





January 12, 2012

Karl Mendonca, Acting Field Manager U.S. Bureau of Land Management Colorado River Valley Field Office 2300 River Frontage Road Silt, CO 81652

Dave Stout, Field Manager U.S. Bureau of Land Management Kremmling Field Office P.O. Box 68 Kremmling, CO 80459

Scott Fitzwilliams, Forest Supervisor USDA Forest Service White River National Forest 900 Grand Avenue Glenwood Springs, CO 81601 Via U.S. Mail and email kmendonc@blm.gov

Via U.S. Mail and email dstout@blm.gov

Via U.S. Mail and email sfitzwiliams@fs.fed.us

Re: DRMP/DEIS documents for BLM Kremmling and Colorado River Valley Field Offices and USFS White River National Forest.

Dear Mr. Mendonca, Mr. Stout and Mr. Fitzwilliams:

Enclosed please find three sets of comments regarding the Draft Resource Management Plan/Draft Environmental Impact Statement documents (DRMP/DEIS documents) for U.S. Bureau of Land Management (BLM) Kremmling and Colorado River Valley Field Offices and U.S. Forest Service (USFS) White River National Forest, as follows:

1. <u>August 17, 2007 City of Aurora Comments on the March 2007 BLM Wild & Scenic Eligibility</u> <u>Report.</u> These comments were originally submitted to BLM after being contacted by BLM in 2007, but were not submitted during BLM's initial scoping period.

2. <u>December 2, 2008 City of Aurora Comments on the USDA Forest Service Wild & Scenic</u> <u>Eligibility Report.</u> These comments were originally submitted to the White River National Forest in response to request for public input on a Forest Service Wild & Scenic suitability analysis and combining efforts with BLM's process.

3. <u>December 2, 2008 Colorado Springs Utilities Comments on the White River National Forest</u> <u>Wild and Scenic Rivers Suitability Study.</u> These comments were originally submitted to the White River National Forest in response to request for public input on a Forest Service Wild & Scenic suitability analysis and combining efforts with BLM's process. These documents are submitted at this time to insure that the comments are part of the official administrative record for the DRMP/DEIS documents. Since the time that these comments were written the Homestake Project partners, Aurora Water and Colorado Springs Utilities have joined the Upper Colorado Wild & Scenic Stakeholder Group (SG) and fully support the SG Wild & Scenic Alternative Management Plan (SG Plan).

That SG Plan recognizes that there are multiple and varied uses in the upper Colorado River system, and that Wild and Scenic eligibility or suitability status is controversial in BLM's upper Colorado River segments 4 through 7 and USFS's segments 1 and 2. The intention of the SG Plan is to balance permanent protection of the outstanding remarkable values, certainty for the stakeholders, water project yield, and flexibility for water users.

A fundamental principle of the SG Plan is that BLM and USFS defer making a Wild and Scenic suitability determination for upper Colorado River BLM segments 4 through 7 and USFS segments 1 and 2. We request that the BLM and USFS utilize an approach similar to the USFS process for adoption of the South Platte Protection Plan, where the basis and rationale for protective management of the ORVs is found in the current eligibility status. We therefore request that the agencies defer evaluation of the potential suitability of Segments 4 through 7 in the analysis for the Final Suitability Report, FEIS, and records of decision, and instead rely on the SG Plan.

Should the SG Plan be approved and later terminate, it is our understanding and request that BLM and USFS would issue a revised draft final suitability report addressing the status of those segments with the opportunity and consideration for public comment.

The SG believes it to be "not in the spirit of the SG Plan" to comment on the DEIS Final Suitability Report. Accordingly, Homestake Project partners will not be submitting comments on that suitability analysis at this time. However, if BLM and USFS do not select the SG Plan option, we request an opportunity for further public comment and consideration on the suitability issue for those river segments.

The City of Aurora Water Department and Colorado Springs Utilities may send additional comments on the DEIS, but wished to submit these past comments under separate cover. Please contact us, should you have any questions regarding this comment letter and/or attachments.

Sincerely,

Gerry Knapp

Homestake Project Steering Committee City of Aurora Water Department 719-254-7984 /303-739-7370 gerrylknapp@gmail.com

Brett Gracely, P.E. Homestake Project Steering Committee Colorado Springs Utilities 719-668-4052 bgracely@csu.org

cc via email:

Roy Smith, U.S. Bureau of Land Management Kay Hopkins, U.S. Department of Agriculture, White River National Forest Rich Doak, U.S. Department of Agriculture, White River National Forest Upper Colorado Wild and Scenic Stakeholder Group



CITY OF AURORA

COMMENTS on the March 2007 BLM Wild & Scenic River Eligibility Report

AUGUST 17, 2007

August 17, 2007

Bureau of Land Management Glenwood Springs Field Office 50629 Highways 6 & 24 Glenwood Springs, CO. 81601

To whom it may concern:

The following comments are associated with the "Final Wild and Scenic River Eligibility Report" (March 2007). Of the Wild and Scenic River eligible reaches identified in BLM's final report, the City of Aurora has concern with the suitability of the "Eagle River" and the "Colorado River Segment 7" reaches (Table 1) identified within the Glenwood Springs Field Office (GSFO). Any suitability designation on the Eagle River and/or Colorado River may impact current and potential future development of the Homestake Project, a joint water project of Aurora and Colorado Springs located upstream in the Eagle River headwaters. The Homestake Project is an incredibly valuable resource for municipal water supply to hundreds of thousands of local Aurora and Colorado Springs citizens. Aurora is obligated to protect this resource and therefore has provided the following comments for the BLM to review and consider.

Segment Name	Description	Total Segment Length	Length on BLM Land	Outstandingly Remarkable Value (ORV)	Preliminary Classification
Eagle River	From BLM land at Wolcott Recreation Area through Red Canyon to the confluence with the Colorado River near Dotsero	25.69 miles	5.46 miles	Recreational (Floatboating)	Recreational
Colorado River (Segment 7)	From Dotsero to approximately 1-mile east of the confluence with No Name Creek	15.78 miles	3.41 miles	Scenic, Recreational (Floatboating), Geological	Recreational

Table 1.	Eligible River	segments of concern	within the GSFO.
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HOMESTAKE PROJECT BACKGROUND

The Homestake Phase I Project is located in the upper Eagle River basin, upstream of the Town of Red Cliff, Colorado. The project is jointly operated by the cities of Aurora and Colorado Springs. Each city is entitled to one-half of the yield of the project.

Development of the Homestake Project was designed to be completed in several stages. Only the first stage of the project has been constructed. This first stage (Homestake Phase I) was completed in 1968 and includes the 43,000 acre foot Homestake Reservoir located on Homestake Creek. The project diverts water from Homestake Creek at the reservoir. The project also diverts water from French Creek,

Fancy Creek, Sopris Creek, Missouri Creek and the East Fork of Homestake Creek via a gravity collection system. The average yield of the current system is about 30,000 acre feet per year.

Water diverted into Homestake Reservoir is delivered to Turquoise Reservoir via the Homestake Tunnel. The Homestake Project has an additional 30,000 acre feet of storage space in Turquoise Reservoir. From Turquoise Reservoir, Homestake Project water is conveyed through the Mt. Elbert conduit and power plant to Twin Lakes Reservoir, and subsequently into the Otero Pipeline.

A large portion of the facilities and water rights associated with the Homestake Project are undeveloped at this time. We estimate that as much as 86,400 acre feet of water supplies may be developed by completion of the Homestake Project.

Numerous alternatives are being evaluated to develop the remainder of the Homestake Project's conditional water right. One alternative that has been evaluated would locate diversions facilities within the Holy Cross Wilderness near Minturn, Colorado. This specific alternative would be developed pursuant to a provision in the congressional authorization for the wilderness (PL 95-560) which states: *"Nothing in this Act shall be construed to expand, abate, impair, impede or interfere with the construction, maintenance or repair of said project, nor the operation thereof, or any exchange or modification of the same".*

In response to local concerns related to the potential development of the water project within the wilderness, the Homestake Project entered into a Memorandum of Understanding (MOU) in 1998 with numerous local entities and water providers in the Eagle River watershed. This Eagle River MOU allows the development for an additional 30,000 acre feet of water supply for use both within and outside of the Colorado River watershed. The MOU also directs the parties to consider environmentally preferred alternatives that may locate the water development outside of the wilderness. It is likely that these environmentally preferred alternatives may operate under junior undecreed water rights. If specific steam flow prescriptions are associated with either of the segments of concern, the flow prescriptions may be senior to water rights for the environmentally preferred alternatives for future development of the Homestake Project, or create permitting obstacles for the construction and operation of the alternatives.

WILD & SCENIC RIVER SUITABILITY CRITERIA RESPONSE

We understand that the BLM is seeking specific comments directly related to the suitability criteria provided in the BLM's July 2007 public outreach document (Attachment #1). Our responses to specific suitability criteria for both the "Eagle River" and the "Colorado River Segment 7" reaches identified within the GSFO area are outlined below:

1. Characteristics which do or do not make the area a worthy addition to the National Wild and Scenic Rivers System (NWSRS).

The Homestake Project is located in the headwaters of the Eagle River and is a critical water resource supply for municipal users on the Front Range. Therefore, the downstream Eagle River and the Colorado River (Segment 7) segments

identified as eligible within the GSFO are not a worthy addition to the NWSRS because a potential suitability designation of these particular segments could impact current and future water development of the project. Aurora and Colorado Springs plan to develop the remaining portions of Homestake Project. A number of development alternatives are under consideration. In response to environmental concerns, several of these alternatives would construct facilities at different locations than were originally contemplated. These environmentally preferred alternatives may operate under junior undecreed water rights. If specific steam flow prescriptions are associated with either of the segments of concern, the flow prescriptions may be senior to water rights for the environmentally preferred alternatives for future development of the Homestake Project, or create permitting obstacles for the construction and operation of the alternatives. The flow prescriptions could significantly diminish water yield to the cities and the viability of these alternate configurations. In addition, any suitability designation would impair exchange possibilities. Exchanges may be necessary to implement environmentally preferred development alternatives pursuant to the Eagle River MOU. Accordingly, we recommend excluding these two segments from the suitability screening phase.

3. Reasonably foreseeable potential uses of the land and related waters which would be enhanced, foreclosed, or curtailed if the area were included in the NWSRS, and the values which could be foreclosed or diminished if the area is not protected as part of the NWSRS.

Same as above. The preliminary classification for both these segments is listed as "Recreational". Therefore, any future flow prescriptions for recreational floatboating on the identified "Eagle River" or "Colorado River Segment 7" reaches would significantly impact Homestake Project diversions.

4. Federal, public, state, tribal, local, or other interests in designation or non-designation of the river, including the extent to which the administration of the river, including the costs thereof, may be shared by state, local, or other agencies and individuals.

The City of Aurora recommends non-designation of the following GSFO eligible W&SR segments: the "Eagle River" and "Colorado River Segment 7".

7. Historical or existing rights which could be adversely affected.

Please see **Attachment A** for the historical and/or existing rights that could be adversely affected.

9. Are local governments, state governments, and stakeholders in support or opposed to designation under the Wild and Scenic Rivers Act?

Local governments are opposed to any W&SR designation that impacts yield.

ATTACHMENT A

7. Historical and/or existing rights which could be adversely affected.

Please see below for a description of the Homestake Water Rights:

1.0 Original Homestake Water Rights (CA1193)

1.1 <u>Background</u>: The original decree for Homestake Reservoir was entered in Case No. 1193, Eagle County District Court, and was for a total storage right of 126,843.68 acre feet annually. In Case Nos. 85CW151, 85CW582, and 85CW583 (Consolidated), Water Division No. 5, 43,504.7 acre feet of this storage right was made absolute.

1.2 <u>Description of the Homestake Water Rights</u>: The component parts of the Homestake
Project as described below were awarded conditional priorities as of the date September
22, 1952, and ditch or reservoir numbers and priority numbers as follows:

Number of Ditch	Name of Ditch or Reservoir	Original Construction or Enlargement	Priority No.	Water Allowed
358 ½ A	Homestake Conduit	Original	536 ½ A	179.8 cfs A* 1660.2 cfs C*
358 ½ B	East Fork Conduit	Original	536 ½ B	70.8 cfs A* 189.2 cfs C*
358 ½ C	Homestake Tunnel	Original	536 ½ C	300 cfs A*
358 ½ D	Homestake Reservoir	Original	536 ½ D	43,504.7 AF A* 83,338.98 AF C*
358 ½ E	Eagle-Arkansas Ditch	Original	536 ½ E	530 cfs C*

* A = ABSOLUTE

* C = CONDITIONAL

1.2.1 <u>Homestake Conduit.</u> The Homestake Conduit receives and delivers appropriated water to Homestake Reservoir for conveyance to Homestake Tunnel or storage in the reservoir from the following sources:

Stream or Other Source of Supply	Point of Diversion	Amount Cubic Feet Per Second of Time
Unnamed Creek Alternate Point:	S 86 ^N 25'E 35,177 ft. to NW cor 6-7S-80W S 86 ^N 4.7'E, 35,286 ft. to NW cor 6-7S-80W	60 C*
West Cross Creek Alternate Point:	N 81 ^N 58'E 36,256 ft. to NW cor 6-7S-80W N 79 ^N 52.5'E 38,572 ft. to NW cor 6-7S-80W	200 C*
Cross Creek Alternate Point:	N 81 ^N 26'E 36,064 ft. to NW cor 6-7S-80W N 75 ^N 59.9'E 36,569 ft. to NW cor 6-7S-80W	300 C*

	Total	179.8 A* 1,660.2 C*
Small unnamed strear along Homestake Cor	ns, springs, seeps, sheet flows and ground waters iduit	120 C*
Sopris Creek	N 74 ^N 7.6'E 29,848 ft. to NW cor 31-7S-80W	41.3 A* 118.7 C*
Missouri	N 77 ^N 12.4'E 28,800 ft. to NW cor 31-7S-80W	39.8 A* 80.2 C*
Fancy Creek	N 85 ^N 10.5'E 25,280 ft. to NW cor 31-7S-80W	38.6 A* 81.4 C*
French Creek	S 82 ^N 18.3'E 20,988 ft. to NW cor 31-7S-80W	60.1 A* 119.9 C*
Whitney Creek Alternate Point:	N 81 ^N 42'E 13,489 ft. to SW cor 18-7S-80W N 83 ^N 27.8'E 13,879 ft. to SW cor 18-7S-80W	80 C*
Unnamed Creek Alternate Point:	S 76 ^N 45'E 10,572 ft. to SW cor 18-7S-80W S 73 ^N 26.5'E 10,896 ft. to SW cor 6-7S-80W	50 C*
Peterson Creek Alternate Point:	S 64 ^N 05'E 6,822 ft. to NW cor 6-7S-80W S 76 ^N 2.9'E 6,474 ft. to NW cor 6-7S-80W	50 C*
Fall Creek Alternate Point:	S 82 ^N 55'E 12,812 ft. to NW cor 6-7S-80W S 83 ^N 01.8'E 14,320 ft. to NW cor 6-7S-80W	260 C*
East Cross Creek Alternate Point:	S 74 ^N 11'E 26,649 ft. to NW cor 6-7S-80W S 74 ^N 52.9'E 25,882 ft. to NW cor 6-7S-80W	130 C*

* A = ABSOLUTE

* C = CONDITIONAL

Said amounts from any and all sources are limited by the capacity of the Homestake Conduit from its lowest diversion to Homestake Reservoir to 1,530 cubic feet per second of time.

1.2.2 <u>East Fork Conduit.</u> The East Fork Conduit diverts water from the East Fork of Homestake Creek pursuant to its appropriation of 70.8 cubic feet per second of time ABSOLUTE and 189.2 cubic feet per second of time CONDITIONAL there from and conveys these waters to Homestake Reservoir for conveyance to Homestake Tunnel or storage in the reservoir, said East Fork Conduit having a capacity of 260 cubic feet per second of time and a total length of approximately 3093 feet. The point of diversion of said conduit is on East Fork Homestake Creek at a point whence the Northwest Corner of Section 31, T7S, R80W bears North 55° 40.5' East, 22,917 feet.

1.2.3 <u>Homestake Tunnel.</u> Homestake Tunnel under the Continental Divide for the conveyance of water into the Arkansas River Basin with its intake located at a point under Homestake Reservoir whence the Northwest corner of Section 10, T9S, R81 W of the 6th P.M. bears South 15° 27'08" East 26,173.03 feet appropriates a maximum amount of 10

cubic feet per second of time CONDITIONAL of water seeping and percolating into Homestake Tunnel from former Water District No. 37 areas and 300 cubic feet per second of time ABSOLUTE from Middle Fork of Homestake Creek, at its said Northerly portal, its point of diversion; said tunnel has a length of 27,400 feet and a capacity of 700 cubic feet per second of time. The tunnel will convey out of former Water District No. 37 up to 700 cubic feet per second of time of waters appropriated by the tunnel from the Middle Fork of Homestake Creek, together with water appropriated by the tunnel from the Homestake Creek and East Fork Conduits and Homestake Reservoir, to an outlet at a point from where the Northwest corner of Section 10, T9S, R81W of the 6th P.M. bears North 6°40'52" East, a distance of 2,173.54 feet.

Homestake Reservoir, also known as Elliott-Weers 1.2.4 Homestake Reservoir. Reservoir, has a capacity of 83,338.98 acre feet CONDITIONAL, is located on Homestake Creek with a dam whence Homestake Peak bears South 73° 26' East 10.477 feet from the easterly end thereof and South 74° 57' East 13,347 feet from the westerly end thereof, said dam having a maximum height of 411.5 feet and a length of 3,380 feet. The sources of supply of said reservoir are Homestake Conduit (the sources of this conduit as set forth in paragraph 9.1.1.1), East Fork Conduit (the source of this conduit as set forth in paragraph 9.1.1.2), the Middle Fork of Homestake Creek and Homestake Creek and said reservoir has appropriated for storage 83,338.98 acre feet annually from said sources. Homestake Reservoir also conveys water from Homestake Conduit and East Fork Conduit to Homestake Tunnel. Existing Homestake Reservoir has a storage capacity of 43,504.7 acre feet ABSOLUTE and is located on Homestake Creek with a dam whence the NW Corner of Section 31, T7S, R80W of the 6th P.M. bears North 58° 30.6' East 24,659 feet from the East dam abutment and North 62° 25.8' East 25,746 feet from the West dam abutment; said dam has a maximum height of 265.0 feet and a length The sources of supply of said existing Homestake Reservoir are of 1,996 feet. Homestake Conduit, East Fork Conduit, the Middle Fork of Homestake Creek and Homestake Creek. Existing Homestake Reservoir has appropriated 43,504.7 acre feet annually from said sources and also conveys water from Homestake Conduit and East Fork Conduit to Homestake Tunnel.

1.2.5 <u>Eagle-Arkansas Ditch.</u> The Eagle-Arkansas Ditch receives and delivers into the Tennessee Pass Tunnel for conveyance under the Continental Divide and out of former Water District No. 37 into the Arkansas River Basin the water appropriated from the following sources:

Stream or Other Source of Supply	Point of Diversion	Amount Cubic Feet Per Second of Time
	(Bearing and distance to land Corners of the Sections, Ranges and Townships Indicated, all refer to 6 th P.M.)	
Cataract Creek	S 54 ^N 46'35"W 3,147.15 ft. to W/4 cor Sec 24-7S-80W	90 C*

Sheep Gulch	S 61 ^N 59'03"W 262.66 ft. to NW cor Sec 29-7S-79W	20 C*
East Fork Eagle River	N 27 ^N 54'39"E 1,328.12 ft. to E/4 cor Sec 32-7S-79W	230 C*
Jones Gulch	N 29 ^N 19'38"E 826.82 ft. to E/4 cor Sec 26-7S-80W	90 C*
Fiddler Creek	N 83 ^N 20'47"W 1,360.22 ft. to NW cor Sec 2-8S-80W	30 C*
Taylor Gulch	S 9 ^N 66'55"W 6,128.68 ft. to SW cor Sec 11-8S-80W	20 C*
Piney Creek	S 52 ^N 18'04"W 2,193.82 ft. to SW cor Sec 11-8S-80W	20 C*
Eagle-Arkansas	streams, springs, seeps, sheet flows and ground water along Ditch, one of which is located at a point on an unnamed ast Fork of The Eagle River whence the S ¹ / ₄ cor of S ¹ / ₄ cor of of the 6 th P.M. bears S60 ^N 9'47"W, a distance of 1,551.06 ft.	30 C*
	Total	530 C*

* A = ABSOLUTE

* C = CONDITIONAL

2.0 Additional Water Rights (88CW449)

2.1 <u>Background</u>: Colorado Springs is the owner of numerous absolute and conditional water rights within Water Division No.5, including those rights associated with what is known as the Homestake Project, a joint venture with the City of Aurora. Additional water rights were decreed (88CW449) to be part of a single water system consisting of surface and underground water rights (absolute and conditional), exchanges and a plan for augmentation, within a reasonably compact geographic location known as Eagle Park also known as Camp Hale, in Eagle County. The system will use water of the Eagle River and certain of its tributaries as identified in the decree. The decreed rights are designed to expand and maximize the beneficial use of the water supplies of Colorado Springs in a manner which will accommodate environmental concerns, including wetland creation and enhancement, while preventing injury to the vested water rights of others, including any lawfully decreed instream flow rights.

Name of Ditch or Reservoir	Type of Water Right		Amount Claimed	
Resolution Creek Reservoir	Conditional Surface Storage Right	December 19, 1988	5,000.0 AF C*	
Lower East Fork Reservoir	Conditional Surface Storage Right	December 19, 1988	2,500.0 AF C*	

Eagle Park Reservoir	Conditional Surface and Underground Storage Rights	December 19, 1988	3,500.0 AF C*
Eagle Park Wetland Irrigation System	Conditional Surface Water Rights	December 19, 1988	60.0 cfs C*
Eagle Park Aquifer Well Field	Application for Conditional Underground Water Rights	December 19, 1988	60.0 cfs C*

* A = ABSOLUTE

* C = CONDITIONAL

3.0 Pending Water Rights (95CW272)

3.1 <u>Background</u>: In addition, in the pending 95CW272 case, the applicants (City of Colorado Springs and City of Aurora) seek approval of alternate points of diversion for the conditional portions of the Homestake diversion rights decreed in Case No.1193, Eagle County District Court, and subsequently modified in Case Nos. 85CW151, 85CW582, and 85CW583 (Consolidated), Water Division No. 5, to the Homestake Conduit, the East Fork Conduit, and Eagle-Arkansas Ditch. No change is sought regarding any of the absolute water rights for the Homestake Project or for the conditional portion of the Homestake Tunnel.

Name of Ditch or Reservoir	Type of Water Right		Amount Claimed
Blodgett Reservoir	Conditional Surface Storage Right	November 27, 1995	30,000.0 AF C*
Eagle Park Reservoir, Enlargement No.1	Conditional Water Storage Right	November 27, 1995	90,000.0 AF C*
Eagle Park Aquifer Well Field, 1 st Enlargement	Conditional Underground Right	November 27, 1995	175.0 cfs C*
Homestake Creek Intake	Conditional Surface Diversion	November 27, 1995	400.0 cfs C*
Turkey Creek Intake	Conditional Surface Diversion	November 27, 1995	200.0 cfs C*
Eagle-Cross Pump and Pipeline	Conditional Surface Diversion	November 27, 1995	1,400.0 cfs C*

* A = ABSOLUTE

* C = CONDITIONAL



CITY OF AURORA

COMMENTS on the USDA Forest Service Wild & Scenic River Eligibility Report

DECEMBER 2, 2008

December 2, 2008

USDA Forest Service White River National Forest Attn: Ms. Peech Keller PO Box 620 680 Blue River Parkway Silverthorne, CO. 80498

Dear Ms. Keller:

We appreciate the opportunity to submit comments on the USDA Forest Service White River National Forest (WRNF) final wild and scenic eligibility report. The final report was downloaded from the following internet website address, provided from the Forest Service's scoping letter dated October 31, 2008: http://www.fs.fed.us/r2/whiteriver/projects/forest_plan/feis/appendices/Appendix_F.pdf.

Of the wild and scenic river eligible reaches identified in the Forest Service's final report for consideration of suitability, the City of Aurora has concern with two identified segments including the <u>Colorado River</u> <u>Segment 1</u> and the <u>Colorado River Segment 2</u> (Table 1). Any suitability designation on the Colorado River may impact current and potential future development of the Homestake Project, a joint water project of Aurora and Colorado Springs located upstream in the Eagle River headwaters. The Homestake Project is an incredibly valuable resource for municipal water supply to hundreds of thousands of local Aurora and Colorado Springs citizens. Aurora is obligated to protect this resource and therefore has provided the following comments herein for the Forest Service to review and consider.

Further, we agree with the Forest Service decision to *not* include the identified eligible <u>Cross Creek</u> <u>Segment</u> in the suitability study at this time, as this may substantially affect the development of a project that has already been permitted by the Forest Service. We anticipate that should the Cross Creek segment move from eligibility to suitability designation, we would have substantial input and comment.

Segment Name	Description	Total Segment Length	Length on USFS Land	Outstandingly Remarkable Value (ORV)	Preliminary Classification
Colorado River Segment 1	From the national forest boundary on the east end of Glenwood Canyon to the upstream end of the Shoshone Dam.	3.35 miles	2.97 miles	Recreation, Scenic, Geologic	Recreational
Colorado River Segment 2	From the Shoshone power plant to the national forest boundary on the west end of Glenwood Canyon.	3.13 miles	2.46 miles	Recreation, Scenic, Geologic	Recreational

Table 1. Eligible River segments of concern within the White River National Forest.

HOMESTAKE PROJECT BACKGROUND

The Homestake Phase I Project is located in the upper Eagle River basin, upstream of the Town of Red Cliff, Colorado. The project is jointly operated by the cities of Aurora and Colorado Springs. Each city is entitled to one-half of the yield of the project.

Development of the Homestake Project was designed to be completed in several stages. Only the first stage of the project has been constructed. This first stage (Homestake Phase I) was completed in 1968 and includes the 43,000 acre foot Homestake Reservoir located on Homestake Creek. The project diverts water from Homestake Creek at the reservoir. The project also diverts water from French Creek, Fancy Creek, Sopris Creek, Missouri Creek and the East Fork of Homestake Creek via a gravity collection system. The average yield of the current system is about 30,000 acre feet per year.

Water diverted into Homestake Reservoir is delivered to Turquoise Reservoir via the Homestake Tunnel. The Homestake Project has an additional 30,000 acre feet of storage space in Turquoise Reservoir. From Turquoise Reservoir, Homestake Project water is conveyed through the Mt. Elbert conduit and power plant to Twin Lakes Reservoir, and subsequently into the Otero Pipeline.

A large portion of the facilities and water rights associated with the Homestake Project are undeveloped at this time. We estimate that as much as 86,400 acre feet of water supplies may be developed by full completion of the Homestake Project. In addition, the Homestake Phase II Project has been granted the necessary federal and state permits and approvals for construction, including the issuance of a "Record of Decision" (ROD) from the Forest Service for this project.

Numerous alternatives are being evaluated to develop the remainder of the Homestake Project's conditional water right. One alternative that has been evaluated would locate diversions facilities within the Holy Cross Wilderness near Minturn, Colorado. This specific alternative would be developed pursuant to a provision in the congressional authorization for the wilderness (PL 95-560) which states: *"Nothing in this Act shall be construed to expand, abate, impair, impede or interfere with the construction, maintenance or repair of said project, nor the operation thereof, or any exchange or modification of the same".*

In response to local concerns related to the potential development of the water project within the wilderness, the Homestake Project entered into a Memorandum of Understanding (MOU) in 1998 with numerous local entities and water providers in the Eagle River watershed. This Eagle River MOU allows the development for an additional 30,000 acre feet of water supply for use both within and outside of the Colorado River watershed. The MOU also directs the parties to consider environmentally preferred alternatives that may locate the water development outside of the wilderness. It is likely that these environmentally preferred alternatives may operate under junior undecreed water rights. If specific steam flow prescriptions are associated with either of the segments of concern, the flow prescriptions may be operated as senior to water rights for the environmentally preferred alternatives for future development of the Homestake Project, or create permitting obstacles for the construction and operation of the alternatives.

Please see Attachment A for the historical and/or existing rights that could be adversely affected.

WILD & SCENIC RIVER SUITABILITY CRITERIA RESPONSE

We understand that the Forest Service is seeking specific comments directly related to the suitability criteria provided in the Forest Service scoping letter dated October 31, 2008. Our responses to specific suitability criteria for both the <u>Colorado River Segment 1</u> and <u>Colorado River Segment 2</u> reaches identified within the White River National Forest area are outlined below.

1. Characteristics that do or do not make the area a worthy addition to the National System (NWSRS).

The Homestake Project is located in the headwaters of the Eagle River and is a critical water resource supply for municipal users on the Front Range. Therefore, the downstream Colorado River Segment 1 and Colorado River Segment 2 reaches identified as eligible within the White River National Forest are not a worthy addition to the National System because a potential suitability designation of these particular segments could impact current and future water development of the project. Aurora and Colorado Springs plan to develop the remaining portions of Homestake Project. A number of development alternatives are under consideration. In response to environmental concerns, several of these alternatives would construct facilities at different locations than were originally contemplated. These environmentally preferred alternatives may operate under junior undecreed water rights. If specific steam flow prescriptions are associated with either of the segments of concern, the flow prescriptions may be senior to water rights for the environmentally preferred alternatives for future development of the Homestake Project, or create permitting obstacles for the construction and operation of the alternatives. The flow prescriptions could significantly diminish water yield to the cities and the viability of these alternate configurations. In addition, any suitability designation would impair exchange possibilities. Exchanges may be necessary to implement environmentally preferred development alternatives pursuant to the Eagle River MOU. Accordingly, we recommend excluding these two segments from the suitability screening phase.

3. The reasonably foreseeable potential uses of the land and related waters that would be enhanced, foreclosed, or curtailed if the area were included in the National System.

Same as above. The preliminary classification for both these segments is listed as "Recreational". Therefore, any future flow prescriptions for recreational floatboating on the identified <u>Colorado River Segment 1</u> or <u>Colorado River Segment 2</u> reaches may significantly impact Homestake Project diversions.

4. The federal agency that will administer the area should it be added to the National System.

The City of Aurora recommends non-designation of the following Forest Service eligible segments to the National System: the <u>Colorado River Segment 1</u> and the <u>Colorado River Segment 2</u>.

7. A determination of the degree to which the state or its political subdivisions might participate in the preservation and administration of the river should it be proposed for inclusion in the National System.

The State may only participate in the administration of the river according to the prior appropriation system. The State should recognize that any wild and scenic designation should not interfere with existing decreed water rights, and rights associated with a wild and scenic designation should be operated in accordance with the prior appropriation system.

9. The state/local government's ability to manage and protect the outstandingly remarkable values on nonfederal lands. This factor requires an evaluation of the river protection mechanisms available through the authority of state and local governments. Such mechanisms may include, for example, statewide programs related to population growth management, vegetation management, water quantity or quality, or protection of river-related values such as open space and historic areas.

The State government does not have the authority to manage and/or protect wild and scenic prescription flows on any segments of the river. The management and protection of any potential prescription flows should be through water right administration only. Given the large amount of senior water rights that have been adjudicated upstream of the subject reaches, we do not anticipate that this mechanism will be a reliable tool to manage stream flow in the subject reaches.

10. Support or opposition to designation. Assessment of this factor will define the political context. The interest in designation or nondesignation by federal agencies; state, local and tribal governments; national and local publics; and the state's Congressional delegation should be considered.

The City of Aurora recommends non-designation of the following WRNF eligible segments: the <u>Colorado River Segment 1</u> and the <u>Colorado River Segment 2</u>. In addition, these local governments are opposed to any Wild & Scenic River designations that impact the water supply available to its constituents.

11. The consistency of designation with other agency plans, programs, or policies and in meeting regional objectives. Designation may help or impede the goals of Tribal governments, or other federal, state or local agencies. For example, designation of a river may contribute to state or regional protection objectives for fish and wildlife resources. Similarly, adding a river that includes a limited recreation activity or setting to the National System may help meet statewide recreation goals. Designation might, however, limit irrigation and/or flood control measures in a manner inconsistent with regional socioeconomic goals.

Any designation of the identified eligible segments will interfere with the City of Aurora's responsibility to provide an adequate water supply to its citizens. The Homestake Project is an incredibly valuable resource for municipal water supply to hundreds of thousands of local Aurora and Colorado Springs citizens. Aurora is obligated to protect this resource. 12. The contribution to river system or basin integrity. This factor reflects the benefits of a "systems" approach, for example, expanding the designated portion of a river in the National System or developing a legislative proposal for an entire river system (headwaters to mouth) or watershed. Numerous benefits may result from managing an entire river or watershed, including the ability to design a holistic protection strategy in partnership with other agencies and the public.

Any suitability designation of the identified eligible segments, the <u>Colorado River</u> <u>Segment 1</u> and <u>Colorado River Segment 2</u>, would not likely contribute to river system or basin integrity since these two segments do not comprise the reaches in which the primary land uses that affect basin integrity are located.

13. The potential for water resources development. The intent of the act is to preserve selected rivers from the harmful effects of water resources projects. Designation will limit development of water resources projects as diverse as irrigation and flood control measures, hydropower facilities, dredging, diversion, and channelization.

The City of Aurora and Colorado Springs plan to develop the remaining portions of the Homestake Project and any future flow prescriptions for recreational floatboating on the <u>Colorado River Segment 1</u> and <u>Colorado River Segment 2</u> would significantly impact plans for development of already permitted upstream projects, including future Homestake Project diversions.

Should you have any questions or need further information on these comments, please feel free to contact me at 719-254-7984.

Sincerely,

Gerry Knapp Arkansas/Colorado River Basin Manager City of Aurora – Water Resources

ATTACHMENT A

1.0 Original Homestake Water Rights (CA1193)

1.1 <u>Background</u>: The original decree for Homestake Reservoir was entered in Case No. 1193, Eagle County District Court, and was for a total storage right of 126,843.68 acre feet annually. In Case Nos. 85CW151, 85CW582, and 85CW583 (Consolidated), Water Division No. 5, 43,504.7 acre feet of this storage right was made absolute.

1.2 <u>Description of the Homestake Water Rights</u>: The component parts of the Homestake Project as described below were awarded conditional priorities as of the date September 22, 1952, and ditch or reservoir numbers and priority numbers as follows:

Number of Ditch	Name of Ditch or Reservoir	Original Construction or Enlargement	Priority No.	Water Allowed
358 ½ A	Homestake Conduit	Original	536 ½ A	179.8 cfs A* 1660.2 cfs C*
358 ½ B	East Fork Conduit	Original	536 ½ B	70.8 cfs A* 189.2 cfs C*
358 ½ C	Homestake Tunnel	Original	536 ½ C	300 cfs A*
358 ½ D	Homestake Reservoir	Original	536 ½ D	43,504.7 AF A* 83,338.98 AF C*
358 ½ E	Eagle-Arkansas Ditch	Original	536 ½ E	530 cfs C*

* A = ABSOLUTE

* C = CONDITIONAL

1.2.1 <u>Homestake Conduit.</u> The Homestake Conduit receives and delivers appropriated water to Homestake Reservoir for conveyance to Homestake Tunnel or storage in the reservoir from the following sources:

Stream or Other Source of Supply	Point of Diversion	Amount Cubic Feet Per Second of Time
Unnamed Creek Alternate Point:	S 86 ^N 25'E 35,177 ft. to NW cor 6-7S-80W S 86 ^N 4.7'E, 35,286 ft. to NW cor 6-7S-80W	60 C*
West Cross Creek Alternate Point:	N 81 ^N 58'E 36,256 ft. to NW cor 6-7S-80W N 79 ^N 52.5'E 38,572 ft. to NW cor 6-7S-80W	200 C*
Cross Creek Alternate Point:	N 81 ^N 26'E 36,064 ft. to NW cor 6-7S-80W N 75 ^N 59.9'E 36,569 ft. to NW cor 6-7S-80W	300 C*
East Cross Creek Alternate Point:	S 74 ^N 11'E 26,649 ft. to NW cor 6-7S-80W S 74 ^N 52.9'E 25,882 ft. to NW cor 6-7S-80W	130 C*
Fall Creek Alternate Point:	S 82 ^N 55'E 12,812 ft. to NW cor 6-7S-80W S 83 ^N 01.8'E 14,320 ft. to NW cor 6-7S-80W	260 C*

	Total	179.8 A* 1,660.2 C*
Small unnamed stream along Homestake Con	ns, springs, seeps, sheet flows and ground waters duit	120 C*
Sopris Creek	N 74 ^N 7.6'E 29,848 ft. to NW cor 31-7S-80W	41.3 A* 118.7 C*
Missouri	N 77 ^N 12.4'E 28,800 ft. to NW cor 31-7S-80W	39.8 A* 80.2 C*
Fancy Creek	N 85 ^N 10.5'E 25,280 ft. to NW cor 31-7S-80W	38.6 A* 81.4 C*
French Creek	S 82 ^N 18.3'E 20,988 ft. to NW cor 31-7S-80W	60.1 A* 119.9 C*
Whitney Creek Alternate Point:	N 81 ^N 42'E 13,489 ft. to SW cor 18-7S-80W N 83 ^N 27.8'E 13,879 ft. to SW cor 18-7S-80W	80 C*
Unnamed Creek Alternate Point:	S 76 ^N 45'E 10,572 ft. to SW cor 18-7S-80W S 73 ^N 26.5'E 10,896 ft. to SW cor 6-7S-80W	50 C*
Peterson Creek Alternate Point:	S 64 ^N 05'E 6,822 ft. to NW cor 6-7S-80W S 76 ^N 2.9'E 6,474 ft. to NW cor 6-7S-80W	50 C*

* A = ABSOLUTE

* C = CONDITIONAL

Said amounts from any and all sources are limited by the capacity of the Homestake Conduit from its lowest diversion to Homestake Reservoir to 1,530 cubic feet per second of time.

1.2.2 <u>East Fork Conduit.</u> The East Fork Conduit diverts water from the East Fork of Homestake Creek pursuant to its appropriation of 70.8 cubic feet per second of time ABSOLUTE and 189.2 cubic feet per second of time CONDITIONAL there from and conveys these waters to Homestake Reservoir for conveyance to Homestake Tunnel or storage in the reservoir, said East Fork Conduit having a capacity of 260 cubic feet per second of time and a total length of approximately 3093 feet. The point of diversion of said conduit is on East Fork Homestake Creek at a point whence the Northwest Corner of Section 31, T7S, R80W bears North 55° 40.5' East, 22,917 feet.

1.2.3 <u>Homestake Tunnel.</u> Homestake Tunnel under the Continental Divide for the conveyance of water into the Arkansas River Basin with its intake located at a point under Homestake Reservoir whence the Northwest corner of Section 10, T9S, R81 W of the 6th P.M. bears South 15° 27'08" East 26,173.03 feet appropriates a maximum amount of 10 cubic feet per second of time CONDITIONAL of water seeping and percolating into Homestake Tunnel from former Water District No. 37 areas and 300 cubic feet per second of time ABSOLUTE from Middle Fork of Homestake Creek, at its said Northerly portal, its point of diversion; said tunnel has a length of 27,400 feet and a capacity of 700 cubic feet per second of time. The tunnel will convey out of former Water District No. 37 up to 700 cubic feet per second of time of waters appropriated by the tunnel from the

Middle Fork of Homestake Creek, together with water appropriated by the tunnel from the Homestake Creek and East Fork Conduits and Homestake Reservoir, to an outlet at a point from where the Northwest corner of Section 10, T9S, R81W of the 6th P.M. bears North 6°40'52" East, a distance of 2,173.54 feet.

Homestake Reservoir, also known as Elliott-Weers 1.2.4 Homestake Reservoir. Reservoir, has a capacity of 83,338.98 acre feet CONDITIONAL, is located on Homestake Creek with a dam whence Homestake Peak bears South 73° 26' East 10,477 feet from the easterly end thereof and South 74° 57' East 13,347 feet from the westerly end thereof, said dam having a maximum height of 411.5 feet and a length of 3,380 feet. The sources of supply of said reservoir are Homestake Conduit (the sources of this conduit as set forth in paragraph 9.1.1.1), East Fork Conduit (the source of this conduit as set forth in paragraph 9.1.1.2), the Middle Fork of Homestake Creek and Homestake Creek and said reservoir has appropriated for storage 83,338.98 acre feet annually from said sources. Homestake Reservoir also conveys water from Homestake Conduit and East Fork Conduit to Homestake Tunnel. Existing Homestake Reservoir has a storage capacity of 43,504.7 acre feet ABSOLUTE and is located on Homestake Creek with a dam whence the NW Corner of Section 31, T7S, R80W of the 6th P.M. bears North 58° 30.6' East 24,659 feet from the East dam abutment and North 62° 25.8' East 25,746 feet from the West dam abutment; said dam has a maximum height of 265.0 feet and a length The sources of supply of said existing Homestake Reservoir are of 1,996 feet. Homestake Conduit, East Fork Conduit, the Middle Fork of Homestake Creek and Homestake Creek. Existing Homestake Reservoir has appropriated 43,504.7 acre feet annually from said sources and also conveys water from Homestake Conduit and East Fork Conduit to Homestake Tunnel.

1.2.5 <u>Eagle-Arkansas Ditch.</u> The Eagle-Arkansas Ditch receives and delivers into the Tennessee Pass Tunnel for conveyance under the Continental Divide and out of former Water District No. 37 into the Arkansas River Basin the water appropriated from the following sources:

Stream or Other Source of Supply	Point of Diversion	Amount Cubic Feet Per Second of Time
	(Bearing and distance to land Corners of the Sections, Ranges and Townships Indicated, all refer to 6 th P.M.)	
Cataract Creek	S 54 ^N 46'35"W 3,147.15 ft. to W/4 cor Sec 24-7S-80W	90 C*
Sheep Gulch	S 61 ^N 59'03"W 262.66 ft. to NW cor Sec 29-7S-79W	20 C*
East Fork Eagle River	N 27 ^N 54'39"E 1,328.12 ft. to E/4 cor Sec 32-7S-79W	230 C*
Jones Gulch	N 29 ^N 19'38"E 826.82 ft. to E/4 cor Sec 26-7S-80W	90 C*
Fiddler Creek	N 83 ^N 20'47"W 1,360.22 ft. to NW cor Sec 2-8S-80W	30 C*

	Total	530 C*
Small unnamed streams, springs, seeps, sheet flows and ground water along Eagle-Arkansas Ditch, one of which is located at a point on an unnamed tributary of the East Fork of The Eagle River whence the S ¹ / ₄ cor of S ¹ / ₄ cor of Sec 29-7S-79W of the 6 th P.M. bears S60 ^N 9 ¹ 47"W, a distance of 1,551.06 ft.		30 C*
Piney Creek	S 52 ^N 18'04"W 2,193.82 ft. to SW cor Sec 11-8S-80W	20 C*
Taylor Gulch	S 9 ^N 66'55"W 6,128.68 ft. to SW cor Sec 11-8S-80W	20 C*

* A = ABSOLUTE

* C = CONDITIONAL

2.0 Additional Water Rights (88CW449)

2.1 <u>Background</u>: Colorado Springs is the owner of numerous absolute and conditional water rights within Water Division No.5, including those rights associated with what is known as the Homestake Project, a joint venture with the City of Aurora. Additional water rights were decreed (88CW449) to be part of a single water system consisting of surface and underground water rights (absolute and conditional), exchanges and a plan for augmentation, within a reasonably compact geographic location known as Eagle Park also known as Camp Hale, in Eagle County. The system will use water of the Eagle River and certain of its tributaries as identified in the decree. The decreed rights are designed to expand and maximize the beneficial use of the water supplies of Colorado Springs in a manner which will accommodate environmental concerns, including wetland creation and enhancement, while preventing injury to the vested water rights of others, including any lawfully decreed instream flow rights.

Name of Ditch or Reservoir	Type of Water Right	Date of Appropriation	Amount Claimed
Resolution Creek Reservoir	Conditional Surface Storage Right	December 19, 1988	5,000.0 AF C*
Lower East Fork Reservoir	Conditional Surface Storage Right	December 19, 1988	2,500.0 AF C*
Eagle Park Reservoir	Conditional Surface and Underground Storage Rights	December 19, 1988	3,500.0 AF C*
Eagle Park Wetland Irrigation System	Conditional Surface Water Rights	December 19, 1988	60.0 cfs C*
Eagle Park Aquifer Well Field	Application for Conditional Underground Water Rights	December 19, 1988	60.0 cfs C*

* A = ABSOLUTE

* C = CONDITIONAL

3.0 Pending Water Rights (95CW272)

3.1 <u>Background</u>: In addition, in the pending 95CW272 case, the applicants (City of Colorado Springs and City of Aurora) seek approval of alternate points of diversion for the conditional portions of the Homestake diversion rights decreed in Case No.1193, Eagle County District Court, and subsequently modified in Case Nos. 85CW151, 85CW582, and 85CW583 (Consolidated), Water Division No. 5, to the Homestake Conduit, the East Fork Conduit, and Eagle-Arkansas Ditch. No change is sought regarding any of the absolute water rights for the Homestake Project or for the conditional portion of the Homestake Tunnel.

Name of Ditch or Reservoir	Type of Water Right	Date of Appropriation	Amount Claimed
Blodgett Reservoir	Conditional Surface Storage Right	November 27, 1995	30,000.0 AF C*
Eagle Park Reservoir, Enlargement No.1	Conditional Water Storage Right	November 27, 1995	90,000.0 AF C*
Eagle Park Aquifer Well Field, 1 st Enlargement	Conditional Underground Right	November 27, 1995	175.0 cfs C*
Homestake Creek Intake	Conditional Surface Diversion	November 27, 1995	400.0 cfs C*
Turkey Creek Intake	Conditional Surface Diversion	November 27, 1995	200.0 cfs C*
Eagle-Cross Pump and Pipeline	Conditional Surface Diversion	November 27, 1995	1,400.0 cfs C*

* A = ABSOLUTE

* C = CONDITIONAL

December 2, 2008

Submitted via e-mail to: wrnf_scoping_comments@fs.fed.fs USDA Forest Service White River National Forest ATTN: Ms. Peech Keller P.O. Box 620 680 Blue River Parkway Silverthorne, CO 80498

RE: Public input on White River National Forest Wild and Scenic Rivers Suitability Study

Dear Ms. Keller:

Colorado Springs Utilities (Springs Utilities) appreciates the opportunity to submit comments on the USDA Forest Service White River National Forest (WRNF) Final Wild and Scenic Rivers Eligibility Report (Eligibility Report) during the public scoping period for the suitability study, which closes December 2, 2008. Springs Utilities has reviewed the Eligibility Report, which was downloaded from the following internet website address, provided in the Forest Service scoping letter dated October 31, 2008: http://www.fs.fed.us/r2/whiteriver/projects/forest_plan/feis/appendices_Appendix_F.pdf.

Springs Utilities, an enterprise of the City of Colorado Springs, is responsible for delivering a safe and reliable supply of water to its customers. Springs Utilities' currently provides water to over 420,000 customers in the Pikes Peak region, serving the City of Colorado Springs, Ute Pass communities, military bases and other limited areas outside of the City. In 2007, Springs Utilities delivered 78,389 acre-feet of potable water to its customers.

Because Colorado Springs is not located near a major source of water supply such as a river or lake, it must rely heavily on non-local, transmountain systems for its water supply. Springs Utilities currently obtains approximately 70% of its water supply from the Colorado River Basin, both through direct diversions and reuse of "reusable return flows". Springs Utilities owns and operates two transmountain diversion systems that have the potential to be negatively impacted by a Wild and Scenic River designation in the Colorado River Basin. These systems include the Homestake Project, which is jointly owned and operated by the cities of Aurora and Colorado Springs and diverts water from the headwaters of the Eagle River, and the Continental-Hoosier System, which diverts water from the headwaters of the Blue River, near Hoosier Pass. Springs Utilities is obligated to protect its existing decreed absolute and conditional water rights and raw water infrastructure in the Colorado River Basin, and has therefore provided the comments below for the Forest Service to review and consider.

- 1. The designation of rivers in Colorado as "Wild and Scenic" is often contentious due to potential impacts to water rights, supplies, and facilities. Springs Utilities recognizes that the eligible stream segments have unique values and qualities that should be afforded a reasonable level of protection, where appropriate. As most of the State's river systems are already over-appropriated, and given emerging challenges such as climate change, invasive species (e.g., pine beetle and zebra mussels), and the potential for curtailment under a Colorado River Compact "call", it is more important than ever to ensure that adequate regulatory and operational flexibility exists to respond to these challenges. Springs Utilities is concerned that designation of <u>Colorado River Segments 1 and 2</u> under the Wild and Scenic River Act (WSRA) is too stringent and restrictive in its requirements, and would significantly impair the ability of water providers, agriculture, and other water users throughout Colorado to meet future water demands.
- 2. Springs Utilities concurs with the Forest Service decision to *not* include the identified eligible segment on <u>Cross Creek</u> in the suitability study at this time, as this may adversely affect the development of a project that was previously permitted by the Forest Service. Springs Utilities would have substantial input and comment should the Cross Creek segment be evaluated for suitability.
- 3. Sections 4(a) and 5(c) of the Wild and Scenic Rivers Act of October 2, 1968, require reasonably foreseeable potential uses of the land and water that would be enhanced, foreclosed, or curtailed to be considered, and as appropriate, documented as the basis for the suitability determination. The City of Aurora and Springs Utilities plan to jointly develop the remaining portions of the Homestake Project in the Eagle River Basin, upstream from <u>Colorado River</u> <u>Segments 1 and 2</u>. The intent to fully develop the "Homestake II" water rights has been demonstrated on numerous occasions, through actions taken by both the project partners and federal and state agencies. These actions include hexennial diligence filings in Colorado Water Court, issuance of an Environmental Impact Statement and Record of Decision by the Forest Service, and the acquisition of federal permits. In addition, Section 102(a)(5) of the Colorado Wilderness Act of 1980 [Public Law 96-560] specifically addresses development of the Homestake Project, as described below:

Certain lands in the San Isabel and White River National Forests, Colorado, which comprise approximately one hundred and twenty-six thousand acres... and which shall be known as the Holy Cross Wilderness: Provided, That no right, or claim of right, to the diversion and use of existing conditional water rights for the Homestake Water Development project by the cities of Aurora and Colorado Springs shall be prejudiced, expanded, diminished, altered, or affected by this Act. Nothing in this Act shall be construed to expand, abate, impair, impede, or interfere with the construction, maintenance, or repair of such project, nor the operation thereof, or any exchange or modification of the same agreed to by the cities and the United States, acting through any appropriate agency thereof;

By virtue of the information provided above and the work accomplished to date, Springs Utilities asserts that full development of the Homestake Project should be considered reasonably foreseeable, and should be accounted for accordingly, in evaluating the suitability of <u>Colorado River Segments 1 and 2</u>. Any determination of suitability and subsequent designation of these segments under the WSRA could adversely affect the ability of Springs Utilities and the City of Aurora to develop the remaining phases of the Homestake Project.

- 4. Springs Utilities also intends to fully develop conditional water storage rights associated with its Continental-Hoosier System, which diverts water from the headwaters of the Blue River, upstream from <u>Colorado River Segments 1 and 2</u>. Any determination of suitability and subsequent designation of these segments under the WSRA could adversely affect the ability of Springs Utilities to fully develop these conditional storage rights.
- 5. Springs Utilities understands that only one flow-related Outstandingly Remarkable Value (ORV), whitewater boating, will be recognized in managing <u>Colorado River Segments 1 and 2</u>. We believe that permanent protection of the whitewater boating ORV can be achieved *without* a suitability determination for these segments through the existing regulatory framework and cooperative measures. For example, senior water rights such as the Shoshone Power Plant and Grand Valley irrigation rights are administered through Colorado's prior appropriation system and act to protect and enhance recreational flows through Glenwood Canyon by calling for the water during critical periods. In addition, cooperative efforts such as those being undertaken by the Upper Colorado River Wild and Scenic River Stakeholder Group (Stakeholder Group) are preferable to a designation under the WSRA because they seek to balance permanent protection of ORVs with other key considerations such as operational flexibility, certainty for stakeholders, and water project yield.

In addition to the comments provided above, Springs Utilities is in concurrence with those comments provided to the Forest Service by the City of Aurora, and hereby incorporates those comments by reference. Please refer to the City of Aurora submittal for additional background on the Homestake Project, responsive comments on Wild and Scenic River suitability criteria, and information on Homestake Project water rights.

Springs Utilities will continue to follow the WRNF Wild and Scenic River Suitability Study closely, and is looking forward to working with the Forest Service as they incorporate the results of their suitability study into the Bureau of Land Management's (BLM's) Resource Management Plan revision for the Kremmling and Glenwood Springs Field Offices. Springs Utilities will continue to be an active participant in the Stakeholder Group and reserves the right to make additional comments as new information becomes available, either through the Stakeholder Group, or through the public input process.

We hope you find these comments useful for the suitability study. Should you have any questions regarding the comments provided above, or require additional information regarding Springs Utilities' water rights or operations, please feel free to contact Brett Gracely at (719) 668-4052 or Patrick Wells at (719) 668-3839. Additionally, Patrick Wells serves as Springs Utilities' primary representative on the Stakeholder Group and will continue to work closely with Forest Service and BLM through this process.

Sincerely,

Brett Gracely, P.E. Homestake Steering Committee/ Water Supply Planning Supervisor Colorado Springs Utilities

cc: Gary Bostrom Wayne Vanderschuere Mark Shea M. Patrick Wells, P.E. Senior Project Engineer Colorado Springs Utilities