Subject: Cities’ Submittal of the Final Verification Report for the State Line Delivery Pilot Reservoir Release

Dear Kalsoum,

I have worked with the staff of the State Engineer’s Office to review the report titled \textit{Required Information for Verification Procedure for the 2020 State Line Delivery Pilot Reservoir Release Final Report December 2, 2021} (“Report”) that you submitted on December 2, 2021. Your Report submittal on behalf of Aurora Water, Colorado Springs Utilities, and Pueblo Water (“Cities”) is in fulfillment of item 4.5.1 of the \textit{Protocol for Administration of the State Line Delivery Pilot Reservoir Release} (“Administrative Protocol”), through which the Cities and the State and Division Engineers agreed to the operation of the State Line Delivery Pilot Reservoir Release (“Reservoir Release”).

The objective of the Reservoir Release was to provide the State and Division Engineers as well as water users on the West Slope and East Slope with valuable information to help plan actions related to future compliance with the Colorado River Compact and the Upper Colorado River Compact in the event it is determined to be necessary. Upon completion of the Reservoir Release, the State Engineer’s Office published the \textit{State Line Delivery Pilot Reservoir Release Conducted September 2020 Report} dated April 1, 2021, containing a significant amount of information obtained from the Reservoir Release.

One important component of the Administrative Protocol was the Cities’ commitment to verify that the Reservoir Release amount would represent an actual reduction in delivery volume to the East Slope for the Cities. Items 4.5.1.1 through 4.5.1.4 of the Administrative Protocol identify specific data to be provided to the State Engineer’s Office that is necessary to fulfill the commitment to an actual reduction in the delivery of water. After having reviewed your Report, we have determined that the Cities have verified the actual reduction of the delivery volume of at least the volume of water that was subject of the Reservoir Release, which was 1,667 acre-feet.
Our conclusion is based on the Report’s data showing the reduction in the amount of tunnel deliveries (“Tunnel Inflows”) and the storage space available in East Slope storage. The tables on pages 1 and 2 of the report compare projected Tunnel Inflows to actual Tunnel Inflows for the period of May 2020 through August 2021. The difference is 35,488 acre-feet - 33,140 acre-feet or 2,348 acre-feet. This reduction exceeds the volume that was released through the Reservoir Release. According to Table B on page 4 of the Report, there was at least that volume of water in Homestake Reservoir that could have been taken as additional Tunnel Inflows.

The next question is whether the Cities were limited by the lack of storage space on the East Slope, thereby preventing them from taking some or all of the 1,667 acre-feet. Had the Cities been limited by East Slope storage availability, some or all of the 1,667 acre-feet would have remained in Homestake Reservoir, were it not for the Reservoir Release. That volume remaining in Homestake Reservoir would have then carried over to the following storage season, reducing 2021 storage. Our review of the table on page 2 of your Report shows that actual Turquoise Lake EOM Storage in the Homestake Account for the period of May 2020 through August 2021 was at least 2,857 acre-feet less than the 30,000 acre-foot volume allowed to the Cities in Turquoise Lake. Even when discounting the available storage for the 481 af of Otero Pumping and 27 af of evaporation that occurred in addition to the forecast, there would have been at least 2,349 acre-feet of available storage. Therefore, we conclude that at no time during the November 2020 though October 2021 time period did the Cities lack sufficient storage capacity on the East Slope to take the volume of water that was the subject of the Reservoir Release.

We acknowledge the release of 1,667 acre-feet from Homestake Reservoir and the fact that through our administration, we ensured that water was not diverted by other water rights between Homestake Reservoir and the state line. The Cities reduced their delivery of Homestake Reservoir water to the East Slope by at least 1,667 acre-feet, the amount of the Reservoir Release. The Cities had water available in Homestake Reservoir in at least that amount during the period of November 2020 through October 2021, had storage space available in Turquoise Lake in at least that amount during the same period, and, as shown in the table on page 1 and the statements on pages 1 and 2 of your Report, would have otherwise taken that amount had they not been limited by the terms of the Reservoir Release.

We conclude that the amount of water stored in Homestake Reservoir as of August 2021 is no less than it would have been had the 1,667 acre-feet not been released and instead delivered to the East Slope. No part of the Reservoir Release or the associated Homestake Reservoir operations during and since the Reservoir Release resulted in conditions that allowed increased storage or the opportunity for increased storage in the future in Homestake Reservoir than would have occurred had there been no Reservoir Release. Therefore, we conclude that the Reservoir Release did not and will not result in injury to any water users.
Thank you for submitting the Report. We regard the Report as having satisfied the verification standard set out in item 4.5.1 of the Administrative Protocol.

Sincerely,

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Kevin G. Rein
State Engineer, Director