

Nebraska's Perkins County Canal Project Plan

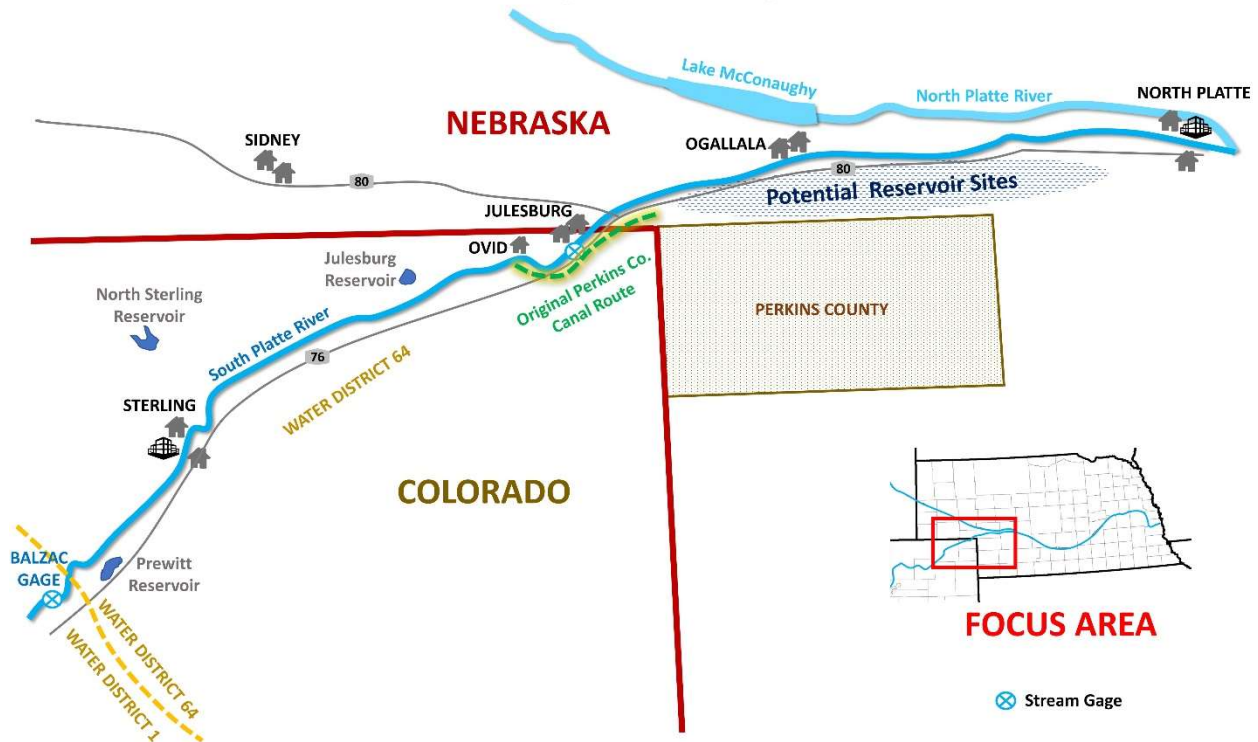
June 21, 2022

Background

Article VI of the South Platte River Compact (Compact) provides Nebraska a December 17, 1921, priority date for use in Nebraska. LB 1015, signed by Nebraska Governor Pete Ricketts on April 20, 2022, enacted the Perkins County Canal Project (Project), which authorizes the development of a canal and associated storage facilities, utilizing the provisions of Article VI of the Compact. Initial appropriations provided by the legislature enable the Nebraska Department of Natural Resources to finalize the design and engineering, pursue permits, and obtain options for land along the preferred route. These actions are currently underway.

The purpose of this document, referred to as Nebraska's Perkins County Canal Project Plan (Plan), is to provide information on Nebraska's plans for constructing and operating the Project. This Plan was requested by the State of Colorado as a means to receive additional information related to the Project and its operations. As a continuation of the regular dialogue between the states, Nebraska seeks to ensure that Colorado has sufficient detail on the Project's design and operational elements so that Colorado can understand the Project's operations and share any concerns related to Nebraska's Plan, particularly as they relate to administration of Nebraska's Article VI water rights.

Perkins County Canal Project Area

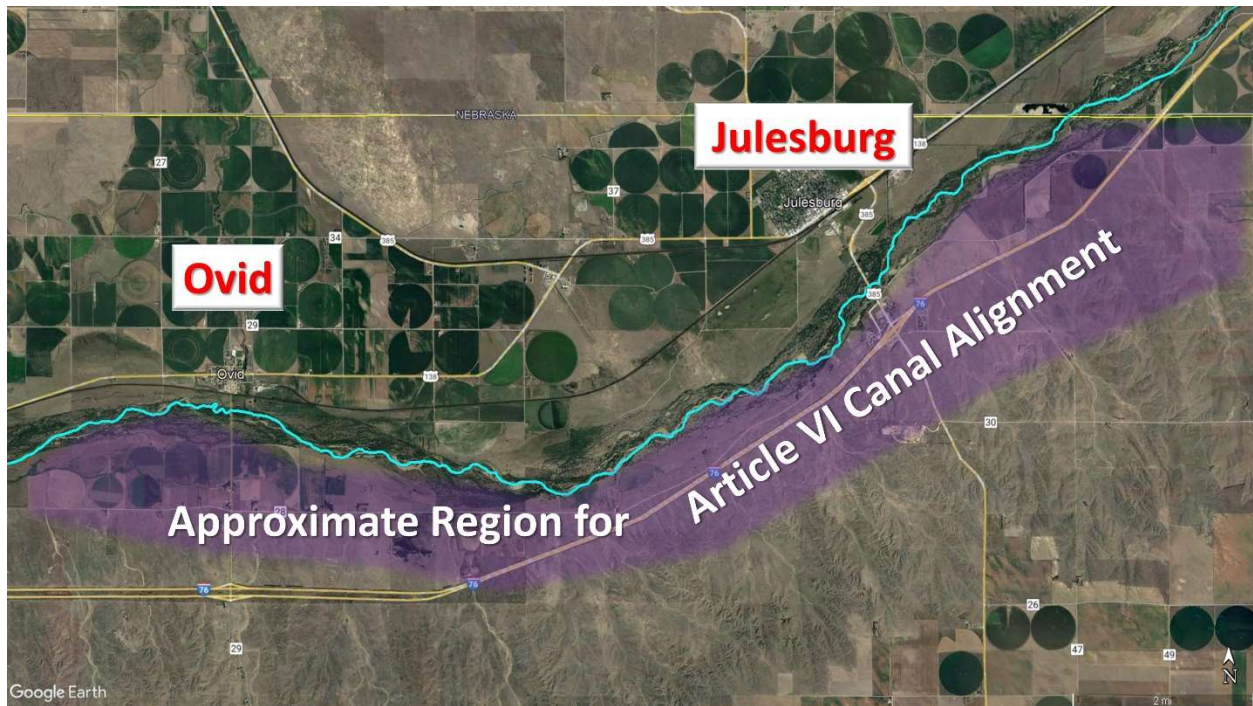


Canal Diversion Location

The diversion for the Article VI Canal (Canal) is planned to be located in Colorado, and Nebraska is currently evaluating diversion location options between an area southwest of Ovid and the Colorado-Nebraska state line. Once constructed, Nebraska will divert water (by gravity or pump) from this location between October 15th – April 1st of each year and may also divert surplus flows outside of that timeframe, as it is allowed to do under the Compact. Nebraska will maintain diversion monitoring equipment/gages and ensure Colorado has access to necessary monitoring information for its water administration.

Canal Alignment through Colorado

The Canal will be designed to follow a path from the diversion location into Nebraska. The Canal will be designed with a minimum capacity of 500 cfs. The Canal may include capacity above the 500 cfs minimum level to capture surplus waters as identified in the Compact. The design will strive to achieve the most cost-effective means of transmitting water from the diversion location into Nebraska, understanding certain land considerations for final design and permitting may need to be considered. Nebraska will strive to use willing buyer/willing seller relationships with Colorado landowners, but eminent domain may be necessary for certain property acquisitions along the alignment.



Project Water Use

Nebraska plans to convey the water from the diversion location through the Canal into one or more reservoirs downstream of the state line to support irrigation in Nebraska. The Project will support irrigation through direct water application during the irrigation season and groundwater irrigation depletion replacement throughout the year. These irrigation operations will be conducted in conformance with Nebraska state law. The firming of irrigation supplies from the Project will support

Nebraska's efforts to implement measures aimed at balancing water supplies and uses throughout the Platte River Basin. Multiple incidental benefits are expected as a result of project operations, including benefits to municipal water supply and natural resources enhancement.

State Water Administration

Nebraska seeks to ensure that the states have clear communication lines and expectations related to information and data sharing for Colorado to administer its junior users and enforce the Article VI Canal's December 17, 1921, priority date. Nebraska plans to request administration of Colorado water uses junior to the December 17, 1921, priority date when flows at the diversion are less than 500 cfs during the Compact's non-irrigation period. Nebraska may also use additional capacity in the Canal to divert flows during periods of surplus waters. Nebraska's in-state administration for the Project will not interfere with Project operations since no large-scale water users are senior to the Project priority date.

Nebraska plans to provide gage information from data collected at the diversion location consistent with Compact requirements. Nebraska will be responsible for the administration and distribution of water supplies once in Nebraska.

Current and Upcoming Activities

Nebraska is currently reviewing proposals to provide supplemental information to the Nebraska Legislature's Appropriation Committee. This supplemental information will be completed and reviewed with the Appropriations Committee by the end of 2022. Nebraska will be letting a proposal for the design, permitting, and construction oversight activities for the Project in the coming month and plans to have a contractor(s) under contract by late summer. Nebraska is making plans to have preliminary contact with Colorado landowners and initiate discussions related to land options for properties along the Canal route. Nebraska will be visiting properties and having discussions with landowners related to these options agreements throughout the remainder of this year.