

Cleave Simpson, General Manager Rio Grande Water Conservation District 8805 Independence Way Alamosa, CO 81101

RE: 2021 ANNUAL REPLACEMENT PLAN APPROVAL: SPECIAL IMPROVEMENT SUBDISTRICT NO. 3 OF THE RIO GRANDE WATER CONSERVATION DISTRICT

Dear Mr. Simpson:

Thank you for your April 15, 2021 submission of the Special Improvement District No. 3's proposed Annual Replacement Plan (ARP) for the 2021 Plan Year (May 1, 2021 through April 30, 2022).

My staff and I have reviewed the proposed ARP and its appendices. A copy of this approval will be available next week on the DWR website at:

https://dwr.colorado.gov/division-offices/division-3-office

All information and data related to this approved ARP are available on our website.

Enclosed, please find my approval of the 2021 ARP.

Very Sincerely,

Marin & Lein

Kevin Rein, P.E. State Engineer Director of Division of Water Resources

cc: Division 3



Review, Findings, and Approval of Subdistrict No. 3's 2021 Annual Replacement Plan

Background

Special Improvement District No. 3 ("Subdistrict"), a political subdistrict of the Rio Grande Water Conservation District ("RGWCD"), formed through Conejos County District Court in Case 2016CV30021, timely submitted its proposed Annual Replacement Plan ("ARP") pursuant to its Plan of Water Management ("PWM") approved by the State Engineer and noticed through Division No. 3 Water Court in Case No. 2018CW3013.

The 2021 Plan Year ARP and its appendices were available for download through a link on the RGWCD website. The ARP, its appendices, and resolutions were provided to the State and Division Engineers on April 15, 2021. Copies of the ARP were made available for viewing at the State and Division Engineers' offices. The ARP, its appendices, resolutions, the Subdistrict's Response Functions, and this letter are posted on DWR's website. There were no letters, comments, or other objections submitted regarding the 2021 ARP. My staff and I have conducted this review of the ARP and comments thereon in accordance with the operational timelines specified in the Rules Governing the Withdrawal of Groundwater in Water Division No. 3 (the Rio Grande Basin) and Establishing Criteria for the Beginning and End of the Irrigation Season in Water Division No. 3 for all Irrigation Water Rights ("Rules"), Case 2015CW3024. The Rules were approved as promulgated and were deemed effective as of March 15, 2019 by the Division No. 3 Water Court.

DWR Review

As set forth in the Rules, I must determine whether the ARP presents "sufficient evidence and engineering analysis to predict where and when Stream Depletions will occur and how the Subdistrict will replace or Remedy Injurious Stream Depletions to avoid injury to senior surface water rights." (Rules 11.3). Also, The ARP will include: a database of Subdistrict and Contract Wells that will be covered by the ARP; a projection of the groundwater withdrawals from Subdistrict and Contract Wells during the current Water Administration Year; a calculation of the projected stream depletions resulting from groundwater withdrawals from Subdistrict and Contract Wells; a forecast of the flows for Division No. 3 streams; detailed information regarding the methods that will be utilized to replace or remedy injurious stream depletions during the ARP Year, including any contractual agreements used for replacement or remedy of injurious stream depletions that will be in place; any information regarding the fallowing of Subdistrict Lands; information to document progress towards achieving and maintaining a Sustainable Water Supply; and, documentation that sufficient funds are or will be available to carry out the operation of the ARP." (Subdistrict PWM, Section 6.1.2). Finally, I must review the ARP pursuant to the statutory mandates, constitutional requirements, rules and regulations adopted in Division No. 3, and any letters, comments, or other objections submitted by water users regarding the adequacy of the ARP.

With the foregoing in mind, I turn to a review of the ARP. It would be unwieldy to include in my review every detail of the thorough ARP, so for the purpose of this letter, I incorporate it and its supplements by reference.

11.1.1 Database of All Wells to be Covered by the ARP

Structure Identification Number (WDID) (Section 1 of 11.1.1 of the ARP)

A comprehensive list of wells included in the ARP is necessary in order to allow DWR to verify which wells are authorized to operate in accordance with the ARP. To that end, the Subdistrict submitted the most current tabulation of the structure identification number (WDID) of each well included in the Subdistrict (see Appendix A of the ARP). The Subdistrict also supplied a spreadsheet to DWR of the list of Subdistrict Wells as a supplement to the 2021 ARP. Appendix A lists 158 wells. The Subdistrict accepted three wells (WDIDs 2105018, 2206461, 2205043) by contract and included them in the well list submitted with the 2020 Preliminary Water Report. An additional four wells were included by participation contract for 2021.

The contract wells accepted by the Subdistrict in 2021 are listed in Appendix B. Contract wells were reviewed for the terms of the contracts, associated permits and decrees for each well, and historical meter records. Any wells that are not used within the permitted and/or decreed beneficial uses authorized for those structures cannot be covered by the 2021 ARP and the owners will be notified by separate correspondence. Wells that have submitted an SWSP and started the process of changing an existing permitted/decreed use to a Non-Exempt use described in the participation contract can be conditionally accepted. Should the SWSP be denied during the ARP Year, the well can no longer be covered by the ARP and the owners will be notified.

Should any wells accepted as contract wells for this ARP approval have permitted and/or decreed limits that historical records indicate have been exceeded, they will only be accepted for groundwater withdrawals up to their respective limits. Owners of these wells will be notified of this conditional acceptance by separate correspondence. The Subdistrict will be copied on all separate correspondence sent for these purposes.

Other Well Identification Information (Section 2 of 11.1.1 of the ARP)

The database of wells the Subdistrict has accepted as part of this ARP was satisfied under 11.1.1.1.

Subdistrict Wells with Plans for Augmentation (Section 3 of 11.1.1 of the ARP)

The ARP Well List includes some wells that are either fully or partially augmented by an approved plan for augmentation which is administered separately of the Subdistrict's PWM. These plans for augmentation associate surface rights with these Subdistrict Wells and other non-Subdistrict wells to remedy some portion or all of each well's injurious stream depletions. These wells are included in the Subdistrict's ARP Well List, and if any portion of their legally decreed groundwater withdrawals is not remedied by an individual plan for augmentation, it is subject to Subdistrict fees and the Subdistrict will remedy injurious stream depletions and post-plan injurious stream depletions attributable to the non-augmented portion of a well's total groundwater withdrawals as part of this ARP. "The Subdistrict and this Plan of Water Management or ARP cannot be used as a source of water for new or expanded consumptive use of groundwater which is not within the terms and conditions of a valid permit or decree which was in effect as of October 4, 2018, or for new or expanded plans for augmentation or other replacement plans without the approval of both the Court and the Subdistrict's Board of Managers." (PWM at 2.4.6)

Conejos Water Conservancy District Augmentation Certificate No. Com0020

The Subdistrict accepted a contract for a well, WDID 2205184, whose depletions are covered under an augmentation certificate through CWCD's augmentation plan, 90CW24. The well lies outside the RGDSS Model boundary, along the Conejos River near the town of Fox Creek. The Subdistrict will transfer augmentation water annually from one of its pools of water in storage to CWCD under this contract, then CWCD will pay depletions according to its plan. This well is considered a non-benefitted Subdistrict Well as defined in the Subdistrict's PWM and the pumping is not included in the Response Function calculations for the 2021 ARP.

I have reviewed Appendix A of the ARP and consulted with staff and find it to be an accurate inventory of Subdistrict Wells that meets the requirements of Rule 11.1.1.

Total Combined Projected Annual Diversion for All Subdistrict Wells (Section 4 of 11.1.1 of the ARP)

For Subdistrict ARP Wells listed in this ARP, DWR total metered groundwater withdrawals as of April 1, 2021, for the 2020 Water Administration Year were $\pm 35,092$ acre-feet. In 2015, stream flows were very similar to the 2021 forecast and in that year, Subdistrict ARP Wells withdrew $\pm 25,673$ acre-feet. Comparing to 2020 and considering 2021 is the second consecutive year of forecasted below-average flows, the Subdistrict ARP Well groundwater withdrawals in 2021 are projected to be 30,000 acre-feet.

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
31,176	40,641	42,707	33,224	25,673	25,177	21,213	35,744	16,213	35,092
Nates. The figures is the table have been undeted to match Table 2.4 and these used in the Deserved									

Subdistrict Well Metered Sprinkler Pumping (acre-feet)

Note: The figures in the table have been updated to match Table 2.1 and those used in the Response Function the Subdistrict provided.

The majority of metered groundwater withdrawals in the Plan Year will be used for irrigation through center pivot sprinklers, 73 percent. Approximately 13 percent of groundwater withdrawals will be applied to flood irrigation and 14 percent to other uses.

Expected Methods of Irrigation, the Combined Projected Number of Acres Irrigated and the Total Projected Acreage by Each Irrigation Method (Section 5 of 11.1.1 of the ARP)

Subdistrict ARP wells are projected to irrigate approximately 23,800 acres during the Plan Year, including 15,550 acres irrigated by center pivot sprinklers and 8,250 acres irrigated by flood application. The Subdistrict made this projection based on a review of the breakdown of acres within the Conejos Response Area under each irrigation type prepared by DWR for inclusion in the RGDSS Groundwater Model.

Non-Irrigation Subdistrict Wells - Calculation of All Projected Withdrawals and Projected Net Groundwater Consumptive Use (Section 6 of 11.1.1 of the ARP)

Included in the ARP Well List are a number of wells with beneficial uses other than irrigation. The Subdistrict utilized information provided by DWR to calculate the consumptive use rates used in the RGDSS Model to calculate stream impacts and returns. Beneficial uses include potato washing, commercial, domestic (subdivision), lawn irrigation and fish. A spreadsheet was prepared by the Subdistrict to calculate the composite Consumptive Use Ratio that is a necessary input in the Response Functions. A spreadsheet of the calculation prepared for use in the 2021 ARP was submitted as supplement to this ARP.

Other Data Necessary to Support the Projected Stream Depletions (Section 7 of 11.1.1 of the ARP)

No other data was provided.

Other Information Required by the State and Division Engineers and Reasonably Necessary to Evaluate the Proposed ARP (Section 8 of 11.1.1 of the ARP)

The supplemental information needed to evaluate the 2021 ARP and provided to the State Engineer included:

- 1. A spreadsheet version of the Response Functions used to prepare the tables included in this ARP.
- 2. Resolution from RGWCD approving the Subdistrict 2021 ARP.
- 3. The list of Subdistrict Wells included in the 2021 ARP in spreadsheet format matching the list presented in Appendix A
- 4. Resolution from RGWCD to allow the Subdistrict to allocate Closed Basin Project water in the 2021 ARP.
- 5. Spreadsheet showing the Subdistrict's breakdown of "Other" wells used to calculate the composite Consumptive Use Ratio in the Response Function.

6. A Forbearance Yield Analysis. This is a description of the Subdistrict's approach to estimate the probable yield of replacement sources for the various forbearance contracts with ditches under forbearance agreements. A copy of the spreadsheet used in the analysis was provided as supplement to the ARP.

Projected Stream Depletions from the Wells Covered by 11.1.2 the ARP based on the Applicable Response Function or Approved Alternative Method

Section 2 of the ARP presents the data utilized to project stream depletions to the Conejos River, Alamosa River, and Rio Grande as a result of the Plan Year's groundwater withdrawals from Subdistrict ARP Wells. The Response Function outputs identify total projected stream depletions for the Plan Year, a breakdown of the monthly stream depletions for the Alamosa, two reaches on the Conejos, and three reaches on the Rio Grande and a projection of the Post-Plan Stream Depletions calculated as a result of the predicted Plan Year groundwater withdrawals from Subdistrict ARP Wells. The Subdistrict used the current 6P98 Response Functions to calculate projected stream depletions for this ARP.

The April through September streamflow forecasts included in the ARP are made by the United States Department of Agriculture's Natural Resources Conservation Service ("NRCS"). The annual streamflow forecasts included in the ARP for the Rio Grande and Conejos River basins are those included in the April 8, 2021 Division Engineer's Rio Grande Compact Ten Day Report (Appendix C of the ARP).

2021 Stream Flow Forecast - Conejos River (Section 1 of 11.1.2 of the ARP)

There was no difference between the NRCS and the Division Engineer's forecasts as shown in the following table. The April - September flow for the Conejos is 207,500 acre-feet for use in the Response Functions for 2021.

Stream Flow Forecast - Conejos River, Rio Grande, Alamosa					
Conejos Stream Flow	Apr-Sep	% of	Estimated	Jan - Dec	
	Forecast	avg	Additional	Forecast	
Analysis	(acre-feet)		(acre-feet)	(acre-feet)	
	(1)	(2)	(3)		
NRCS, 4/1/2021					
Conejos River near Mogote	153,000	79 %			
Los Pinos River near Ortiz	48,000	66%			
San Antonio River at Ortiz	6,500	42%			
TOTAL	207,500				
Division Engineer, Ten Day, 4/8/2021					
Conejos River near Mogote	153,000	79 %			
Los Pinos River near Ortiz	48,000	66%			
San Antonio River at Ortiz	6,500	42%			
TOTAL	207,500		22,500	230,000	
Rio Grande Stream Flow					

Analysis				
NRCS, 4/1/2021	365,000	71%		
Division Engineer, Ten Day, 4/8/2021	365,000	71%	70,000	435,000
Alamosa Stream Flow				
Analysis				
NRCS, 4/1/2021	51,000	75%		

(1) projected 50% exceedance streamflow at the gaging station

(2) NRCS 30-yr Average Flow: Conejos-194,000, Los Pinos-73,000, San Antonio-15,600, Rio Grande-515,000, Alamosa-68,000

(3) January through March and October through December

Projected Plan Year Stream Depletions (Section 2 of 11.1.2 of the ARP)

Subdistrict staff predicted stream depletions caused by Subdistrict ARP Wells utilizing the Response Functions developed for the Conejos Response Area under the RGDSS Groundwater Model Phase 6P98.

The Response Function spreadsheet was built to be used for the whole Response Area. Two instruction sheets were prepared by DWR for additional inputs to the Response Functions when there is a need to use it for individual or group of wells. The instruction sheet, "How to Use the Application Workbook for a Subset (individual/group) of Wells" (9/23/2015), describes how to adjust the spreadsheet inputs to stream reaches that have been modeled with point source returns to streams. The instruction sheet, "How to Adjust the Application Workbook for use with a Subset of Wells" (10/15/2015), describes how to use the "Ratio Method" for Response Areas where it is necessary to apply this method. The Subdistrict included these instruction sheets with their ARP.

The first step in using the current 6P98 Response Function is to input data for the whole Response Area, i.e., historical groundwater withdrawals for sprinkler irrigation, flood irrigation, "other" pumping with corresponding "other" consumptive use ratios for the years 2011 through 2020 and predicted values for 2021.

The Subdistrict has elected to use the Response Function spreadsheet for the subset of wells represented by the Subdistrict ARP Wells. The Conejos Response Area requires adjustments for both point source return flows and the stream ratios, as listed below.

- Conejos Response Area Reach 7 (San Antonio River) from the Town of Antonito.
- Conejos: Reach 1 Calculations Ratio, and Reach 6 Calculations Ratio,

Using the whole Response Area results, adjustments are made on appropriate pages of the Response Function spreadsheet. The Subdistrict ARP Wells do include the Town of Antonito wells associated with the point source return flow. Adjustments for the Ratio Method must be made for Reach 1: Conejos above Seledonia/Garcia and Reach 6: Alamosa River.

Once these preliminary steps are completed, the next step in calculating stream depletions using the Response Functions is updating Table 2.1 to derive the annual net groundwater consumptive use. The consumptive use ratios for sprinkler and flood irrigation used in the

Model are standard factors of 83% and 60%, respectively. The consumptive use ratio for "Other" wells is specific to the uses of those wells and can vary widely. The "Other Consumptive Use Ratio" for the whole Response Area is a composite derived from the individual well withdrawals and consumptive uses.

The Subdistrict provided a spreadsheet of "Other" wells included in the Subdistrict ARP Well list as a supplement to the ARP. The spreadsheet shows the individual well groundwater withdrawals and consumptive use factors to explain how the composite ratios were determined for the subset wells represented in Table 2.1 of the ARP.

Historical ARP Well groundwater withdrawal values were entered in Table 2.1 for years 2011 through 2020. No adjustments were made by the Subdistrict for groundwater withdrawals of the subset wells for any years prior to 2011. Projected ARP Well groundwater withdrawal values were used for 2021. The Subdistrict has no Recharge that Offsets Groundwater for calculation of the Net Groundwater Consumptive Use. The projected Net Groundwater Consumptive Use for the Plan Year is 20,900 acre-feet.

Following determination of the Net Groundwater Consumptive Use, the data was incorporated in the Response Functions Table 2.2 to calculate stream depletions for the Plan Year and projected into the future.

The Response Functions calculated stream depletions to the Conejos River, Rio Grande, Alamosa River, and San Antonio during the Plan Year, due to both past ARP Well groundwater withdrawals and the projected Plan Year ARP Well groundwater withdrawals. The total depletions are 3,657.5 acre-feet, which includes negative depletions of 105.8 acrefeet on the San Antonio. The Response Functions calculated total stream depletions to the Conejos River are 3,183.4 acre-feet, to the Alamosa River 97 acre-feet, and to the Rio Grande 482.9 acre-feet. The locations of the stream depletions and monthly quantities are also tabulated in Table 2.3.

Post-Plan Stream Depletions are estimated to accrue to impacted streams for approximately 19 years. Based on predictions from the Response Functions, Table 2.4 of the ARP shows there would be a total of 7,559 acre-feet of Post-Plan Stream Depletions. This amounts to 5,491 acre-feet to the Conejos, 1,678 acre-feet to the Rio Grande, and 390 acre-feet to the Alamosa.

11.1.3 Description of How Injurious Stream Depletions from Groundwater Withdrawals by Wells Included in the ARP will be Replaced or Remedied

Amounts and Sources of Replacement Water for 2021 Plan Year (Section 1 of 11.1.3 of the ARP)

The Subdistrict has assembled a portfolio of water supplies for the replacement of Injurious Stream Depletions and remedies other than water. The ARP identifies the water rights,

their availability and their amounts in Table 3.1 of the ARP. Applications for renewal for SWSPs 6074 (Taos Valley No. 3) submitted 3/26/2021, 6066 (Expo) submitted 4/5/2021 and 6061 (SLVWCD transmountain water- initiated by RGWCD) submitted 4/5/2021 by the Subdistrict for replacement sources for the use of water for the purpose of replacing depletions as part of the ARP are awaiting approval. All three could receive approval by early to mid-May 2021.

The adequacy of replacement sources for the ARP Year are dependent upon contracted amounts the Subdistrict has acquired as well as the availability of the source to pay depletions in place and time. For purposes of review of adequacy of replacement sources, there are three categories defined below, with examples described for each.

In Storage: Reservoir water in storage under the control of the Subdistrict. This water is available for release at the direction of the Subdistrict.

<u>In Season</u>: Ditch water that will become available to the Subdistrict when in priority during the irrigation season in the amount of depletion owed to streams daily by the Subdistrict. For some sources, water not used to pay daily depletions may be stored for Subdistrict use later.

<u>On Call</u>: Remedies, such as forbearance, that are available in the amount of depletion owed to streams daily by the Subdistrict, limited to when the forbearance ditch is the calling water right. I note that forbearance depends on climate and actual days when a ditch is the calling water right and the exact yield per year is indeterminate. It is also noted that the amount of forbearance water usable by the Subdistrict is limited by their depletions owed daily to streams. In addition, several Subdistricts are seeking forbearance agreements with the same ditches. DWR considers these potential competing agreements when evaluating forbearance as a replacement source.

This replacement water or remedy will be available to replace Injurious Stream Depletions as directed by the Division Engineer. A summary of the portfolio items is shown in the Replacement Sources tables on the following pages. I will approve up to the full amount itemized in the Replacement Sources tables and stated in the following sections for use in the 2021 ARP.

	Water Dirkt Name	Cub mitted	A mm max ra al tra	Demoining
	water Right Name	Submitted	Approved in	Remaining
			34925 2	S/1/2021 a
		AKP		
C///CD	In Storage			ZUZTARP
6061		1000 7	1046.2	1000 7
6054	PLM Excess Augmentation Credits	1000.7	1040.2	1000.7
0000	Stored in 2019	440.5		440.5
6093	Taos Valley No 3 (Stored in 2019)	107.9		107.9
	SLVIWO water transferred to Trinchera	-30.0		
	Subdistrict.			
	Note: This amount is for temporary use & will be			
	repaid from the augmentation well. It is not			
	considered reductive to the sources available. A			
	copy of the MOU with Trinchera Subdistrict is			
	Total In Storage	1 518 0		1 5/18 0
CWCD	In Season	1,510.9		1,540.7
6074	Taos Valley No. 3 (Contract 2 000 af)	2 000	pending	0
0074	SWSP request submitted 3/26/2021	2,000	pending	Ū
	On Call	Limit	Expected	Approved for
			Yield	2021 ARP
WDID	Forbearance			
	Conejos River			
2200501	Alamo Ditch	No limit		
2200502	An Con Ditch	No limit		
2200504	Antonito	No limit		
2200509	Ball Bros 1	No limit		
2200510	Ball Bros 2	No limit		
2200518	Branch	No limit		
2200519	Brazos Del Norte	No limit		
2200524	Canon Irrigating Ditch	No limit		
2200531	Cordova Ditch	No limit		
2200534	Del Puerticito	No limit		
2200535	East Bend Ditch - BLM	No limit		
2200539	El Serrito aka Cerrito	No limit		
2200541	Ephraim Canal	No limit		
2200548	Gabriel Martinez Ditch	No limit		
2200553	Guadalupe Main	No limit		
2200554	Heads Mill- Alpha Hay	No limit		
2200554	Heads Mill- Quinlan	No limit		
2200561	JF Chacon Ditch 2	No limit		
2200562	JF Chacon Ditch No 3	No limit		
2200576	La Del Rio Ditch	No limit		
2200584	Los Ojos 1- BLM	No limit		
2200585	Los Ojos 2- BLM	No limit		
2200587	Los Sauces Ditch	No limit		

Subdistrict No. 3 Replacement Sources Conejos River (acre-feet)

2200595	Manassa Ditch (Eastfield)	No limit		
2200593	Manassa No 3	No limit		
2200596	Manassa Westfield	No limit		
2200605	Mill Ditch	No limit		
2200591	Mogote Ditch	No limit		
2200609	Northeastern Ditch	No limit		
2200611	Overflow Ditch	No limit		
2200616	Richfield Canal	No limit		
2200619	Romero Ditch	No limit		
2200620	Sabine School Section Ditch	No limit		
2200621	Salazar Ditch	No limit		
2200624	San Juan San Rafael Ditch	No limit		
2200627	Sanford Canal	No limit		
2200631	Servietta Ditch	No limit		
2200651	Williams Stuart Co Irrigation D	No limit		
	Rio San Antonio			
2200664	Broyles Overflow No. 4 Ditch	No limit		
2200537	Eight Mile Ditch	No limit		
2200543	Florida Ditch	No limit		
2200549	Galvis Ditch	No limit		
2200570	Jaramillo Overflow No 2 Ditch	No limit		
2200589	Lovato Irrigation Ditch	No limit		
2200590	Maes Ditch	No limit		
2200597	Martinez Ditch	No limit		
2200615	Punche Ditch	No limit		
2200617	Riedel Ditch	No limit		
2200618	Rincones Ditch	No limit		
2200632	Sinecero Ditch	No limit		
2200633	Sisneros Ditch	No limit		
2200635	Star Ditch	No limit		
2200640	Teodoro No 1 Ditch	No limit		
	Rio Los Pinos			
2200580	Llano Ditch	No limit		
2200586	Los Pinos Ditch	No limit		
	Total On Call- Forbearance		1,000	Up to 1,484
	CBP Allocation- April 2021	1,030	1,030	
	Total On-Call Non-Irrigation Season		1,030	Up to 1,030

	Water Right Name	Submitted in ARP	Approved in SWSP's	Remaining 5/1/2021 & Approved for 2021 ARP
SWSP	In Storage			
6066	Expo, LLC	44	22	44
	SWSP request submitted 4/5/2021 (renewal)		add'l pending	
6070	El Viego Ditch Stored in 2019	20	84	20
	Total In Storage	64		64
		Limit	Expected	Approved for
	On Call		Yield	2021 ARP
WDID	Forbearance			
2100503	Alamosa Creek Canal (Terrace Irrig) **	No limit		
2100505	Alamosa Spring Creek Ditch	No limit		
2100506	Arroya Ditch	No limit		
2100510	Capulin Ditch	No limit		
2100513	Cottonwood Ditch	No limit		
2100514	Cristobal Rivera Ditch	No limit		
2100520	El Viejo D	No limit		
2100522	Empire Canal	No limit		
2100525	Flintham	No limit		
2100529	Gallegos Ditch 3	No limit		
2100526	Gabino Gallegos Ditch	No limit		
2100532	Garcia No 2 Ditch	No limit		
2100539	Head Overflow No 5 Ditch	No limit		
2100558	Lowland Ditch	No limit		
2100575	Lowland Overflow North Branch	No limit		
2100561	Miller Ditch	No limit		
2100564	Morganville	No limit		
2100571	North Alamosa Ditch	No limit		
2100572	Ortiz Ditch	No limit		
2100581	Ramona Ditch	No limit		
2100591	San Jose Ditch No 1	No limit		
2100593	Scandinavian Canal	No limit		
2100601	Terrace Irrigation Company **	No limit		
2100600	TK Walsh Ditch	No limit		
2100602	Union Ditch	No limit		
	Total On Call- Forbearance		80	Up to 81

Subdistrict No. 3 Replacement Sources Alamosa River (acre-feet)

**Note: All ditch rights of Terrace Irrigation Company are allowed to participate in a forbearance, however, Priority 110 for storage in Terrace Reservoir is excluded from participation. See Section 3.1 of this Approval Letter.

	Water Right Name	Submitted in ARP	Approved in SWSP's	Remaining 5/1/2021 & Approved for 2021 ARP
SWSP	In Storage			
6094	City of Creede 94CW31 & 07CW60- excess	141.4		141.4
	augmentation credits			
6061	SLVWCD 84CW16 & 94CW62	81	pending	81
	SWSP request submitted 4/5/2021 (renewal)			
	Total In Storage	222.4		222.4
	On Call	Limit	Expected Yield	Approved for 2021 ARP
WDID	Forbearance			
2000566	Centennial	No limit		
2000623	Commonwealth-Empire	500		
2000627	Excelsior Ditch	No limit		
2000753	Monte Vista Canal	300		
2000812	Rio Grande Canal	150		
2000662	Rio Grande Canal- Hermanthal Ditch			
2001094	Rio Grande Canal- Scotch Ditch			
2001007	Rio Grande Canal- Bedel D			
2000624	Rio Grande Canal- Enterprise D			
2001094	Scotch Ditch (carried in Rio Grande Canal)	No limit		
2000624	Enterprise D (carried in Rio Grande Canal)	No limit		
2000816	Rio Grande Lariat Ditch	500		
2000811	Rio Grande Piedra Valley Ditch	No limit		
2000817	Rio Grande San Luis Ditch	No limit		
	Total On Call- Forbearance		150	Up to 120
	CBP Allocation- April 2021	230		
	Total On Call- Non-Irrigation Season		230	Up to 230

Subdistrict No. 3 Replacement Sources Rio Grande (acre-feet)

After Acquired Sources of Remedy (Section 2 of 11.1.3 of the ARP)

DWR recognizes the Subdistrict will continue to work to acquire additional sources of remedy and may, with approval from the Division Engineer, use those sources to remedy injury under this ARP.

Operation of the 2021 Annual Replacement Plan (Section 3 of 11.1.3 of the ARP)

The ARP states that the Subdistrict's replacement water will be released from Platoro Reservoir, located in the Upper Conejos, Terrace Reservoir, located on the Alamosa River, and Rio Grande, Santa Maria, Continental, and Beaver Park Reservoirs, located in the Upper Rio Grande, at the direction of the Division 3 Engineer, to offset injurious stream depletions on the respective rivers during the Plan Year. All Plan Year injurious stream depletions will be replaced in the time, location and amount that they occur, beginning May 1, 2021. The reaches, amounts and time that stream depletions are projected to occur are shown in Table 2.3 in the ARP. These releases of water from storage will be performed under the provisions contained in section 37-87-103, C.R.S.

The ARP notes that Sections 37-80-120, 37-83-104, and 37-83-106, C.R.S., allow for exchanges to occur between reservoirs without a decree and if recognized by the Division Engineer. Appropriate accounting between the Division Engineer's Office and Subdistrict No. 3 will occur on a regular and routine basis if these exchanges do occur. Any reservoir exchanges done in the Plan Year will be documented and reported in the 2021 Annual Report. The Division Engineer's Office will be notified in advance of any reservoir exchanges.

The ARP provided an agreement with San Luis Valley Irrigation Well Owners, Inc. to lease up to 2,000 acre-feet for Subdistrict No. 3, up to 3,000 acre-feet for Subdistrict No. 6 and up to 3,000 acre-feet for Trinchera Subdistrict of water and/or consumptive use credits from the water rights that are subject to the 2015CW3030 case. SLVIWO and Trinchera Subdistrict submitted separate SWSP requests for the use of this water. The SWSP request would allow the Subdistricts to pay depletions by allowing water to flow through the Lobatos Gage and pay the Rio Grande Compact. Water delivered to the Compact (Calendar) Year to pay back depletions owed to the two reaches on the Conejos River designated by the Response Functions. In conjunction with the Division Engineer, the Compact curtailment percentage would be adjusted to reflect the actual amount of water delivered to the Compact depletion bank under this scenario to make the timing work throughout the irrigation season. Water under these SWSPs could also be stored in reservoirs under certain conditions. Subdistrict No. 3 expects to yield 2,000 acre-feet from this agreement.

In 2019, the Subdistrict entered into a lease agreement with the owner of water rights on the El Viego Ditch, Priority No. 1 on the Alamosa River to fallow land and generate consumptive use credits that could then be stored or left in the river to remedy stream depletions owed by the Subdistrict to the Alamosa River. A portion of the consumptive use credits generated from this agreement in 2019 are being stored in Terrace Reservoir and may be released during the Plan Year to remedy injurious stream depletions on the Alamosa.

In 2019, the Subdistrict had an agreement with the Bureau of Land Management to lease up to 900 acre-feet of Excess Credits as defined in the 2002CW38A decree for use in the ARP SWSP 6056 allowed storage of the Subdistrict's Excess Credits as shown in the table of replacement sources.

The ARP provides documentation that the Subdistrict has implemented Forbearance Agreements with a number of ditches located on the Conejos River, the San Antonio River, the Los Pinos, the Alamosa River, and the Rio Grande for the Plan Year. At times when the Conejos, the San Antonio and the Los Pinos are connected, the calling right can be on the San Antonio or the Los Pinos. The majority of the forbearance agreements allow the Subdistrict to exercise these agreements in its sole discretion. The ARP provides an agreement with the Centennial Ditch in the Appendix. The resolution suggests an alternative for when replacement water needs to be carried below the Excelsior Ditch, but when the Rio Grande can be dry below the headgate. Instead, replacement water will be carried around that dry reach through the Centennial Ditch. The water will be measured and delivered directly to the Rio Grande at the point the Centennial Ditch can return water directly to the Rio Grande. That point is above any water right that may be injured while in priority. The Centennial Ditch must be adequate to efficiently deliver water around the dry stretch of river to the satisfaction of the Division Engineer prior to this being considered a viable option. The Centennial Ditch Company's water rights are senior enough to accomplish this carriage in any foreseeable situation (Priority Nos. 32 and 173).

The Response Functions did not predict stream depletions to streams other than the Conejos River, Alamosa River, and the Rio Grande in amounts above the minimum threshold to reliably predict injury. Therefore, no replacements to any stream other than the Conejos, Alamosa, and Rio Grande will be made.

The negative depletion amounts that the Response Function output generated on the San Antonio reflect the point-source return flow attributed to the Town of Antonito in the RGDSS Model. This negative depletion represented on the San Antonio affects the Conejos River depletions when both streams are live to their confluence. Should the stream systems become disconnected hydraulically during the ARP Year, aggregation of these negative depletion amounts for purposes of determining depletions owed on the Conejos will not be allowed.

The ARP indicates that at times when there is no requirement to deliver water to the Lobatos Gage to meet the requirements of the Rio Grande Compact, no water will be delivered to the lower reach of the Rio Grande for replacement of Injurious Stream Depletions to the Rio Grande Compact from the Subdistrict. The ARP indicates that the Closed Basin Project may continue to deliver salvaged water to the stream as directed by the CBP Operating Committee or other laws or policies.

In the alternative, the DWR agrees that the Subdistrict may replace these Injurious Stream Depletions after the irrigation season or when Compact deliveries are being made. The only instances where the Subdistrict is not required to replace these Stream Depletions are when there is an excess of 150,000 acre-feet of credit for Colorado or Elephant Butte Reservoir has spilled. In these instances, water passing the Lobatos Gage will not result in Compact credit to Colorado. In all other circumstances, the replacement of Injurious Stream Depletions to the Rio Grande Compact will result in credit being given to Colorado, either for the current year or for future years.

The ARP mentions the Subdistrict plans to make potential requests for aggregation of depletions between Stream Reaches as part of the anticipated operation in 2021. The ARP also mentions the Subdistrict may request to aggregate depletions with other Subdistricts during the 2021 ARP year. Further, the Subdistrict describes the situation in which the preliminary annual review of the ARP year, reported March 1, 2022, determines one Subdistrict has underpaid depletions and another Subdistrict has overpaid depletions during

the prior months of the ARP Year. The Subdistrict proposes they may make a request to the Division Engineer to aggregate the depletions from prior ARP months between Subdistricts to remedy a Subdistrict's underpayment.

The Subdistrict anticipates a scenario when the depletions owed for all RGWCD Subdistricts combined in any one or more months during the non-irrigation season are greater than the production of the Closed Basin Project production in those months. Should this occur, the Subdistrict may request the Division Engineer allow a portion of the CBP production that is generated during the irrigation season be used to offset the Subdistrict's non-irrigation season depletions.

The Subdistrict may make requests for these types of changes formally to the Division Engineer, providing details of the request and documentation supporting the need to make a change to the approved ARP depletion schedule. The Division Engineer will consider such a request when it is made, under the protocol of DWR and in light of the conditions on the particular stream at the time and, if deemed appropriate, approve the request. The Subdistrict will not adopt any change until after approval by the Division Engineer.

The Rules require remedies sufficient to also remedy total Post-Plan Stream Depletions caused by current and past years' ARP Wells groundwater withdrawals that deplete the streams after the term of this ARP. Section 4.1.5 of the Subdistrict's PWM includes the provision, "the Subdistrict may continue to assess fees until all Post-Plan Injurious Stream Depletions caused by past groundwater withdrawals from Subdistrict Wells have been remedied." This allows the Subdistrict to provide a financial guarantee to assure that all Post-Plan Injurious Stream Depletions will be replaced or otherwise remedied if the Subdistrict were to fail or otherwise not be allowed to continue groundwater withdrawals.

If the Subdistrict were to fail, the individual well owners in the Subdistrict would have to obtain plans for augmentation or take other measures to comply with the Rules. Presumably, those plans would be required to replace Post-Plan Injurious Stream Depletions into the future. In the interim, the Subdistrict or the Rio Grande Water Conservation District will remedy Post-Plan Injurious Stream Depletions by supplying water or through agreements pursuant to which injury to water rights is remedied by means other than providing water to replace stream depletions.

Anticipated Funding for Plan Year (Section 4 of 11.1.3 of the ARP)

The Subdistrict submitted sufficient financial information to document the purchase and leases of replacement water for the 2021 Plan Year.

11.1.4 Contractual Arrangements Among Water Users, Water User Associations, Water Conservancy Districts, Subdistricts, and/or the Rio Grande Water Conservation District

San Luis Valley Irrigation Well Owner's, Inc. (SLVIWO) - Case No. 2015CW3030

(Section 1 of 11.1.4 of the ARP)

On December 30, 2015, the SLVIWO filed an Application for Recharge Project and Rights of Substitution and Exchange. The SLVIWO is the owner of the water right and corresponding structures associated with the Taos Valley Canal No. 3. The original decree for the water rights decreed to the Taos Valley Canal No. 3 is the Decree of the Court entered in the Matter of the Adjudication of the Priority of Water Rights in the Conejos and San Antonio Rivers (Water District No. 88), District Court, Conejos County, Colorado (October 3, 1890). In 1975, SLVIWO filed an application for a plan for augmentation including exchange and to change the place and type of use of the Taos Valley No. 3 water right in Case No. W-3394 to include augmentation of any depletions caused by well users of the SLVIWO. The Taos Valley No. 3 water right was changed in Case No. W-3394. Of the 245 c.f.s. decreed to the Taos Valley Canal No. 3, 230 c.f.s. ("Middlemist Water") has been left undiverted by SLVIWO and accounted for as an offset to well depletions pursuant to that decree. The remaining 15 c.f.s. ("Zinn Water") was changed in Case No. W-3394 subject to a reservation by Pete E. and Mercedes Middlemist to divert and use up to that amount for irrigation pursuant to certain terms and conditions contained in that decree. The Zinn Water has continued to be used for irrigation up to and including the 2018 irrigation season.

In Case No. 2015CW3030, SLVIWO seeks to utilize the Middlemist Water and the Zinn Water for augmentation by leaving the water in the San Antonio River as decreed in Case No. W-3394, by diverting water at the Taos Valley Canal No. 3 and continuing to store water in Cove Lake Reservoir for subsequent release to the San Antonio River, by recharging the confined and unconfined aquifers via a groundwater recharge project, by delivering water to satisfy compact obligations, by substituting water delivered to satisfy the compact in exchange for depletions and water diverted at other structures during different times within a year and to divert and store the water in several reservoirs, either directly or via exchange, for later release to the San Antonio River, Conejos River and the Rio Grande for augmentation purposes. On January 25, 2019, SLVIWO filed an Unopposed Motion to Bifurcate Case No. 15CW3030. In that Motion, SLVIWO sought to bifurcate the claimed exchange to the Martinez Ditch and the Recharge Project from the other claims in the application.

SWSP 6074 is pending approval for the Subdistrict's use in the 2021 ARP of the Taos Valley No 3 water that is the subject of the SLVIWO's court case.

Rio Grande Water Conservation District's Excess City of Creede Augmentation Credits Stored in Beaver Reservoir (Section 3 of 11.1.4 of the ARP)

The Rio Grande Water Conservation District leased excess augmentation credits from the City of Creede during the period October 1, 2019-April 30, 2020. A portion of these credits was utilized during the prior ARP year to replace injurious depletions for Subdistrict No. 2. The remainder of the 153.45 acre-feet of credit was stored in Beaver Reservoir, after applicable transit losses were deducted. Subdistrict No. 3 has a balance of 141.3 acre-feet that may be released from Beaver Reservoir to remedy injurious depletions caused by Subdistrict No. 3 ARP Wells.

Forbearance Agreements (Section 4 of 11.1.4 of the ARP)

Pursuant to section 37-92-501(4)(b)(I)(B), C.R.S., the Subdistrict has reached agreement with a multitude of ditches whereby they accept that, subject to the specific provisions of the forbearance agreement, injury to their water rights resulting from the use of groundwater by ARP Wells may be remedied by means other than providing water to replace stream depletions, when they are the calling right on the Conejos River system, Alamosa River, or Rio Grande.

The projected acre-feet of forbearance was based on an analysis of the number of days each ditch was the calling right in years of similar hydrologic conditions as those predicted in 2021. The years used for the analysis for the Rio Grande were 2013, 2015 and 2020. The analysis for the Alamosa included 2015, 2016, 2018, 2019 and 2020. The average number of days each ditch was estimated to be the calling right was then multiplied by the average daily acre-feet of injurious stream depletions during the Plan Year, excluding months outside the irrigation season. The expected yields listed in Table 3.1 are intended to be a conservative estimate of their potential yield to show the Subdistrict's ability to remedy injurious stream depletions. The estimate for the Rio Grande Canal did not include days that "Special Water" priorities were the calling rights even though all or a portion of those rights are included in forbearance agreements with the Subdistrict for the Plan Year and may be utilized at the discretion of the Subdistrict.

To project the Conejos forbearance potential, the Subdistrict used call records from 2020. The justification for this comparison between 2020 and 2021 is the soil moisture conditions, streamflow conditions, and long-range temperature outlook are projected to be very similar. The Subdistrict has confidence this is a reasonable way to project the amount of forbearance the Subdistrict anticipates they could conservatively expect to use for the 2021 Plan Year. Documentation for the estimated yield analysis of the various forbearance contracts was provided by the Subdistrict as a supplement to the ARP.

It is noted that the majority of these agreements allow the Subdistrict to remedy injurious stream depletions under the agreement or by providing water at the Subdistrict's sole discretion. Four of the agreements do not allow this flexibility, the Alamo, Ball Bros 1 & 2, Los Sauces, and William Stewart, so are "mandatory" forbearance agreements.

The Subdistrict made an agreement with the Guadalupe and Brazos Del Norte Ditches to store in Platoro Reservoir the amount of depletion owed daily when the Ditches are the calling priority. The stored water is to be released later by the Conejos Water Conservancy District at the discretion of the Ditches. Exercise of this agreement is at the sole discretion of the Subdistrict. As stated in the agreement, any releases of this water will be in compliance with the legal and physical restrictions on such releases.

Closed Basin Project Production (Section 5 of 11.1.4 of the ARP)

According to the information provided in the ARP, the projected production of the Closed Basin Project delivered to the Rio Grande is 8,500 acre-feet during calendar year 2021. The allocation of the Closed Basin Project production in accordance with agreements is 60% to the Rio Grande and 40% to the Conejos River basin over the long term with provision for adjustments in the allocation during individual years. The 2021 allocation of the Closed Basin Project production will be 60% to the Rio Grande and 40% to the Conejos River.

Per a letter from the Rio Grande Water Users Association dated March 17, 2021, the Board of Directors passed a motion to specifically allocate 3,800 acre-feet of the Rio Grande's share of the usable yield of the Closed Basin Project to replace the stream depletions under Subdistricts No. 1, No. 2, No. 3, No. 5 and No. 6 Similarly, the Board of Directors of the San Luis Valley Water Conservancy District agreed to the allocation as stated in their letter to the Rio Grande Water Conservation District on March 18, 2021. 238 acre-feet of water was made available to Subdistrict No. 3 under this ARP to remedy the injurious stream depletions on the Rio Grande.

The Conejos Water Conservancy District Board notified RGWCD by letter dated April 12, 2021 to specifically allocate 2,600 acre-feet of the Conejos River's share of the usable yield of the Closed Basin Project to replace the injurious stream depletions for the 2021 ARP. The allocation will be divided between Subdistrict No. 3 (1,050 acre-feet) & Subdistrict 6 (1,550 acre-feet).

A copy of each letter reporting the approval was provided in Appendix F of the ARP. The resolution from RGWCD allowing the Subdistrict to use Closed Basin Project water in the 2021 ARP was provided as supplemental information.

11.1.5 Documentation of Progress Towards Achieving and Maintaining a Sustainable Water Supply

Water Levels, Pressure Levels, and/or Groundwater Withdrawals (Section 1 of 11.1.5 the ARP)

Rule 8.1.7 of the Groundwater Rules includes provisions for meeting the requirements for achieving and maintaining a Sustainable Water Supply in the confined aquifer. Per the State Engineer's approval letter for the PWM, dated August 27, 2018, the Conejos Response Area five-year running average groundwater withdrawals are currently below the 1978-2000 average groundwater withdrawals for the Conejos Response Area. The current five-year running average groundwater withdrawals for ARP Wells for the period 2016-2020 is $\pm 26,700$ acre-feet. The previous five-year running average for ARP wells was $\pm 28,800$ acre-feet. The Subdistrict anticipates the five-year running average groundwater withdrawals for 2011 to $\pm 28,700$ for 2017-2021 based on the 2021 groundwater withdrawal projection.

Based on the trends of both the Conejos Response Area and the Subdistrict's five-year average, the Subdistrict will remain in compliance with the Sustainable Water Supply Requirement of the Rules.

Included in Appendix J is the State Engineer's memo dated July 1, 2020, regarding the Composite Water Head for Confined Aquifer Response Area in Division 3: July 2018 Requirement of Division 3 Groundwater Rules Section 8.1.4. The Composite Water Head for 2020 was 1.09 feet, showing a significant recovery over 2019 and higher than any year of record except 2018.

The Conejos River System Water Users Association has been collecting hydrostatic pressure data in the Subdistrict No. 3 Response Area and will provide the data to the DWR to continue to improve the understanding of sustainability.

Listing of Irrigated Acres Proposed to be Temporarily or Permanently Fallowed and Associated Water Rights (Section 2 of 11.1.5 the ARP)

The Subdistrict is not currently pursuing fallowing of any irrigated lands within the boundaries of the Subdistrict.

Listing of Water Rights Proposed to be Temporarily or Permanently Retired and Historical Operations of Each Water Right (Section 3 of 11.1.5 the ARP)

No listing of retired water rights was submitted with this ARP.

Other Proposed Actions to be Taken as Applicable (Section 4 of 11.1.5 the ARP)

No listing of other proposed actions was submitted with this ARP

Findings

Based on the information provided in the ARP and discussed above, I make the following findings:

- 1. The projected groundwater withdrawals are based upon the inventoried Subdistrict Wells, their historical pumping, and projected stream flows. The inventory of wells is consistent with the information in DWR's databases. The historical pumping associated with the Wells is based on diversion records on file with the DWR. The method implemented by the Subdistrict to project groundwater withdrawals for the ARP Wells for 2021 is consistent with historical pumping information and streamflow forecast from the Division Engineer's projection and the NRCS Forecast.
- 2. Overall, the Subdistrict inputs to the Response Functions produced a calculation of depletions that DWR considers conservative such that the depletions are covered and no injury will occur.
- 3. Projected stream depletions are calculated based on Response Functions generated

from RGDSS Groundwater Model runs. The Response Functions are based on the RGDSS Model version 6P98, which was approved by the PRT. The Subdistrict used the 6P98 Response Functions in determining stream depletions for the Subdistrict. The ARP Year depletion schedule is included as an Exhibit to this letter.

- 4. The comparison of CBP projected deliveries with all Subdistricts operating under 2021 ARPs indicates the CBP production, at least on an annual basis, is adequate to cover the Non-Irrigation season depletions for all the Subdistricts.
- 5. The ARP identifies the sources, availability, and amounts of replacement water and remedies that the Subdistrict will use to remedy Injurious Stream Depletions during the coming year and demonstrates the sufficiency of such water to remedy such Injurious Stream Depletions:

Conejos River

The Subdistrict depletions for the Conejos River system for this ARP are 2,120 acre-feet during the irrigation season and 1,063 acre-feet during the non-irrigation season for a total of 3,183 acre-feet.

 Irrigation Season: The Subdistrict has 1,549 acre-feet in storage in Platoro Reservoir and indicates a yield total of 1,000 acre-feet from forbearance agreements during the irrigation season and in April 2022, totaling 2,549 acre-feet. DWR estimates there will be no yield from the Taos Valley No 3 contract in 2021. Accretions of 65 acre-feet from the San Antonio can reduce the depletions owed on the Conejos, but only when the live streams are connected. The Subdistrict was only able to use this source for about a week during 2020 and it is not considered for this analysis.

The submitted portfolio of water from storage and in-season yield in the 2021 ARP Year indicates there would be a deficit of 571 acre-feet of firm water to cover Injurious Stream Depletions in the unlikely event that no forbearance is available. My staff reviewed the historical calls on the Conejos for the ditches expected to generate estimated forbearance during the ARP Year as summarized below. The portfolio of water from storage and potentially 1,484 acre-feet from DWR forbearance analysis totals 3,033 acre-feet and indicates sufficient water to cover Injurious Stream Depletions for the Plan Year.

DWR staff prepared an analysis using the current stream flow numbers and forecast flows for the irrigation season, which is projected to end on November 1st, 2021. The focus of the analysis was to determine which ditches might be the calling priorities throughout this period. A similar analysis was completed for the irrigation month of April 2022, using average conditions because a reliable 2022 winter forecast is not yet available. The Subdistrict has secured forbearance contracts with numerous ditches ranging from the No. 1 priorities through the No.169.

- These agreements for ditches that are likely to be the calling rights on the Conejos for the 2021 irrigation season and April 2022, could possibly account for 1,900 acre feet of the 2,120 acre-feet owed.
- <u>Non-Irrigation Season</u>. The Subdistrict has 1,030 acre-feet of Closed Basin Project water available to pay non-irrigation season depletions and will likely use most of the San Antonio accretions.

<u>Alamosa River</u>

The Subdistrict depletions are 96.7 acre-feet during the irrigation season and 0.4 acre-feet during the non-irrigation season for a total of 97.1 acre-feet.

 Irrigation Season: The Subdistrict has 64 acre-feet in storage in Terrace Reservoir and indicates a yield of 80 acre-feet from forbearance agreements during the 2021 irrigation season and in April 2022, totaling 144 acre-feet.

The submitted portfolio of water from storage in the 2021 ARP Year indicates there would be a deficit of 33 acre-feet of firm water to cover Injurious Stream Depletions in the unlikely event that no forbearance is available. My staff reviewed the historical calls on the Alamosa for the ditches expected to generate estimated forbearance during the ARP Year as summarized below. The portfolio of water from storage and potentially 81 acre-feet from DWR forbearance analysis totals 144 acre-feet and indicates sufficient water to cover Injurious Stream Depletions for the Plan Year.

- DWR staff prepared an analysis using the current stream flow numbers and forecasted flows for the irrigation season, which presumptively ends on November 1st, 2021. The focus of the analysis was to determine which ditches might be the calling priorities throughout this period. A similar analysis was completed for the irrigation month of April 2022, using average conditions because a reliable 2022 winter forecast is not yet available. The Subdistrict has secured forbearance contracts with numerous ditches ranging from the No. 1 priorities through very junior rights on the Rio Grande.
- These agreements for ditches that are likely to be the calling rights on the Alamosa for the 2021 irrigation season and April 2022, could possibly account for 90 acre feet of the depletions owed.
- <u>Non-Irrigation Season</u>: The Subdistrict is not obligated to pay depletions on the Alamosa during the non-irrigation season at this time.

<u>Rio Grande</u>

The Subdistrict depletions are 254 acre-feet during the irrigation season and 229 acrefeet during the non-irrigation season for a total of 483 acre-feet

 Irrigation Season: The Subdistrict has 222 acre-feet in storage in Beaver Reservoir and indicates a yield of 150 acre-feet from forbearance agreements during the 2021 irrigation season and in April 2022, totaling 372 acre-feet. The submitted portfolio of water from storage in the 2021 ARP Year indicates there would be a deficit of 31 acre-feet of firm water to cover Injurious Stream Depletions in the unlikely event that no forbearance is available. My staff reviewed the historical calls on the Rio Grande for the ditches expected to generate estimated forbearance during the ARP Year as summarized below. The portfolio of water from storage and potentially 120 acre-feet from DWR forbearance analysis totals 374 acre-feet and indicates sufficient water to cover Injurious Stream Depletions for the Plan Year.

- DWR staff prepared an analysis using the current stream flow numbers and forecasted flows for the irrigation season, which presumptively ends on November 1st, 2021. The focus of the analysis was to determine which ditches might be the calling priorities throughout this period. A similar analysis was completed for the irrigation month of April 2022, using average conditions because a reliable 2022 winter forecast is not yet available. The Subdistrict has secured forbearance contracts with numerous ditches ranging from very senior priorities through quite junior priorities on the Rio Grande.
- These agreements for ditches that are likely to be the calling rights on the Rio Grande for the 2021 irrigation season and April 2022, could possibly account for 130 acre feet of the depletions owed. This amount is based on the fact that some of the Rio Grande priorities are quite large and occupy the call for significant number of days in a row.
- <u>Non-Irrigation Season</u>: The Subdistrict has 230 acre-feet of Closed Basin Project water available to pay non-irrigation season depletions.
 - 6. Section 4.1.5 of the Subdistrict's PWM includes the provision, "the Subdistrict may continue to assess fees until all Post-Plan Injurious Stream Depletions caused by past groundwater withdrawals from Subdistrict Wells have been remedied." This allows the Subdistrict to provide a financial guarantee to assure that all Post-Plan Injurious Stream Depletions will be replaced or otherwise remedied if the Subdistrict were to fail or otherwise not be allowed to continue groundwater withdrawals.
 - 7. Upon approval of the Subdistrict's PWM, it was concluded the Subdistrict is already operating within the 5-year 1978-2000 average as amended by the CAS stipulation. In all future years the five year running average of metered total withdrawals must not exceed the average annual withdrawals for the period of 1978 through 2000. The Subdistrict is in compliance with this metric.

The Subdistrict has presented sufficient evidence and engineering analysis to predict where and when Injurious Stream Depletions will occur and how they will replace those Injurious Stream Depletions to avoid injury to senior surface water rights under the following Terms and Conditions.

This ARP is hereby approved pursuant to the following Terms and Conditions:

- 1. This ARP shall be valid for the period of May 1, 2021 through April 30, 2022, unless otherwise revoked, modified, or superseded by me, a decree, or order of the court.
- 2. The Subdistrict must replace or remedy the Injurious Stream Depletions resulting from Subdistrict ARP Well groundwater withdrawals.
- 3. Contract wells will be covered to the extent of their permitted/decreed uses.
- 4. Deliveries (including transit losses) of stored water made available for the replacement of Injurious Stream Depletions shall be determined by the Division Engineer pursuant to this ARP and associated decrees.
- 5. If the limit is reached for any particular forbearance agreement, then the Subdistrict will need to begin replacement of Injurious Stream Depletions to that particular ditch or canal. Storage under the forbearance agreement with the Guadalupe and Brazos Del Norte Ditches is only allowed upon prior approval of the Division Engineer.
- 6. The Division Engineer shall determine on an ongoing basis whether he can administer the operations under each forbearance agreement. If the Division Engineer cannot, then that operation shall cease. General Forbearance Protocols for the Conejos River System for 2021 were prepared by the Division Engineer. A copy of the protocols is included with this letter.
- 7. The Subdistrict shall provide daily replacement water accounting (including, but not limited to diversions, depletions, replacement sources, and river calls) on a monthly basis. The accounting must be emailed to the Division Engineer (Craig.Cotten@state.co.us), the Water Commissioners (sam.riggenbach@state.co.us), rachel.rilling@state.co.us, tom.stewart@state.co.us, aaron.holman@state.co.us, travis.robinson@state.co.us and the Subdistrict Coordinator (deborah.sarason@state.co.us), within 10 days after the end of the month for which the accounting applies. Accounting and reporting procedures are subject to approval and modification by the Division Engineer.
- 8. The Subdistrict must adhere to the terms and conditions of the SWSP(s) incorporated as part of the ARP. The use and inclusion of any new replacement water within the ARP is subject to SWSP approval or approved by the Water Division No. 3 Water Court for a change of water right. Prior to the use of any new replacement water, the State Engineer will evaluate for use as an amendment under this ARP.
- 9. 9. The Subdistrict is relying heavily upon forbearance agreements to meet the requirements for mitigation of injurious stream depletions. The Subdistrict is strongly encouraged to actively pursue permanent replacement sources to cover depletions in the event that the forbearance agreements are not sufficient. In the unlikely event that SWSP 6066, Expo, for 22 acre-feet or SWSP 6061 SLVWCD for 81 acre-feet are not approved or the forbearance yields are less than needed, the Subdistrict will invoke its "After Acquired Sources of Remedy" clause in the ARP and will acquire sufficient

additional sources to satisfy the depletion schedule approved under this ARP. If the Subdistrict is unable to acquire sufficient additional sources, the Subdistrict will not be able to continue operation under this ARP.

- 10. All deliveries of replacement water shall be measured in a manner acceptable to the Division Engineer. The Subdistrict shall install and maintain measuring devices as required by the Division Engineer for operation of this approved ARP.
- 11. The Subdistrict must submit an Annual Review of its ARP pursuant to Rule 12.
- 12. The Subdistrict must replace or remedy all Injurious Stream Depletions caused by nonaugmented pumping associated with Subdistrict ARP Wells.
- 13. The Subdistrict must comply with the Rules, the Subdistrict PWM, and this ARP.

Approval of this ARP does not authorize any change, increase, or expanded use of any water right or permit. Any change, increase, or expansion of a water right or permit will need to comply with existing decrees and or permits, the Confined Aquifer New Use Rules, the Measurement Rules, the Rio Grande Basin Groundwater Use Rules, and may require approval of the Water Court.

The approval of this ARP is made with the understanding that if the ARP proves insufficient to remedy Injurious Stream Depletions, the State Engineer has the authority to invoke the retained jurisdiction of the Division No. 3 Water Court.

I want to thank you for your cooperation and compliance with this approved ARP and for your continued cooperation and compliance in the future. Your efforts are greatly appreciated. If you have any questions do not hesitate to contact any of my staff in Denver or Alamosa.

Sincerely,

Marin K Lein

Kevin G. Rein, P.E. State Engineer Director of the Division of Water Resources

Exhibits:

- A: Agreement for Temporary Use of Water in Storage in Platoro 4/7/2021
- B: Table 2.6 for 2021 ARP Year
- C: General Forbearance Protocols for the San Luis Valley River Systems for 2021

ec: Craig Cotten, Division Engineer Chad Wallace, Assistant Attorney General David W. Robbins, Hill & Robbins Peter Ampe, Hill & Robbins Clinton Phillips, Davis Engineering Service, Inc. DWR electronic notification lists Division 3 Water Court Exhibit A

MEMORANDUM OF UNDERSTANDING BETWEEN SUBDISTRICT NO. 3 AND THE TRINCHERA GROUNDWATER MANAGEMENT SUBDISTRICT

WHEREAS, Special Improvement District No. 3 of the Rio Grande Water Conservation District (Subdistrict No. 3) has water stored in Platoro Reservoir which it previously purchased from the San Luis Valley Irrigation Well Owners under their approved SWSP No. 6093; and

WHEREAS, the water Subdistrict No. 3 purchased from the San Luis Valley Irrigation Well Owners does not require an additional SWSP to be filed to allow Subdistrict No. 3 to allow the water to be used as a source of augmentation or remedy under another Subdistricts approved Annual Replacement Plan ("ARP"); and

WHEREAS, the Trinchera Subdistrict has water supplies to remedy depletions on the Lower Rio Grande Reach, and is willing to seek SWSP approval for their use by Subdistrict No. 3 in return for the consideration contemplated below; and

WHEREAS, the Trinchera Subdistrict has a need for water stored in Platoro Reservoir for use as part of its remedy portfolio in their 2020 Partial Year ARP and the 2021 ARP to remedy injurious depletions to the Conejos River when there is no opportunity to exchange water from the Rio Grande up through the Conejos system; and

WHEREAS, Subdistrict No. 3 is willing to assist the Trinchera Subdistrict in remedying its injurious depletions to the lower Conejos Reach when said exchange is not available provided that the Trinchera Subdistrict supplies stored water on the Rio Grande system to Subdistrict No. 3 on an acre-foot per acre-foot basis.

THEREFORE, Subdistrict No. 3 and the Trinchera Subdistrict hereby agree as follows:

1. During the 2020 Partial ARP Year and the 2021 ARP Year, Subdistrict No. 3 will, at the request of the Trinchera Subdistrict, release up to 30 acre-feet of water currently owned by Subdistrict No. 3 and currently stored in Platoro Reservoir under SWSP 6093 for replacement of the Trinchera Subdistrict's injurious depletions on the Conejos River when:

- a. there is no exchange potential available to exchange Trinchera Subdistrict water up to the lower reach of the Conejos from the Rio Grande; and
- b. the Trinchera Subdistrict does not have a forbearance agreement with the injured right on the Conejos.

2. In exchange for each acre-foot, or portion of an acre-foot, Subdistrict No. 3 releases from storage for the replacement of injurious depletions for the Trinchera Subdistrict on the Conejos River, upon SWSP approval, the Trinchera Subdistrict will simultaneously provide an equal number of acre-feet, or portion of an acre-foot, of water to the lower Rio Grande Reach to remedy Subdistrict No. 3's injurious depletions on the Rio Grande.

3. If, for any day Subdistrict No. 3 and the Trinchera Subdistrict operate under this

agreement, Subdistrict No. 3 elects to use forbearance to remedy its injurious depletions on the Rio Grande rather than use the water provided by the Trinchera Subdistrict for direct replacement of their injurious depletions, Subdistrict No. 3 may request that the water provided to Subdistrict No. 3 from the Trinchera Subdistrict under this agreement be exchanged into storage into the reservoir of Subdistrict No. 3 choice on the Rio Grande for use at a later date.

4. For each day this MOU is operated, both Subdistrict No. 3 and the Trinchera Subdistrict will account for the amount of water utilized on that day. Within 30 days following the end of the 2021 ARP Year covered under this agreement, each Subdistrict will provide the other their accounting for reconciliation of the timing and number of acre-feet exchanged under this agreement. If either Subdistrict believes there is an error in the accounting provided, they will have 14 days after the receipt of the accounting to notify the other Subdistrict of any errors.

Dated this $\frac{17h}{1}$ day of March 2021.

FOR SUBDISTRICT NO. 3

regram Manager

FOR TRINCHERA GROUNDWATER MANAGEMENT SUBDISTRICT

Exhibit B

Conejos Response Area Monthly Net Stream Depletions for Plan Year (units of ac-ft)

Table 2.6

97.0 665.6 2,517.8 65.7 88.1 329.1 -105.8 0 0 0 Total (14) 35.5 122.7 5.5 8.0 29.4 22.6 -9.9 0 0 0 Apr (13) 34.3 138.8 5.8 8.5 32.5 -8.5 0.1 0 0 0 Mar (12) 2022 -7.9 135.9 7.5 27.8 5.3 0.1 0 0 0 32.1 Feb (11) -7.9 37.9 165.9 5.8 7.9 31.0 0.1 0 0 0 Jan (10) 0.0 -7.9 51.3 5.9 7.7 34.7 0 0 0 191.1 Conejos Response Area Total Dec 6) 54.3 221.5 5.5 6.9 35.9 0.2 -8.5 0 0 0 NoV 8 -7.4 281.5 5.4 26.9 4.6 61.4 6.7 0 0 0 Oct $(\geq$ 5.0 16.0 -8.0 61.4 309.4 6.4 5.1 0 0 0 Sep 9 2021 70.0 314.9 6.4 11.3 6.6 -10.6 5.1 0 0 0 Aug (2)80.8 273.5 5.3 12.2 -10.6 0 0 7.1 23.1 0 Jul (4)81.4 204.2 5.3 7.1 28.7 19.5 -8.9 0 0 0 Jun (3) 158.3 5.6 7.8 31.8 -9.6 26.1 0 0 0 65.1 May $(\mathbf{2})$ Rio Grande Del Norte-Rio Grande Excelsior-Rio Grande Chicago-Stream Reach San Antonio River Seledonia/Garcia Seledonia/Garcia Conejos above Conejos below Alamosa River £ State Line Excelsior Chicago

Notes for columns: (1) Stream reach

3,657.5

213.9

211.6

200.

240.7

282.7

315.8

379.1

395.4

403.7

391.4

337.5

285.1

Total

Conejos Response Area Monthly Net Stream Depletions for Plan Year Table 2.6

(units of ac-ft)

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		Total	(14)		
		Apr	(13)		
	2	Mar	(12)		
	202	Feb	(11)		
		Jan	(10)		
เชล เบเลเ		 Dec	(6)		
esporise A		Nov	(8)		
JUIEJUS RI	2021	Oct	(2)		
		Sep	(9)		eet
		Aug	(2)	acre-feet	ons in acre-f
		Jul	(4)	oletions in a	am Depletic
		Jun	(3)	Stream Del	ar Net Strea
		May	(2)	Aonthly Net	otal Plan Ye
		Stream Reach	(1)	(2)-(13) N	(14) T
		 _			

Exhibit C

General Forbearance Protocols

For San Luis Valley River Systems

Subdistricts No. 1, No. 2 (Rio Grande Alluvium), No. 3 (Conejos), No. 4 (San Luis Creek), No. 6 (Alamosa La Jara) and Trinchera Subdistrict will be operating under ARPs and will replace depletions to their affected streams on May 1st, the beginning of the 2021 ARP year. Subdistrict No. 5 (Saguache) will also be subject to these protocols when an ARP is approved. Along with the replacement of stream depletions, the State and Division Engineer may allow the owners of the calling ditch to 'forbear', or choose to not take the water that otherwise would have been allocated to that ditch in exchange for receiving payment in some other form. This forbearance is authorized under Colorado Revised Statute 37-92-501 (4)(b)(1)(B) which states that the State Engineer shall "Recognize contractual arrangements among water users, water user associations, water conservancy districts, ground water management subdistricts, and the Rio Grande Water Conservation District, pursuant to which... injury to senior surface water rights resulting from the use of underground water is remedied by means other than providing water to replace stream depletions."

In order to assist the Subdistricts, water users, and Water Commissioners in determining whether a forbearance contract will be allowed, the following are general guidelines regarding those forbearance contracts for the 2021 ARP year:

- A water right must be the calling water right in order to forbear. In other words, the ditch must be legally and physically entitled and able to receive and divert the replacement water that would have been placed into the river or stream reach if that ditch owner would have decided to take the water available instead of forbearing.
- The owner of a ditch that cannot physically divert all of the water under its priorities due to an inadequate ditch size or other physical restrictions cannot forbear for the amount that the ditch in not able to divert. However, this ditch may be able to forbear in the amount that it is physically and legally able to divert.
- The owner of a ditch that physically is not able to divert the replacement water entitled to it at certain times of the year (for instance during low flow periods), due to an inadequate diversion dam or headgate, or other reasons, cannot forbear during that time of year unless and until the ditch or associated structures are repaired and physically able to take water.
- If it is certain that the owner(s) of a ditch would have declined to take water in their ditch on a given day that they were in priority to take water, for instance, if that owner cannot take their full priority due to a break in the ditch bank, or if the owner has not called for that water right in the ditch, etc., the ditch owner cannot forbear for that water right on that day.
- Forbearance will be allowed on water rights that are not large enough to cover the entire daily replacement amount. A ditch may be forbearing only a portion of the total daily replacement amount due to the size of the water right. In such cases, there may be several water rights in

various ditches that are forbearing at the same time in order to meet the entire replacement obligation of the Subdistrict.

- A ditch may operate under a partial forbearance contract with the understanding that the ditch company, Subdistrict or other appropriate party will manage the partial flow and partial forbearance at the heading and down ditch to the satisfaction of all water rights owner in that ditch that are in priority on that day. The manager of the ditch with partial forbearance must inform the Water Commissioner, prior to any operations, the manner and the capability in order to be in compliance, otherwise forbearance will not be allowed.
- Ditches with a forbearance contract must have accurate, reliable and operational measurement devices on the ditch.
- On a day when water could be placed into the river system for replacement of injurious depletions, and a section(s) of the stream is dry such that this replacement water would not have made it to the calling priority ditch, forbearance by that ditch(es) will not be allowed. During times of dry stretch(es) on the river system, each live stretch will be treated as its own calling system. Only the stretch(es) that includes an RGDSS modelled stream reach will have the ditch(es) eligible for forbearance. If water delivery could not make it physically to any structure in a particular RGDSS reach, then no forbearance is allowed and a water delivery will be required. The determination of the physical properties controlling these situations shall be at the sole discretion of the Water Commissioner and/or Division Engineer.
- A forbearance that results in a section of the river drying up, cannot be used to create a futile call. The river must be administered to replicate what conditions would have taken place had a continuous deliverance of water occurred.