

## Calendar No. 991

110TH CONGRESS  
2D SESSION**S. 2974**

To provide for the construction of the Arkansas Valley Conduit in the State of Colorado.

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IN THE SENATE OF THE UNITED STATES

MAY 2, 2008

Mr. ALLARD (for himself and Mr. SALAZAR) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

SEPTEMBER 16, 2008

Reported by Mr. BINGAMAN, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

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**A BILL**

To provide for the construction of the Arkansas Valley  
Conduit in the State of Colorado.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Arkansas Valley Con-

5       duit Act of 2008”.

1 **SEC. 2. ARKANSAS VALLEY CONDUIT, COLORADO.**

2       (a) **COST SHARE.**—The first section of Public Law  
3 87–590 (76 Stat. 389) is amended in the second sentence  
4 of subsection (c) by inserting after “cost thereof,” the fol-  
5 lowing: “or in the case of the Arkansas Valley Conduit,  
6 payment of not more than 25 percent of the cost of the  
7 conduit,”.

8       (b) **RATES.**—Section 2(b) of Public Law 87–590 (76  
9 Stat. 390) is amended—

10           (1) by striking “(b) Rates” and inserting the  
11 following:

12       “(b) **RATES.**—

13           “(1) **IN GENERAL.**—Rates”; and

14           (2) by adding at the end the following:

15       “(2) **RUEDI DAM AND RESERVOIR, FOUNTAIN**  
16 **VALLEY PIPELINE, AND SOUTH OUTLET WORKS AT**  
17 **PUEBLO DAM AND RESERVOIR.**—Notwithstanding  
18 the reclamation laws, until the date on which the  
19 payments for the Arkansas Valley Conduit under  
20 paragraph (3) begin, any revenue that may be de-  
21 rived from contracts for the use of Fryingpan-  
22 Arkansas project excess capacity or exchange con-  
23 tracts using Fryingpan-Arkansas project facilities  
24 shall be credited towards payment of the actual cost  
25 of Ruedi Dam and Reservoir, the Fountain Valley  
26 Pipeline, and the South Outlet Works at Pueblo

1 Dam and Reservoir plus interest in an amount de-  
 2 termined in accordance with this section

3 ~~“(3) ARKANSAS VALLEY CONDUIT.—~~

4 ~~“(A) USE OF REVENUE.—Notwithstanding~~  
 5 ~~the reclamation laws, any revenue derived from~~  
 6 ~~contracts for the use of Fryingpan-Arkansas~~  
 7 ~~project excess capacity or exchange contracts~~  
 8 ~~using Fryingpan-Arkansas project facilities~~  
 9 ~~shall be credited towards payment of the actual~~  
 10 ~~cost of the Arkansas Valley Conduit plus inter-~~  
 11 ~~est in an amount determined in accordance with~~  
 12 ~~this section.~~

13 ~~“(B) ADJUSTMENT OF RATES.—Any rates~~  
 14 ~~charged under this section for water for munic-~~  
 15 ~~ipal, domestic, or industrial use or for the use~~  
 16 ~~of facilities for the storage or delivery of water~~  
 17 ~~shall be adjusted to reflect the estimated rev-~~  
 18 ~~enue derived from contracts for the use of~~  
 19 ~~Fryingpan-Arkansas project excess capacity or~~  
 20 ~~exchange contracts using Fryingpan-Arkansas~~  
 21 ~~project facilities.”.~~

22 ~~(c) AUTHORIZATION OF APPROPRIATIONS.—Section~~  
 23 ~~7 of Public Law 87–590 (76 Stat. 393) is amended—~~

24 ~~(1) by striking “SEC. 7. There is hereby” and~~  
 25 ~~inserting the following:~~

1 **“SEC. 7. AUTHORIZATION OF APPROPRIATIONS.**

2 “(a) IN GENERAL.—There is”; and

3 (2) by adding at the end the following:

4 “(b) ARKANSAS VALLEY CONDUIT.—

5 “(1) IN GENERAL.—Subject to annual appro-  
6 priations and paragraph (2), there are authorized to  
7 be appropriated such sums as are necessary for the  
8 construction of the Arkansas Valley Conduit.

9 “(2) LIMITATION.—Amounts made available  
10 under paragraph (1) shall not be used for the oper-  
11 ation or maintenance of the Arkansas Valley Con-  
12 duit.”.

13 **SECTION 1. SHORT TITLE.**

14 *This Act may be cited as the “Arkansas Valley Conduit*  
15 *Act of 2008”.*

16 **SEC. 2. ARKANSAS VALLEY CONDUIT, COLORADO.**

17 (a) COST SHARE.—*The first section of Public Law 87–*  
18 *590 (76 Stat. 389) is amended in the second sentence of*  
19 *subsection (c) by inserting after “cost thereof,” the fol-*  
20 *lowing: “or in the case of the Arkansas Valley Conduit, pay-*  
21 *ment in an amount equal to 35 percent of the cost of the*  
22 *conduit that is comprised of revenue generated by payments*  
23 *pursuant to a repayment contract and revenue that may*  
24 *be derived from contracts for the use of Fryingpan-Arkansas*  
25 *project excess capacity or exchange contracts using*  
26 *Fryingpan-Arkansas project facilities,”.*

1       **(b) RATES.**—*Section 2(b) of Public Law 87–590 (76*  
 2 *Stat. 390) is amended—*

3           *(1) by striking “(b) Rates” and inserting the fol-*  
 4 *lowing:*

5       **“(b) RATES.**—

6           **“(1) IN GENERAL.**—*Rates”;* and

7           *(2) by adding at the end the following:*

8           **“(2) RUEDI DAM AND RESERVOIR, FOUNTAIN**  
 9 **VALLEY PIPELINE, AND SOUTH OUTLET WORKS AT**  
 10 **PUEBLO DAM AND RESERVOIR.**—

11           **“(A) IN GENERAL.**—*Notwithstanding the*  
 12 *reclamation laws, until the date on which the*  
 13 *payments for the Arkansas Valley Conduit under*  
 14 *paragraph (3) begin, any revenue that may be*  
 15 *derived from contracts for the use of Fryingpan-*  
 16 *Arkansas project excess capacity or exchange*  
 17 *contracts using Fryingpan-Arkansas project fa-*  
 18 *cilities shall be credited towards payment of the*  
 19 *actual cost of Ruedi Dam and Reservoir, the*  
 20 *Fountain Valley Pipeline, and the South Outlet*  
 21 *Works at Pueblo Dam and Reservoir plus inter-*  
 22 *est in an amount determined in accordance with*  
 23 *this section.*

24           **“(B) EFFECT.**—*Nothing in the Federal rec-*  
 25 *lamation law (the Act of June 17, 1902 (32 Stat.*

388, chapter 1093), and Acts supplemental to and amendatory of that Act (43 U.S.C. 371 et seq.)) prohibits the concurrent crediting of revenue (with interest as provided under this section) towards payment of the Arkansas Valley Conduit as provided under this paragraph.

“(3) ARKANSAS VALLEY CONDUIT.—

“(A) USE OF REVENUE.—Notwithstanding the reclamation laws, any revenue derived from contracts for the use of Fryingpan-Arkansas project excess capacity or exchange contracts using Fryingpan-Arkansas project facilities shall be credited towards payment of the actual cost of the Arkansas Valley Conduit plus interest in an amount determined in accordance with this section.

“(B) ADJUSTMENT OF RATES.—Any rates charged under this section for water for municipal, domestic, or industrial use or for the use of facilities for the storage or delivery of water shall be adjusted to reflect the estimated revenue derived from contracts for the use of Fryingpan-Arkansas project excess capacity or exchange contracts using Fryingpan-Arkansas project facilities.”.

1       (c) *AUTHORIZATION OF APPROPRIATIONS.*—Section 7  
 2 of Public Law 87–590 (76 Stat. 393) is amended—

3           (1) by striking “SEC. 7. There is hereby” and in-  
 4       serting the following:

5   **“SEC. 7. AUTHORIZATION OF APPROPRIATIONS.**

6       “(a) *IN GENERAL.*—There is”; and

7           (2) by adding at the end the following:

8       “(b) *ARKANSAS VALLEY CONDUIT.*—

9           “(1) *IN GENERAL.*—Subject to annual appro-  
 10       priations and paragraph (2), there are authorized to  
 11       be appropriated such sums as are necessary for the  
 12       construction of the Arkansas Valley Conduit.

13          “(2) *LIMITATION.*—Amounts made available  
 14       under paragraph (1) shall not be used for the oper-  
 15       ation or maintenance of the Arkansas Valley Con-  
 16       duit.”.

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