UNITED STATES
DEPARTMENT of the INTERIOR

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WATER AND POWER RESOURCES SERVICE
LOWER MISSOURI REGION
DENVER, COLORADO

February 23, 1981
(303) 234-4257

FOR IMMEDIATE RELEASE

CONTRACT NEGOTIATIONS PLANNED FOR REGULATORY CAPACITY OF RUEDI RESERVOIR

Negotiation meetings will be held March 5-6, 1981, to arrange purchase of 7,800 acre-feet of water from the Fryingpan-Arkansas Project's Ruedi Reservoir, according to Bill Martin, Regional Director for the Water and Power Resources Service in Denver. Negotiations will be carried out in consultation with the Colorado River Water Conservation District and the Colorado Water Conservation Board. All meetings will be at the Ramada Inn in Glenwood Springs, Colorado, and will be open to the public as observers.

Water and Power will conduct negotiations with four different groups. The meeting with the Basalt Water Conservancy District, which has specifically offered to contract for 500 acre-feet annually for municipal and domestic purposes, will be on March 5 at 9 a.m. The West Divide Water Conservancy District, which will meet on March 5 at 1 p.m., has requested 50 acre-feet annually for municipal and domestic purposes. Colony Development Operation, Exxon Company operator, will meet March 6 at 9 a.m. to negotiate for 6,000 acre-feet annually for industrial use in connection with its proposed oil shale plant and related activities. Battlement Mesa, Inc., will meet March 6 at 1 p.m. to contract for a municipal and domestic supply of 1,250 acre-feet annually for its new community to be associated with the proposed oil shale plant.

Based on a study period from 1949 to 1964, the firm annual yield of Ruedi Reservoir averages 77,800 acre-feet (an acre-foot is 326,815 gallons). Up to 28,000 acre-feet of this water is required for East Slope diversion replacements, leaving 49,500 acre-feet regulatory yield available for marketing within the Colorado River Basin in western Colorado.

The act authorizing the Fryingpan-Arkansas Project requires repayment of the proportionate capital cost of Ruedi Dam and Reservoir including the interest during construction that is chargeable to the regulatory purpose. Contracts for the sale of water will be developed to recover the annual operation, maintenance, and replacement costs, as well as the capital costs of Ruedi Dam and Reservoir allocated to regulatory purposes, including appropriate interest charges.

The public can submit written comments on the proposed contracts up to 30 days after the complete contract draft is available. All written correspondence on the proposed contracts is also available to the public under the Freedom of Information Act.

For further information, contact Robin McKinely, Repayment Branch, Division of Water and Land Operations, Water and Power Resources Service, Lower Missouri Region, P.O. Box 25247, Denver, Colorado 80225, telephone (303) 234-3327.