

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: January 27, 2010

Board Item: 4-A-1

**Agreement with Public Service Company of Colorado  
for Installation of a High Pressure Gas Line in Winter Park**

Action by Consent

Action

Information

Public Service Company of Colorado (PSCo) is in the process of obtaining the necessary property interests and authorizations for installation of a new 6" high-pressure gas line (Gas Line) to serve the Winter Park area. PSCo's current facilities are at capacity and may be unable to meet peak gas demand during the winter.

A portion of the Gas Line will be located within the Arapahoe National Forest, partly within the Board's federal Right-of-Way for the Fraser River Diversion Project and the Moffat Water Tunnel (ROW). The United States Forest Service (USFS) requires a Special Use Authorization for the Gas Line through the Arapahoe National Forest, as well as an Agreement between PSCo and the Board to protect the Board's facilities and operations authorized by the ROW. Notwithstanding that PSCo disputes such an agreement with the Board is necessary, the USFS is resisting issuance of a Special Use Authorization without a Board agreement with PSCo.

PSCo and Denver Water staff have agreed to protective terms and conditions for present and future Board operations and facilities, as well as the Gas Line's Final Construction Plans. The Agreement protects the Board's existing facilities, the most significant of which are the piped and open Fraser Canal, which delivers water to the Moffat Water Tunnel, and the access road constructed by the Board, within which the Gas Line will be constructed. At some point in the future, there are plans to replace the open Fraser Canal with a large buried pipe, similar to the work we are currently doing on the Vasquez Canal. This Agreement provides that if the Gas Line interferes with the new water pipe, then PSCo will either expend up to \$250,000 (adjusted for inflation) to move the Gas Line or will pay the Board up to \$250,000 (adjusted for inflation) towards any additional Board expenditures necessary to deal with interferences caused by the Gas Line. This amount was determined by evaluating five potential points of interference.

The Gas Line is scheduled for construction over the summer of 2010, subject to the USFS Special Use Authorization, which is awaiting the Board's execution of the attached PSCo Gas Line and Board Waterworks Agreement.

Recommendation:

It is recommended that the Board approve the agreement with PSCo for installation of the Gas Line in the Board's Fraser Canal Right-of-Way.

**Approvals:**

  
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Director of Operations and Maintenance

Respectfully submitted,

  
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H. J. Barry, Manager

  
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Director of Engineering