



**COLORADO**

**Colorado Water Conservation Board**

Department of Natural Resources

1313 Sherman Street, Room 718  
Denver, CO 80203

P (303) 866-3441  
F (303) 866-4474

Jared Polis, Governor

Dan Gibbs, DNR Executive  
Director

Lauren Ris, CWCB Director

**TO:** Colorado Water Conservation Board Members

**FROM:** Amy Ostdiek

**DATE:** November 15, 2023

**SUBJECT:** Agenda Item 7: System Conservation Pilot Program and Conservation Projects Funded Through Bipartisan Infrastructure Funds

---

### Staff Recommendation:

**Staff recommends the Board approve the Upper Colorado River Commission's System Conservation Pilot Program as well as Colorado conservation projects funded through Bipartisan Infrastructure Law Funds as Water Conservation Projects under to C.R.S. §§ 37-92-103(2) and 37-92-305(3)(c).**

#### 1. Background

In June 2022, the Commissioner of the Bureau of Reclamation called on the Colorado River Basin States to create a plan to conserve an additional 2-4 million acre-feet of water above activities already underway in an effort to protect critical infrastructure at Lake Powell and Lake Mead. In July 2022, the Upper Division States responded with a Five-Point Plan, with recognition that the Upper Division States did not cause the crisis and had limited options to respond due to ongoing and deep hydrologic and legal water shortages, coupled with depleted storage.

One component of this plan is reauthorization of the System Conservation Pilot Program (SCPP). This program entails temporary, voluntary, and compensated reductions in consumptive use across the Upper Basin for the purpose of mitigating the impacts of drought in the Upper Colorado River Basin. In December 2022, the SCPP was reauthorized by Congress. This authorization extends through Fall 2024.

The SCPP is administered by the Upper Colorado River Commission (UCRC) pursuant to a funding agreement executed on January 6, 2023, between the UCRC and the Department of the Interior through the Bureau of Reclamation. In 2023, the UCRC moved forward with 64 projects across the Upper Division States, which conserved an estimated 37,810 acre-feet of water. Of these, 22 projects were in Colorado, totaling roughly 2,500 acre-feet of conserved consumptive use.

#### 2. 2024 SCPP Implementation

In September 2023, the UCRC voted to authorize SCPP in 2024 and implement several improvements, including:



- Earlier timing: Roll-out of SCPP 2024 began in October 2023.
- Pricing: Reclamation has provided firm, fixed pricing for projects, as detailed below.

State	Project Type	2024 All Project-Type Approaches	2023 USBR Price (\$/af)	2024 SCPP Method (\$/af)
Colorado	Full-Season Fallow	All Crops	\$ 462.00	\$ 509.00
	Split-Season/Crop-Switch	Same as above, * by CCU ac-ft/ac	\$ 200.00	\$ 509.00
	Reservoir Storage	2023 SCPP pricing	\$ -	\$ 150.00
	M&I		\$ -	\$ Case-by-case
New Mexico	Full-Season Fallow	All Crops	\$ 260.00	\$ 300.00
	Split-Season/Crop-Switch	Same as above, * by CCU ac-ft/ac	\$ -	\$ 300.00
	Reservoir Storage	2023 SCPP pricing	\$ -	\$ 150.00
	M&I		\$ -	\$ Case-by-case
Utah	Full-Season Fallow	All Crops	\$ 595.00	\$ 506.00
	Split-Season/Crop-Switch	Same as above, * by CCU ac-ft/ac	\$ 250.00	\$ 506.00
	Reservoir Storage	2023 SCPP pricing	\$ 150.00	\$ 150.00
	M&I		\$ -	\$ Case-by-case
Wyoming	Full-Season Fallow	All Crops	\$ 513.00	\$ 492.00
	Split-Season/Crop-Switch	Same as above, * by CCU ac-ft/ac	\$ -	\$ 492.00
	Reservoir Storage	2023 SCPP pricing	\$ -	\$ 150.00
	M&I		\$ 163.00	\$ Case-by-case

- Conserved Consumptive Use (CCU) estimates: The UCRC’s consultant, Wilson Water Group, will meet with applicants before proposals are submitted to discuss how conserved consumptive use will be estimated.
- Consistent and clear messaging: UCRC and state staff will conduct additional outreach and messaging.
- Greater transparency on approach, purpose, and review: Additional information will be made publicly available, including an opportunity for interested parties to receive submitted Colorado applications meeting minimal requirements and passing fatal flaw review. Interested parties may sign up to receive copies of applications by messaging [dnr\\_ColoradoSCPP@state.co.us](mailto:dnr_ColoradoSCPP@state.co.us) by December 18, 2023.
- Narrowed Scope: UCRC will consider projects that inform Demand Management feasibility questions and/or support innovation and local resilience resulting in water conservation.

#### 4. Projects Funded through Bipartisan Infrastructure Funds

In addition to the System Conservation Pilot Program, the UCRC anticipates funding some conservation projects across the Upper Basin through Bipartisan Infrastructure Law (BIL) funds recently made available. These projects have not yet been finalized.

#### 5. CWCB’s Role

Staff now seeks the CWCB’s approval of the SCPP in 2024, as well as BIL-funded conservation projects in Colorado, as state-approved conservation programs pursuant to C.R.S. §§ 37-92-103(2) and 37-92-305(3)(c). This would provide water rights protection to Colorado participants under C.R.S. §§ 37-92-103(2) and 37-92-305(3)(c).

