

## PERKINS COUNTY CANAL PROJECT—JANUARY 2023 UPDATE

### FUNDAMENTAL CONCLUSIONS FROM THE LB 1012 REPORT

1. Colorado has passed legislation, and is pursuing multiple projects, to capture and use water reserved for Nebraska by Article VI of the South Platte River Compact (i.e., Nebraska's winter supply).
2. Nebraska can only stop this from happening if it builds the canal identified in Article VI. NOTE: Colorado's state engineer last month denied Nebraska's request for winter flow administration explaining "because Nebraska has not constructed the Perkins County Canal, there is no basis for Colorado to administer junior water appropriations in the Lower Section of the South Platte River."
3. If the canal were operative today, the South Platte River would provide Nebraska an average of 78,400 AF – 113,400 AF depending on the final design capacity of the canal.
4. The canal is cost-effective; its operations would provide direct benefits of approximately \$698 - \$986M and up to \$1.4B to \$2B when regional benefits are included.

### ONGOING ACTIVITIES

- The Department completed the Legislative study required in LB 1012 (above) answering the questions posed and showing the benefits of the project exceed the costs of inaction.
- The Department is currently seeking options on property owned by approximately 30 landowners along the canal route in Colorado. One option agreement is presently being developed.
- The Department is securing an engineering firm to complete design and permitting activities for the project. The selected firm's initial focus will be to specify the canal alignment and permitting requirements so that the Department can proceed with the purchase of lands (below) and efficiently work through the permitting process.
- The Department continues to coordinate with downstream water users; all major stakeholders (agricultural, industrial, municipal) support the project.
- The Department is having discussions with Colorado state officials and members of the Platte River Recovery and Implementation Program (PRRIP) to explore approaches that can streamline the design and permitting process and potentially create additional environmental and flood control benefits.

### NEEDS THIS SESSION

#### **1. *The Project requires additional funding for full implementation***

The most recent costs estimate range from \$567 M to \$628 M. The full report to the Legislature demonstrating the costs-benefits and feasibility of the project is available at:

<https://dnr.nebraska.gov/sites/dnr.nebraska.gov/files/doc/about/News/PerkinsCountyCanal/EvaluationoftheSouthPlatteCompactCanalandAlternatives12292022.pdf>

#### **2. *Appropriations language must be revised to allow expenditures to buy land outright***

While the Department has general authority to build the canal, funds under current appropriations (\$53.5 M) may only be used to acquire land options - not to purchase land outright; given the response to the Department's options offers, this limitation must be lifted.