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Water Needs for the Future

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Industry

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This means there will be no discharge of pumped saline water into the White River. As a matter of fact, our studies project a reduced natural flow of saline water into the White River as a result of our pumping. Another advantage is that we will not need to import more expensive water to our tract until our production increases. If and when our production does expand above 50,000 barrels per day to a potential ultimate of 300,000 barrels per day, we would import water from the White River through use of an existing industrial water right on which we have an option.

Our plans for use of water are more completely spelled out in our detailed development plan submitted to the U.S. Department of the Interior in March 1976. We stand ready to modify these plans if new information becomes available which would indicate a better solution.

In summary, the kinds of energy available to this country require the use of water. While there will probably be some competition for this valuable resource, it is probable that energy development will take much of it simply because we will not have that much of a choice in the next several years. In the case of the Rio Blanco Oil Shale Project, we can get by with underground water for production of some 50,000 barrels per day.

Industry

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We as members of the water resource department of a large Eastern Slope industry in Colorado feel like a rare breed. It is unusual for manufacturers here to be self-sufficient to the extent that they provide their own water resource and water treatment systems. We appreciate the opportunity to present several ideas from that point of view.

Coors is the largest single brewing complex in the world. Our water diversions last year were a little over 40,000 acre-feet. Most of that water is used for cooling mechanical equip-

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ment and is returned directly to the stream, so our depletions—the true measure of our impact on the state's water supply—totaled less than 2,000 acre-feet. That makes us a relatively minor user of water in the South Platte basin. In fact, municipal and industrial users together consume only about 10 percent of the total flow of the South Platte. Therein lies one of the major problems facing us today. We, like many of the outlying municipalities in the metropolitan Denver area, are simply not a large enough water user to justify sophisticated water resource projects similar to those developed by the Denver Water Board. This forces us to rely almost entirely on Eastern Slope water, and, because almost all of that water was originally used for agricultural purposes, results in the potential for conflict with the farming community in addition to spirited competition with the municipalities in the area.

We hope that those conflicts can be minimized. We have a good many friends in the agricultural industry, and we have to live every day with members of the communities near us with whom we share the area's water resources, so it is important to us that the situation not get out of hand. In order to reduce the potential for this conflict we feel that there are two conditions which should be encouraged.

The first of these factors is the continued use of the marketplace as the means of allocating water to the various users. As a large industry, we would be hesitant to spend millions of dollars to construct manufacturing facilities if the availability of the water supply required to operate those facilities was in the hands of an administrator whose goals and objectives could change each time the state's winds of political fortune change direction. But even beyond that, the marketplace recognizes the value of the water right which is owned by the individual irrigator. We at Coors directly support about 7,000 families with our 2,000 acre-feet of depletions, but a farmer with whom we negotiate for water is able to determine whether the economic value offered by us exceeds the value of the water to him on his farm.

The marketplace system has another advantage in that it easily allows acquisition on an equitable basis of water required or desired for scenic or recreational uses. The people, acting through their government, need merely determine that a flow

for aesthetic purposes is worth more than the next highest and best use and then go to the marketplace to acquire that flow through a system that protects the rights of the former owner.

The second condition which we feel will help to reduce conflicts between Eastern Slope users is the cooperation of those users in as many ways as possible in both the joint use or successive use of water, and in the development of additional usable supplies of the water resource. As an example, municipalities and industries are forced to plan their water resource programs around the possibility of an extremely dry year. Much of the water they acquire might be available for other purposes, perhaps the irrigation of agricultural lands, for seven or eight years out of a 10-year period. Perhaps the agricultural lands from which that water is removed could produce foodstuffs for those seven or eight years to be stockpiled for use during the two or three years when the water is needed for domestic or industrial consumption.

A second area of potential cooperation involves the "first use" of an agricultural right by a municipality or industry, with the return flow resulting from that use then being delivered to the irrigation ditch for successive use by the farmers who presently own the right.

In the area of resource development, significant improvement is possible by having several moderately-sized water users band together to build reservoirs to capture some of the 200,000 to 300,000 acre-feet of water which leaves the South Platte basin in an average year. The statutes, as they presently exist, may not encourage an industrial user to participate in this type of activity, but it is certainly a direction toward which we must work if we are to make the fullest and best use of water supplies available to us.

A second possibility in resource development is a joint venture to import out-of-basin flows from water-rich areas—a concept which is normally far beyond the scope of small cities or industries acting individually.

In summary, because nearly all Eastern Slope water was originally diverted for agricultural purposes, some conflict is inevitable as a portion of that finite supply is converted to support municipal and industrial activities. We feel that con-

flict can be minimized if significant efforts are made to cooperatively develop additional supplies of usable water and to encourage the joint and successive use of the supplies available as efficiently as possible. We also feel that reallocations of water are equitable only under a marketplace situation which recognizes that a fair price will be set when a willing buyer and a willing seller agree to a transaction, and that water is automatically directed toward its highest and best use when such a situation exists.