



State Engineer's Office

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TO: Interested Parties
FROM: Wyoming State Engineer's Office
DATE: May 11, 2015
SUBJECT: Request for Proposals regarding a potential funding opportunity for voluntary participation in a Pilot System Water Conservation Program

Facing the ongoing drought in the Colorado River Basin and declining reservoir levels, the U.S. Bureau of Reclamation (Reclamation) and four municipal water providers¹ that depend on Colorado River Basin supplies are working together to develop tools that could be used as part of a drought contingency plan. To this end, in July 2014, the four municipal water providers and Reclamation (collectively the Funding Partners) entered into an agreement to explore potential long-term solutions. Through this agreement, the Funding Partners have established a Pilot Program to fund a program designed to test on-the-ground, emergency water conservation opportunities. The purpose of this Pilot Program is to explore and learn about voluntary, emergency measures that could be used, when needed, to help maintain water levels in Lake Powell above the minimum levels needed to meet compliance with the Colorado River compacts and to maintain hydropower generation at the reservoir. The Funding Partners have contributed \$11 million to test and demonstrate the effectiveness of temporary, compensated, and voluntary water demand management actions through pilot projects in both the Upper and Lower Basins in 2015 and 2016. Of the funds contributed, at least \$2.75 million is intended for use in the Upper Colorado River Basin. The Upper Colorado River Commission² (UCRC) has agreed to facilitate the implementation of this pilot program.

As Wyoming's representative to the UCRC, the Wyoming State Engineer intends to make the Pilot Program available to those eligible water users in Wyoming wishing to participate. Accordingly, the Wyoming State Engineer's Office (SEO) issues this Request for Proposals (RFP) in order to invite users of water in the Green and Little Snake drainages in Wyoming to submit proposals to participate in the Pilot Program.

¹ The four major municipal providers that have provided funds for the System Conservation Agreement are the Southern Nevada Water Authority, Denver Water, the Central Arizona Water Conservancy District, and the Metropolitan Water District of Southern California.

² The UCRC is an interstate, administrative agency established by the Upper Colorado River Basin Compact of 1948 (Upper Basin Compact). UCRC members consist of a Commissioner representing each of the four Upper Division States of Colorado, New Mexico, Utah and Wyoming (Upper Division States) and a Commissioner appointed by the President of the United States who serves as the Chair of the Commission. The Commission assists the Upper Division States in developing their apportionments of Colorado River water pursuant to the Colorado River Compact of 1922 and the Upper Basin Compact, and has specific responsibilities to assist in implementing the Upper Basin Compact consistent with laws of the Upper Division States.

You are invited to submit a proposal describing any conservation opportunity that can be implemented under this Pilot Program by you or your organization. Proposals should include a project description, proposed conservation amount, the method for verifying the conservation activities employed, approximate time frame for startup, project duration, and amount of funding requested. An application form is attached to this RFP.

Through the Pilot Program, water users in the Upper Basin (municipal, industrial and agricultural) will be monetarily compensated for actions that temporarily reduce consumptive use of Colorado River water. These pilot projects could include approaches such as temporary fallowing or deficit irrigation of agricultural crops, upgrading to more efficient irrigation practices, reuse of industrial water, recycling of municipal supplies to reduce consumptive use, reductions in municipal landscape irrigation, and other methods that would leave more water in the Colorado River System.

Selection of Pilot Program participants will be determined based on factors that include: the schedule for implementing the conservation project, ease of administration, cost per acre-foot of conserved water; identified environmental benefits, diversity in the geographic locations, diversity in the types of projects, diversity in the types of water users, and the potential for any conserved water to benefit storage in the Colorado River system. All submitted projects will be reviewed by the Wyoming State Engineer's Office, the UCRC and Funding Partners. This same group will also make the decision on the final approval of projects accepted to participate in this pilot program.

A participant will be required to execute a System Conservation Implementation Agreement with the UCRC which will provide the terms and conditions for design, implementation, monitoring and evaluation of the project and compensation to the participant. If you or your organization is interested in participating in the Program, please email your proposal to the UCRC and SEO representatives listed below. Any questions may be directed to the SEO representative.

With due consideration of the late date of this RFP relative to the irrigation season, the Funding Partners are very desirous to see at least a few projects proceed which can get ready quickly and begin conservation during 2015. To this end, proposals that are ready and that can begin conservation in 2015 must be received by June 17, 2015, to be considered for early funding. We anticipate making preliminary decisions on projects accepted for 2015 by 1 July, 2015.

There will be another round of funding under this RFP (or as may be requested under a reissued RFP later this year) for proposals that may take longer to prepare or that may save water in 2016 or later. To be considered for funding under this later RFP, proposals should be received by November 1, 2015. Proposals received after this date may still be considered if funds remain. In addition, if you have any questions, please contact the appropriate people, below:

Wyoming State Engineer's Representative: Steve Wolff, steve.wolff@wyo.gov, (307) 777-1942

Upper Colorado River Commission: Don Ostler, dostler@ucrcommission.com, (801) 531-1150