



COLORADO

Department of Natural Resources

Executive Director's Office
1313 Sherman Street, Room 718
Denver, CO 80203

March 30, 2017

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

RE: Docket P-2035-099

Dear Secretary Bose:

We write today to support the Federal Energy Regulatory Commission's (FERC) approval of the Denver Board of Water Commissioners' (Denver Water) Hydropower License Amendment Application; submitted on November 23, 2016 and currently under FERC review.

The Process

FERC's approval of the application is the next step in a careful and thorough state and federal permitting process that Denver Water began in 2003. The Moffat Collection System Project (more recently known as the Gross Reservoir Expansion Project) is one part of Denver Water's multi-pronged approach (including conservation and recycled water programs) to continue meeting the needs of its customers while acting collaboratively with myriad stakeholders and water interests from across the state.

The process itself – while lengthy – includes the breakthrough 2013 accord known as the Colorado River Cooperative Agreement. This agreement, spearheaded by then Denver Mayor, now Colorado Governor John Hickenlooper, began a long-term partnership between Denver Water and West Slope water interests; directly involving 43 entities that either signed the agreement or receive benefits. It is a framework for numerous actions by the parties that resolves multiple long-standing disputes, benefits water supply, water quality, recreation and the environment on both sides of the Continental Divide.

In his June 30, 2016 letter endorsing the Gross Reservoir Expansion Project (attached), Governor Hickenlooper writes, "By developing long-term partnerships through the Colorado River Cooperative Agreement...Denver Water and its partners further our shared vision for a secure and sustainable water future while assuring a net environmental benefit in a new era of cooperation." Political support for this project runs deep. In addition to Governor Hickenlooper's endorsement, the Gross Reservoir Expansion Project enjoys bipartisan support from the state's four previous governors and key members of Colorado's congressional delegation (letter attached).



Colorado Department of Natural Resources' (DNR) Involvement

First, DNR believes that the Gross Reservoir Expansion Project aligns with the key elements of Colorado's Water Plan. Colorado's Water Plan is our state's framework for solutions to our water challenges. The Plan presents important water supply and environmental measurable objectives that water storage projects such as this one must help us address.

DNR's role in the Project has been to protect the interests of Colorado's natural environment. We've done this by requiring that Denver Water commit to strict, verifiable mitigation and enhancement measures that are included in the Fish and Wildlife Mitigation Plan and Enhancement Plan approved by the Colorado Parks and Wildlife Commission and the Colorado Water Conservation Board.

Beyond the environmental aspects, there are other reasons we support FERC's approval of Denver Water's application. **These include the positive impact an expanded water storage facility will have on improving the resiliency of Denver Water's system, the societal and economic benefits of increased certainty as it relates to Denver's water, and the benefits of increasing the amount of clean, renewable energy created by Gross Dam's hydropower plant.**

On the issue of resiliency, Denver Water's system is currently out of balance, with 90 percent of storage in the South System and just 10 percent in the North System (which includes Gross Reservoir). Few among us who were living in the state back in 2002 can forget the devastating wildfires that came close to crippling Denver Water's South System. A natural disaster like that – made more likely by climate change and the next drought that is always just around the corner – can shut down an entire water system from the deluge of debris and sediment. If a similar natural disaster were to happen again, without an expanded Gross Reservoir, Denver Water may not be able to meet customer demands.

Finally, and perhaps most notably given FERC's mandate, we look forward to a completed, expanded Gross Reservoir, which will allow Denver Water to increase the annual output of the current hydropower facility at Gross Dam by 5 million kWh.

For the reasons stated above, we urge FERC to proceed with the necessary approvals to amend Denver Water's existing hydropower license; the next step to enable this critical program to move forward.

Sincerely,



Bob Randall
Executive Director

