

**Statement of Michael J. Ryan, Great Plains Regional Director
Bureau of Reclamation
U.S. Department of the Interior
House Committee on Natural Resources
Subcommittee on Water and Power**

**Field Hearing on the Fryingpan-Arkansas Project at 45:
Sustainable Water for the 21st Century**

June 1, 2007

Madam Chairwoman and members of the Subcommittee, my name is Michael J. Ryan and I am the Great Plains Regional Director for the Bureau of Reclamation. I am pleased to be here today to provide you information on Reclamation's activities and involvement in the Fryingpan-Arkansas Project, commonly known as the Fry-Ark Project, and provide the Department of the Interior's view on water management challenges we are facing.

Congress authorized the Project in 1962 as a multi-purpose, trans-basin water diversion project for Colorado. The Project annually diverts an average of 52,300 acre-feet of water from the Fryingpan River and other Colorado River tributaries on the western slope of the Rocky Mountains to the Arkansas River basin on the eastern slope. Fry-Ark Project water provides a supplemental water supply for municipal, industrial, and domestic uses, and irrigation in the Arkansas Valley. Additional authorized Project purposes include power, flood control, recreation, and conservation and development of fish and wildlife resources. The Project has been operated and maintained by Reclamation since its completion in 1975 when Fry-Ark Project water was first delivered to users in the Arkansas Valley.

The Southeastern Colorado Water Conservancy District represents water users and is responsible for repaying the United States for the cost of the Fry-Ark Project works associated with the irrigation and municipal uses, plus applicable interest. The District also pays a proportionate share of annual operation and maintenance of the Project.

It is a challenge to meet the competing water demands of people, farms, cities, and the environment. Consistent with the principles of Reclamation's Water 2025 Initiative, Reclamation is proposing the use of existing facilities to better utilize infrastructure, while not jeopardizing existing authorized Fry-Ark Project purposes.

Reclamation has played a role in several ongoing projects that aim to help alleviate water delivery challenges in Colorado. We have provided technical information for reports prepared by the Southeastern Colorado Water Conservancy District on the Preferred Storage Options Plan, a project conceived to provide additional reservoir storage space in the Arkansas River Basin. Reclamation has also provided planning assistance to local stakeholders weighing options for the Southern Delivery System, a project to provide additional water deliveries to the communities of Colorado Springs, Fountain and Security. And Reclamation has also responded to frequent requests for information from local sponsors interested in the study of ways to provide improved

water quality to communities in the Arkansas River Valley east of Pueblo Reservoir.

In addition, Reclamation is working to address water shortfalls through excess capacity contracts, also known as “if and when” contracts for communities in Colorado. These contracts allow third parties to store water in Reclamation reservoirs as long as it does not affect the storage and delivery of project water. For instance, temporary “if and when” **storage** contracts for 10,000 acre-feet of Aurora’s water have been executed on an annual basis with Reclamation for the past 22 years. In addition, “if and when” **exchange** contracts for 10,000 acre-feet have been executed annually for the past 9 years. This year in Eastern Colorado, Reclamation entered into 18 temporary storage contracts, totaling approximately 45,500 acre-feet, and one exchange contract for 10,000 acre-feet. Contractors included several cities and water districts, the Bureau of Land Management and the State of Colorado.

The contract sought by Aurora is an example of the multi-purpose use of the Fry-Ark Project consistent with its governing statutes. The proposed contract allows a non-Federal entity to utilize space not being used to store Project water. This contract is within federal legal and policy parameters. It will cause no significant impact on the environment and does not require Aurora to construct additional facilities to meet their needs. The stored 10,000 acre-feet of water has been purchased from willing sellers, and will not be contracted as “Project water.” It provides revenues which assist in repayment of the reimbursable portion of the project. It also allows Aurora to plan for the future without injury to existing beneficiaries within the Arkansas Basin.

Because excess capacity contracts are exercised only when the service can be provided without harm to the project or those receiving water from the project, Reclamation believes making excess capacity available to store non-project water for Aurora, Colorado Springs, and others is an efficient and beneficial use of existing Project features.

Reclamation has other proposed “if and when” contracts for the Southern Delivery System and the Preferred Storage Options Plan. These arrangements have been formulated in response to identified needs for additional water related contracts to meet long-term water supply needs.

Reclamation applauds the forward thinking and collaborative planning efforts that have gone into the development of these efforts. We will continue to work with local entities to provide water to small valley cities to enhance existing flows for recreation and to protect the fisheries.

In summary, full utilization of Reclamation’s Fryingpan-Arkansas Project is necessary to help communities work through water resource management challenges. It is the right thing to do, and we are committed to this collaborative approach.

This concludes my written statement, and I would be pleased to answer any questions.