

South Platte Task Force

June 29, 2007

Presented on behalf of The Farmers Reservoir and Irrigation Company (FRICO)

- FRICO operates 4 major reservoirs and 400 miles of canals extending across 3,500 square miles from Denver to Greeley. FRICO map and service area attached.
- FRICO has municipal and agricultural users. Western divisions, Standley and Marshall largely urbanized. FRICO system is main water supply for 250,000 in NW Metro area.
- FRICO's divisions east of the South Platte River, Barr – including Henrylyn District—and Milton remain agricultural. FRICO/Henrylyn system provides irrigation supply for more than 60,000 acres.
- The FRIO/Henrylyn system is one of the largest if not the largest block of irrigated farm land in Weld County under a single water supply system. [Table 1]

Wells are different than surface diversions. When a senior call is asserted against an upstream canal, the headgate is closed and water is immediately available to the senior. If water is diverted from a well, it has a long term depletion to the river that cannot be turned off. To protect the rights of the senior owner, well augmentation plans must be able to show that they will have adequate replacement water to offset future depletions when and where they occur. And a senior call will always be a probability that must be addressed.

FRICO does not itself use wells as part of its water supply. A minority of FRICO shareholders do have wells in addition to their surface water supply. FRICO has been a participant in the various Water Court applications to protect the surface water supplies which is the sole supply for a majority of the Company's shareholders.

FRICO has not opposed the Central well applications for the purpose of shutting down wells without good reason. In fact, FRICO and Henrylyn have supported Central's efforts to benefit from the recent high water.

- Central GMS was able to increase its current allotment by 50% [increasing from a 20% to a 30% allocation]. The largest part of this increase was due to water diverted by Henrylyn through the FRICO Burlington system to deliver water for the benefit of Central in the Box Elder Valley. FRICO neither asked for nor received any compensation for the use of its system that has increased Central's 2007 allocation by 50%.

- FRICO does not expect any expression of gratitude coming back from Central well owners for its co-operation, but if and when it is asserted that the senior surface right owners are intending to drive out well owners, we ask that the Task Force members recognize FRICO's and Henrylyn's efforts to assist the well owners.
- On a one-on-one basis, FRICO and its sister company, the Burlington Company, have assisted shareholder well owners who would not have survived Central's 2007 reduced allocation.

FRICO's water supply is vulnerable to impacts of out of priority depletions and senior water calls because it is a very water short system (i.e. on a regular basis, the FRICO system cannot provide a full water supply to its shareholders).

- Any out of priority depletions to the South Platte River increase the demand from downstream seniors, and call out FRICO's rights. [Table 3]
- The South Platte River, especially below Greeley, is dependent upon return flows from upstream irrigation to sustain its flows. The downstream senior reservoirs call out FRICO. *Any* unpaid depletions from tributary wells reduces return flows to the river and increase the time and amount of senior calls.

Being curtailed by a senior call is a normal and expected condition under the appropriation system. FRICO's major South Platte rights have priority dates of 1908 and 1909. Even with priority dates nearly 100 years old, FRICO is regularly called out by downstream seniors. [Table 2].

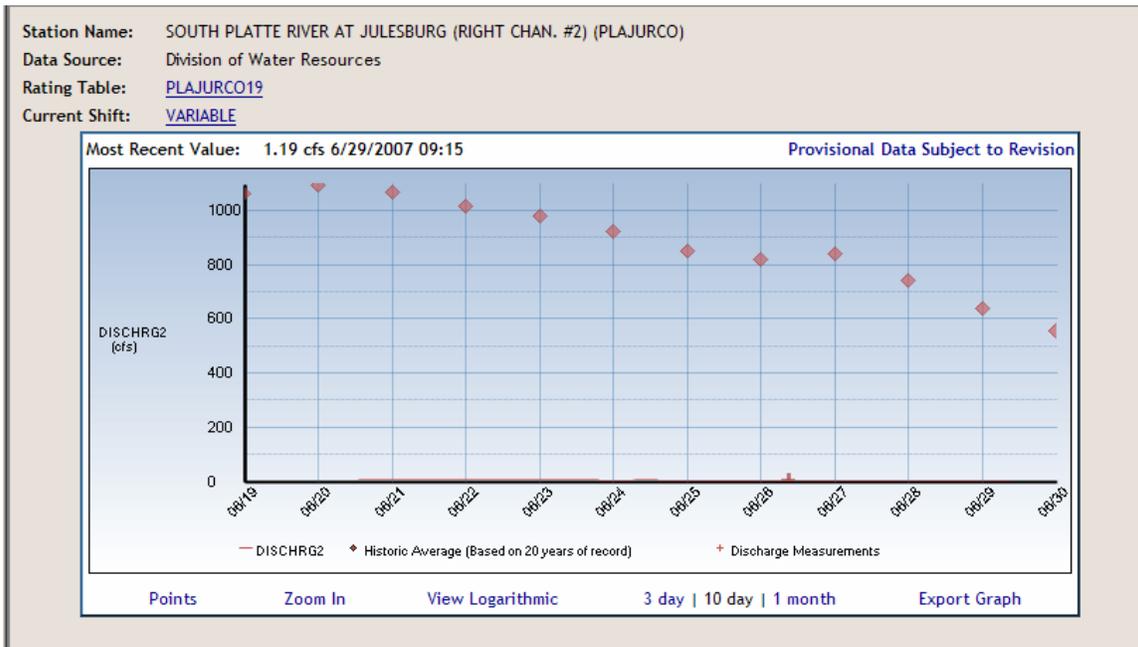
- FRICO's shareholders have need for substantially more water than we are allowed to divert.
- Any junior depletions will increase the length and amount of senior direct calls (Table 2).
- Junior well owners should expect to be called out, just as FRICO is and always has been.
- The appropriation system provides relative certainty as one of its major functions. If you want or need absolute certainty of use, obtain a senior right or construct sufficient storage to obtain a firm yield from a junior right. These are, admittedly, expensive. If the State makes a policy decision to maintain agricultural uses (or any specific uses), it will have to develop water supplies that may not be economically effective. The state cannot, however, benefit one group of junior decree holders by taking the water from seniors.

- Colorado has a very efficient and well understood system for allocating water: the appropriation system.
- The priority system is designed to and does fairly and efficiently allocate water where there is greater demand than supply. In the South Platte, with short periods of still “excess flows”, there is *always* a shortage of water to provide for all the existing demands.

South Platte gage at Julesburg shows *no* flow leaving the state (Compact obligation is 120 cfs).

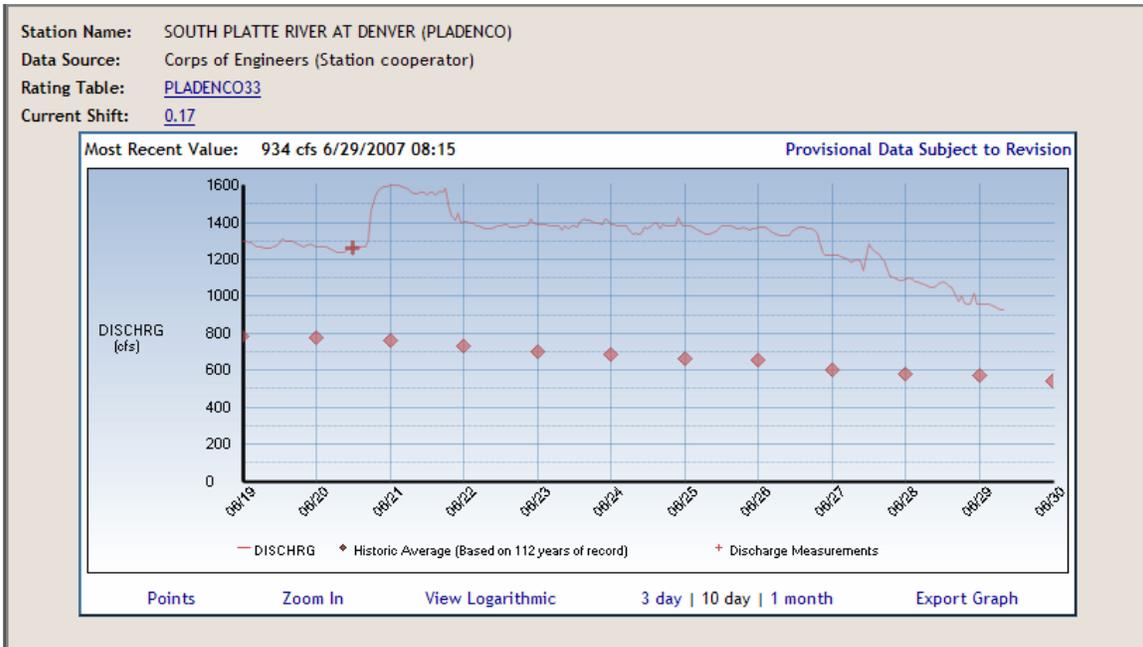
The appropriation system is 100% efficient.

There is *no* excess water available to sustain new uses or to absorb unpaid well depletions.



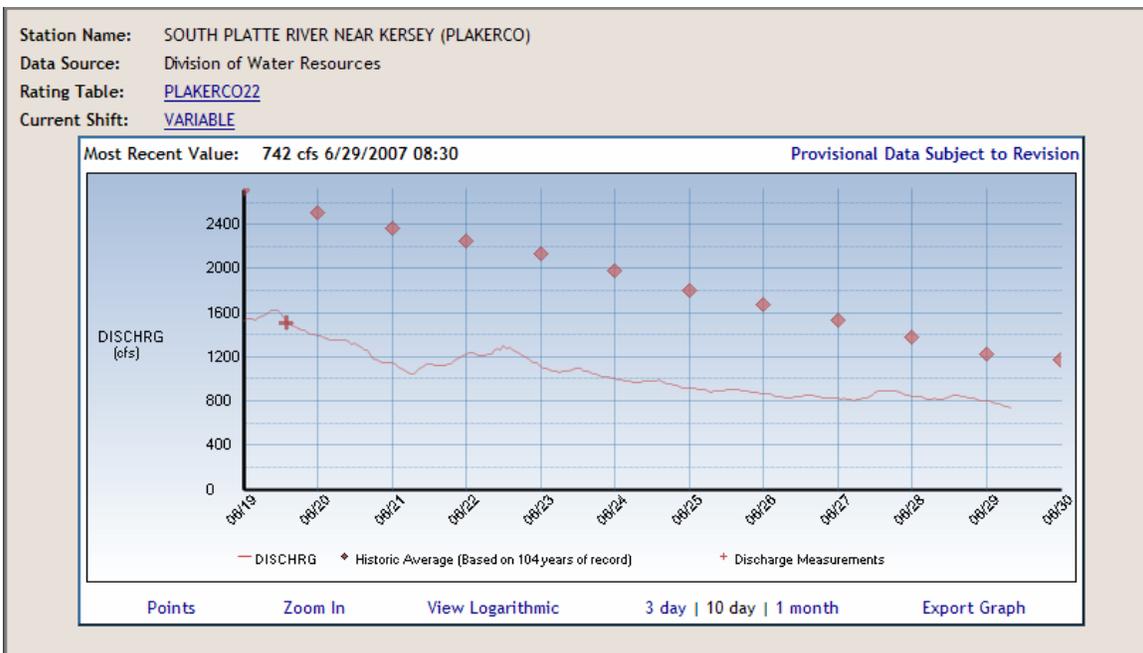
South Platte River at Denver.

River flow 500 cfs *higher* than average



South Platte River at Kersey.

Current river flows 500 cfs *less* than average



Present river call on South Platte Mainstem is Sterling 1888.

All FRICO/Henrylyn rights(1907, 1908, 1909, 1910, 1911, 1916) junior are curtailed.

Active Calls | Date Range | Water Source | Structure Name

Press Submit Request Button for Active Calls

Submit Request



Call Type	Start Date	End Date	Water Source	WDID	Structure Name	Appro Date	Admin No	
Main Stem	2007-06-24 08:00	Active	SOUTH PLATTE RIVER	6400511	HARMONY DITCH 1	1895-07-11	16628.00000	10
Main Stem	2007-06-27 08:00	Active	SOUTH PLATTE RIVER	6402514	CONDON RECHARGE AREA	1976-04-03	46114.00000	50
Main Stem	2007-06-29 08:00	Active	SOUTH PLATTE RIVER	6400528	STERLING IRR CO DITCH 1	1888-10-01	14154.00000	40
Tributary	2007-06-16 08:00	Active	LITTLE THOMPSON CR	400600	OSBORNE CAYWOOD DITCH	1867-04-15	6314.00000	10
Tributary	2007-06-20 06:15	Active	ST VRAIN CREEK	500526	HIGHLAND DITCH	1871-11-30	8004.00000	20
Tributary	2007-06-23 08:00	Active	BOULDER CREEK	600515	BOULDER WELD CTY DITCH	1873-11-01	8706.00000	10
Tributary	2007-06-26 06:00	Active	CACHE LA POUFRE RIV	300934	CANAL 3 DITCH	1872-11-01	8341.00000	10
Tributary	2007-06-28 08:00	Active	BIG THOMPSON RIVER	400502	BIG T PLATTE R DITCH	1876-05-15	9632.00000	60

Being curtailed on a surface water right is normal. [Table 2]

FRICO and Henrylyn are very water short systems.

The asserted “crisis” is from a relatively small number of well owners who have not been able to provide an adequate replacement plan through Central GMS or Central WAS. The majority of the South Platte well owners have been able to adjudicate effective plans that provide for their well depletions. [Tables 4 and 5]

- FRICO supports assistance on an individual basis:
 - low interest loans to develop conditional rights and transfer senior rights. FRICO acknowledges that transferring senior water from surface irrigation to junior well irrigation on other parcels does nothing to “preserve agriculture” in the South Platte basin; but FRICO supports the right of well owners to transfer water in this manner as a basic tenant of Colorado water law.
 - state assisted augmentation plan development
- FRICO does not believe that major changes to a very carefully crafted, efficient and effective allocation system is warranted to address the specific concerns of a small number of water users.