



CITY COUNCIL
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March 7, 2017

Mr. B. Peter Yarrington
Federal Energy Regulatory Commission
888 First Street, NW
Washington, D.C. 20426

RE: P-2035-099, Final FERC Amendment Application for the Gross Reservoir Hydroelectric Project

Dear Mr. Yarrington:

The City of Arvada fully supports Denver Water's recently filed license amendment for the Gross Reservoir Hydroelectric Project and urges the Federal Energy Regulatory Commission to approve Denver Water's proposed amendments to the License, Articles, and Conditions for the Gross Reservoir Hydroelectric Project, FERC Project No. 2035.

Gross Reservoir is a key component of Denver Water's Moffat Water Collection System. The Moffat System has supplied water to the City of Arvada since 1960, and is the City's main water supply for its businesses and residents. During the 2002 drought, the Moffat System came shockingly close to going dry. Had it not been for the cooperative and extraordinary efforts of the Denver Water and Arvada staff to rapidly invent, design, and construct a convoluted alternative supply system, the 100,000 citizens of Arvada would have lost their drinking water for months. Increasing the reliability of the Moffat System through the expansion of Gross Reservoir is a goal the City firmly supports.

The City of Arvada is an active member of Denver Regional Council of Governments, and contributes to the regional planning efforts conducted under the DRCOG Metro Vision. In 2014 the City updated its Comprehensive Land Use Plan. While the total acreage in the Arvada planning area actually dropped a slightly from the 2005 Plan, the 2014 version shows that the vacant lands within the City's long established planning area will support an additional 14,420 housing units, 32,900 new citizens, and 14.2 million square feet of new retail, office and industry, with a potential for 27,100 new jobs. This level of growth is primarily due to natural population increases the in-migration of citizens into the region over the next several years.

The City recognized in the 1990's that its water supplies were inadequate to meet the drinking water needs for this projected population. In 1999, Arvada entered into an agreement with the Denver Board of Water Commissioners to financially assist in the

expansion of the Moffat Collection System in return for additional water supplies. In August 2013 the City entered into a Financing Agreement with Denver Water, and has so far placed \$37.5 million into an escrow account dedicated to this project.

The City has long supported the value of water conservation and established strong conservation programs decades ago, mandating universal metering, increasing block rates, mandatory low-flow plumbing fixtures, and various other measures designed to encourage the wise use of water. The City created and is applying its Water Conservation Plan, which has been approved by the Colorado Water Conservation Board.

By themselves, these conservation programs will not be enough to support the full build out of Arvada; the 3,000 Acre Feet of additional supplies made available through the Moffat Collection System – Gross Reservoir Expansion Project will be needed. The City supports Denver Water's efforts to expand the Moffat system and is committed to acquiring the 3,000 Acre Feet of water for which Arvada can contract.

Sincerely,



Marc Williams
Mayor