Created (acre-feet)
	New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive
	Existing Storage Preserved or Enhanced (acre-feet)
	New Storage Created (acre-feet)
	Length of Stream Restored or Protected (linear feet)
	Length of Pipe, Canal Built or Improved (linear feet)
	Efficiency Savings (dollars/year)
15,750	Efficiency Savings (acre-feet/year)
	Area of Restored or Preserved Habitat (acres)
	Quantity of Water Shared through Alternative Transfer Mechanisms or water sharing agreement (acre-feet)
5,957,493	Number of Coloradans Impacted by Incorporating Water-Saving Actions into Land Use Planning
	Number of Coloradans Impacted by Engagement Activity

Other

Colorado's projected municipal and industrial (M&I) water supply and demand gap by 2050 is estimated to be between 230,000 and 740,000 acre-feet per year (an average of 485,000 acre-feet per year). Since, on average, industrial diversion demand is 13% of total M&I demand, the industrial supply and demand gap is projected to be approximately 63,000 acre-feet per year by 2050.

This project assumes that through smarter planning, efficiency solutions, reuse, and a growing awareness of the water implications of large users, new industrial water demands associated with large users will be reduced by 25%, equivalent to 15,740 acre-feet per year by 2050.

Water Project Justification

Colorado Water Plan 2023

· (Pg. 43) "The Technical Update to the Colorado Water Plan estimated that water conservation and efficiency measures could reduce our potential future water needs by 300,000 acre-feet per year assuming high population growth and a future climate that is warmer and drier." This project will help communities evaluate options to ensure that water supplied to new large water users is used efficiently, helping reduce future water demands.

· (Pg. 43) "Colorado's projected future growth in the face of an increasingly warm and dry future makes it clear that investments are needed in both water development and conservation. One Water approaches that optimize each potential source of supply will be critical to putting our developed water to its most efficient use. The potential impacts of existing and additional water development on headwater streams and communities as well as downstream water users are being scrutinized more than ever. Collaborative approaches to new water development that balance risk, emphasize conservation, and provide multiple benefits will be essential." This

project will provide communities with knowledge and tools to determine the best uses of their available water supplies and to ensure water is used efficiently.

- (Pg. 45) “On average, industrial diversion demand is 13% of the total municipal and industrial demand. This includes snowmaking, thermoelectric generation, energy development, and large industrial users.” This project specifically addresses new large industrial water users which can place significant pressure on a community’s limited water resources. This project will explore water and land use planning policy options and development review processes available to guide local decision-making regarding new large industrial users.

- (pg. 163) “Land Use and Water Planning Integration” section includes “Land use patterns have a strong influence on water demand. Subsequently, communities that implement a thoughtful land use and water planning nexus can more easily plan for and regulate future growth while providing adequate water supplies. As Colorado grows, integrated land use and water planning must be considered the minimum standard for moving forward.” Local water providers and land use jurisdictions have the authority to determine how large water user development occurs in their communities. However, with artificial intelligence and cloud computing driving rapid growth in this sector, many lack sufficient information, tools, and policy frameworks to evaluate proposed facilities and determine whether and how they should be developed. Empowering communities with this knowledge will enable informed decision making about aligning large water user development with sustainable water management, economic development, and other local priorities.

- (Pg. 167) “Municipal Conservation and Efficiency” section includes “The CWCB recognizes municipal water conservation and efficiency will be an important tool for reducing water use.” It states that one tool is, “Establishing water budget rate structures and conservation oriented tap fees—encouraging sustainable water management through right sizing the connection to the water system while charging the appropriate amount based on what is needed.” This project is directly aligned with this strategy as it will include guidance for water providers around establishing appropriate fee structures that adequately cover the cost of adding new large water users to the system. This can incentivize more water efficient design and help to ensure that the supply and infrastructure costs associated with new large water users do not get passed on to other water customers.

- (Pg. 168) “Water Reuse” notes “There is growing interest in water reuse for augmenting potable water supplies in Colorado” and “Widespread development of potable reuse and allowance of different uses for reuse water will be an important facet of meeting future water needs, but Colorado needs to continue making progress in overcoming these challenges, in which public education and outreach will play a key role.” This project will evaluate opportunities and best practices regarding water reuse for large water users with the goal of decreasing pressure on other supplies.

- (Pg. 176) The project is consistent with the Water Plan’s Vibrant Communities and Resilient Planning Visions and specifically “planning that integrates land use and water solutions “ and “An integrated One Water ethic” and the Partner Actions towards:

- o Meeting Future Water Need

- o Wise Water Use.

- o (Pg. 178) “Communities need to invest in cutting-edge strategies that address current challenges and build future resilience that will help us adapt to a warmer climate and reduce per capita water use.” By proactively addressing the stress that large water users can impose on communities’ water supplies, this project seeks to address water supply challenges and build resilience.

Colorado BIP (2022, Volume 1)

- o (Pg. 13) The project will help address the basin’s themes to “Develop local water conscious land use strategies” and “Encourage a high level of basin conservation”.

- o The project will support the goals to:
- o (Pg. 18) “Develop land use policies that require and promote conservation and mitigate impacts to water quality” and
- o (Pg. 20) “Pursue continued municipal and industrial (M&I) conservation”.

South Platte – Metro BIP (2022, Volume 1)

- o (Pg. 3) The project helps realize the BIP Strategic Vision and Strategies to meet the municipal supply gap.
- o (Pg. 24) The project is consistent with the following BIP Themes:
 - o “The South Platte Basin Will Continue its Leadership Role and Performance in Efficient Use and Management of Water”
 - o “The South Platte Basin Must Sustain its Economy, Culture, and Environment”. This project will help communities to better understand and incorporate both water resource, economic, and other cultural considerations into their decision-making process when considering new large water user applications.
- o (Pg. 25) The project supports the BIP goal to:
 - o “Maintain and promote municipal and industrial conservation and efficiency” and
 - o “Maintain and promote reuse”
- o The project will assist in making progress on these strategies:
 - o (pg. 27) “3.C. Encourage innovation and efficiency improvements”
 - o (Pg. 28) “3.E: Promote and encourage implementation of wise land use planning strategies that provide a desirable quality of life while minimizing the demand for water for existing and new development.”

Arkansas BIP (2022, Volume 1)

- (Pg. 14) The project helps meet the Municipal and Industrial goal to “Meet the projected municipal supply gap in each Arkansas Basin subregion”.

Rio Grande BIP (2022, Volume 1)

- (Pg. 2) The project helps meet the basin’s goal of “Vibrant and resilient agriculture, recreation, municipal, and industrial economies”.

Gunnison BIP (2022, Volume 1)

- (Pg. 2) The project helps meet the basin’s goal of “Addressing agricultural and municipal and industrial water shortages” including (Pg. 15) the key component to “Reliably meet 100 percent of essential municipal and industrial water provider system demands through the year 2050 and beyond.”

Yampa-White-Green BIP (2022, Volume 1)

- (Pg. 2) The project helps meet the basin’s goal to “Identify and address M&I water shortages”.

Southwest BIP (2022, Volume 1)

- (Pg. 2) The project helps meet the basin’s goal to “Meet municipal and industrial water needs”.

CWCB Water Plan Grant Guidelines Criteria and Considerations (July 2025) (p. 16)

The project helps meet the need for “Colorado communities to have resilient water supplies” and “planning that integrates land use and water solutions”. It specifically meets the following “Conservation and Land Use Projects” criteria and considerations:

- The project is intended to reduce overall future water needs through cost-effective water efficiency measures.
- The project integrates water efficiency planning and projects into overall water resource management.

- The project promotes a water efficiency ethic throughout Colorado.
- The project explores additional water reuse options.
- The project integrates land use and water planning.
- The project reduces impacts and prepares for the impacts of climate change.

Related Studies

- Western Resource Advocates' Data Center Impacts in the West: Policy Solutions for Water & Energy Use, August 2025
- Western Resource Advocates' The State of Water and Land Use Planning: Learning from Colorado Communities, March 2021 (developed with funding support from the Colorado Water Conservation Board)
- Western Resource Advocates' Integrating Water Efficiency into Land Use Planning in the Interior West: A Guidebook for Local Planners, November 2018
- Western Resource Advocates' Guide to Designing Conservation Oriented System Development Charges, May 2018
- Arizona State University's How Arizona Municipal Water Providers are Regulation Large-Volume Water Users, September 2025
- Sonoran Institute and the Babbitt Center for Land & Water Policy's Colorado Growing Water Smart Guidebook, 2023 (developed with funding support from the Colorado Water Conservation Board)
- Alliance for Water Efficiency's Water Offset Policies for Water-Neutral Community Growth, January 2015
- Monica Green & Anne Castle's Assured Water Supply Laws in the Western States: The Current State of Play, 2017

The proposed project is complimentary to Colorado's Growing Water Smart Program, a CWCB-funded and supported initiative led by the Sonoran Institute. The project will include convening small community teams during work sessions to discuss water and land use strategies for managing large water users. These teams may consist of Growing Water Smart alumni.

The project will also assist in the implementation of WaterNow Alliance's Project Accelerator, a CWCB-funded initiative. The project will include 2-3 technical assistance projects which may be selected from Project Accelerator applicants.

Taxpayer Bill of Rights

N/A