



Environmental Protections
February 23, 2022



Environmental Protections – Summary

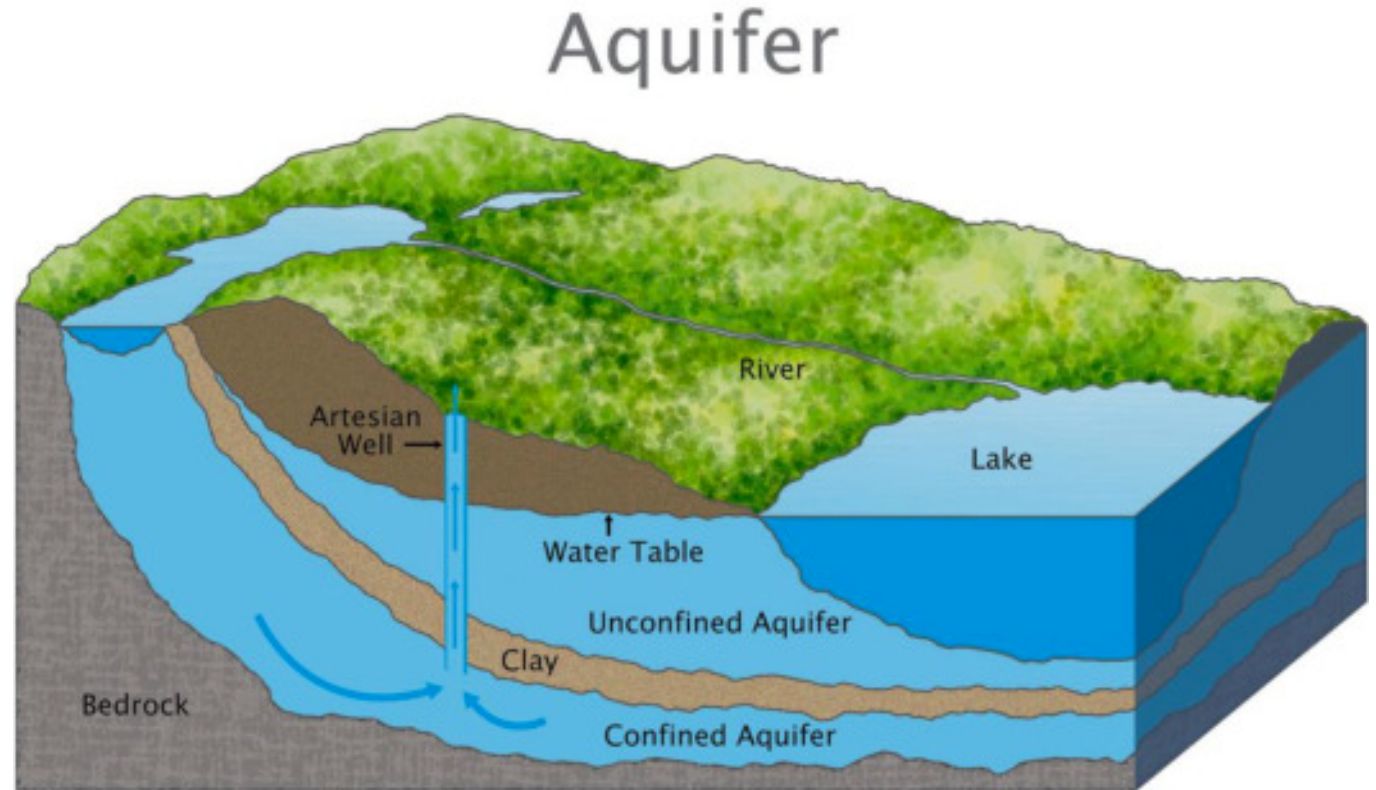


Photo courtesy of Saguache County Tourism

- Our project does not take any NEW additional water out of the system; in fact, it reduces overall groundwater pumping in SLV.
- Retiring more water than we are developing.
- By replenishing and putting water back into the area's stressed streams - we are aiding birds, fish, and plant life.
- No impact on aquatic life, as the water will come from 1,000-2,000 feet below the surface.
- Adding over 3,000 acres of protected elk habitat.
- Helps the SLV meet its legal obligation to bring balance to the Rio Grande Water Basin.
- Pipeline restricted to 22,000 AF of capacity.
- Project will go through Colorado Water Court.
- Takes pressure off Colorado's most overused and over-dependent water sources.

Environmental Protections – The Aquifer

- Scientific modeling from the Rio Grande Decision Support Systems (“RGDSS”) model (prepared by the Colorado State Engineer’s Office with the RGWCD) as well as the United States Geological Survey shows the **confined** aquifer is a renewable water supply with an overall storage capacity of **1 billion AF (a conservative estimate)**
- RWR’s project will access water from this rechargeable, **confined** aquifer that recharges at a rate of up to **1.2 million AF**.
- 22,000 AF – what our project aims to produce – represents just **2.5 percent** of the water that **recharges** every year.
- Colorado State Engineer’s Office and USGS modeling shows hydraulic separation of the confined and unconfined aquifer.



Environmental Protections – The Aquifer



- Counties in San Luis Valley pump over **800,000 AF** annually from the aquifers, in contrast to our project at **22,000 AF**.
- The RGWCD has pumped over **400,000 AF** from Saguache County through the Closed Basin project to ship to New Mexico and Texas, without compensating Saguache County.
- **2/3** of local SLV residents are concerned the state will shut down water wells in the San Luis Valley because one sub-district is not meeting sustainability goals set by the state. Our project will help prevent this type of water curtailment. By developing parts of the deep aquifer, we can help replenish the shallow aquifer.
- Leaders in the San Luis Valley have NO plans for the community to diversify the economy and deal with curtailment.

Environmental Protections – Water

- Colorado has some of the most advanced water laws in the nation. In the San Luis Valley, water laws and regulations are among the most restrictive in the State. The San Luis Valley is the only place in the state that has a “one-for-one” law. This means that if any water is proposed to be withdrawn, an equal amount of water from an existing right must be retired.
- RWR goes beyond the “One-for-One” requirement in the San Luis Valley.
- In exchange for exporting 22k acre feet of water, we will retire more than 32K acre feet.
- RWR will ensure “One-for-One Plus” by helping SLV prevent water curtailment and heal surface water.
- RWR is (and must be) 100 percent compliant with Colorado water law’s rule with respect to Rio Grande Basin water rights owners.
- No new net pumping will take place.



Environmental Protections – Water



- RWR respects private property rights; water sales by area farmers and ranchers are 100% voluntary and RWR will pay property owners prices substantially above market.
- RWR will pay at least **\$68 million** to SLV farmers, ranchers and water rights owners to ensure its “One-for-One Plus” commitment.
- This equates to 3 to 4 times the market rate for water.
- The poverty rate of the San Luis Valley is 43 percent (an increase from years past) and the average median [household income is \\$24,000](#) (a decline from years past).
- The funds generated by RWR’s “One-for-One Plus” initiative will provide valuable capital to residents of the SLV to transition to crops and farming methods that are less water intensive.

Environmental Impacts – Habitat and Aquatic Life

- No impact on the sandhill cranes, as our project is not located in the crane habitat.
- No adverse impacts on wildlife or vegetation; water will come from 1,000-2,000 feet below ground.
- Creating 3,000 acres of protected elk habitat, securing it for future generations.
- Leaving more water in the rivers and streams helping aquatic life and animals that depend on the water.
- Taking pressure off of Colorado's main and over-used surface water systems and increasing surface water (due to the overuse and over-dependence on the Colorado, Yampa, and South Platte Rivers by the Front Range)
- Nebraska has announced plans to acquire substantial water rights from the South Platte River and surface water in the Colorado Eastern Plains, exasperating the over appropriation from this area. RWR will add trans basin water into the South Platte River and surface water system.



Community Fund for Sustainability



- A **\$50 million Community Fund** operated by local leaders in the SLV.
- The Community Fund could be dedicated to sustainability, restoration or conservation programs.
- Both the **\$50 million Community Fund** and the **\$68 million** we are paying to local farmers and ranchers in exchange for water rights – can give much needed capital to farmers and ranchers to transition to more sustainable and less water intensive technologies and methods.
- The Community Fund equates to injecting **\$3 million to \$4 million** annually into the SLV economy.
- Agriculture is the Valley's main economic driver; the San Luis Valley is in need of economic diversification. **The \$50 million Community Fund** can support this transition and support local farmers.

Colorado Water Court

- The Division 3 Water Court requires that any water project, including RWR's, does not deplete SLV water resources in a manner that is inconsistent with current laws, rules, regulations, and that it does not injure any existing water right.
- The Division 3 Water Court provides the critical oversight for this project, where RWR must prove that the project complies with all of the legal protections already in place, including the "one-for-one" retirement obligation, non-injury to other water rights, the anti-speculation doctrine, and the recent "sustainability" protections unique to the SLV.
- The Division 3 Water Judge is independent, appointed by the state Supreme Court.
- The Water Court process could take 3-5 years.



Summary

- This is groundbreaking in Colorado history, a true win – win for both communities.
- RWR is a Colorado team, who live and work in the San Luis Valley and Douglas County.
- We have held over 200 meetings with residents of the San Luis Valley to gather feedback from locals, and we put their desires and vision into the plan.
- \$50 million community fund and a \$68 million investment to local farmers and ranchers is testament to the creation of a fair proposal, done the right way for the right reasons.



A high-speed photograph of a water droplet falling into a pool of water, creating concentric ripples. The droplet is suspended in mid-air above the ripples. The background is a soft, light blue gradient.

THANK YOU

RWR

RENEWABLE
WATER
RESOURCES

Insert Image