

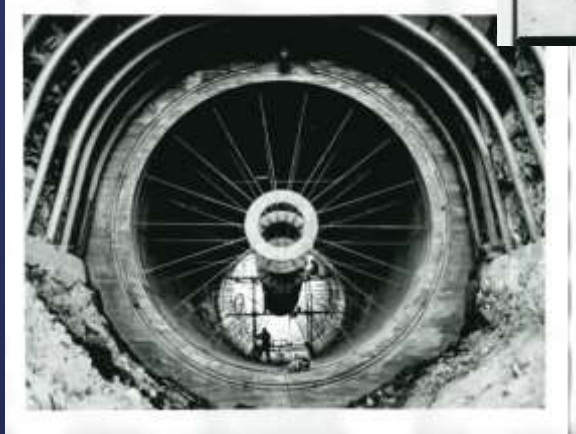


Legal and Claims Committee

# Update on the Current Status of Colorado River Negotiations

Item 7a

February 13, 2023



# Metropolitan's Mission – Building the Colorado River Aqueduct

Aqueduct built to convey 1.25 MAF per year and Colorado River deliveries began in 1941.

# Building Resiliency on the Colorado River for Three Decades

## Transfer and Exchanges

- 1988 IID-MWD Conservation Program
- 2003 SDCWA Exchange Agreement
- 2005 PVID Fallowing Program
- Quechan Forbearance Agreement
- 2007 Lower Colorado Water Supply Project
- San Luis Rey Exchange
- 2020 Bard Seasonal Fallowing Program
- 2022 Quechan Seasonal Fallowing Program

## Storage and Other Programs

- Intentionally Created Surplus
- Partnerships with Mexico
- Storing Water for IID

Over \$2 Billion invested in these transfer and exchanges to date

2007 Interim Guidelines SEIS

# Rules for Operation of Lake Powell & Lake Mead

Under the Boulder Canyon  
Project Act, the Secretary of  
the Interior is the River  
Master in the Lower Basin

## 2007 Interim Guidelines

- Defined coordinated operation of Lake Powell and Lake Mead
- Determined when Shortages would be taken in the Lower Division States (Arizona, California and Nevada)
- **Established Intentionally Created Surplus storage in Lake Mead**
- Effective 2007-2025

# 2007 Interim Guidelines Supplemental Environmental Impact Statement

The U.S. Bureau of Reclamation (Reclamation) announced that it will prepare a Supplemental Environmental Impact Statement (SEIS) that may result in changes to operations of Glen Canyon and Hoover Dams in 2023-24 to address impacts of low runoff conditions that pose unacceptable risks to operations of dams

Revisions may include:

- Reduced annual releases from Glen Canyon Dam
- Changes to shortages and decrease in quantity of water for Arizona, Nevada and California

May 2022

- Interior Department announces immediate actions to protect Lake Powell which include reducing 480,000 acre-feet of releases to Lake Mead in 2022

June 2022

- Bureau of Reclamation Commissioner calls on the Colorado River Basin States to reach agreement on how conserve or add 2-4 million acre-feet (MAF) by August

August 2022

- After a summer of discussion, the Colorado River Basin States do not reach agreement on the call for 2-4 MAF

October  
2022

- Colorado River Contractors in California propose to reduce use by up to 400,000 acre-feet annually starting in 2023 through 2026

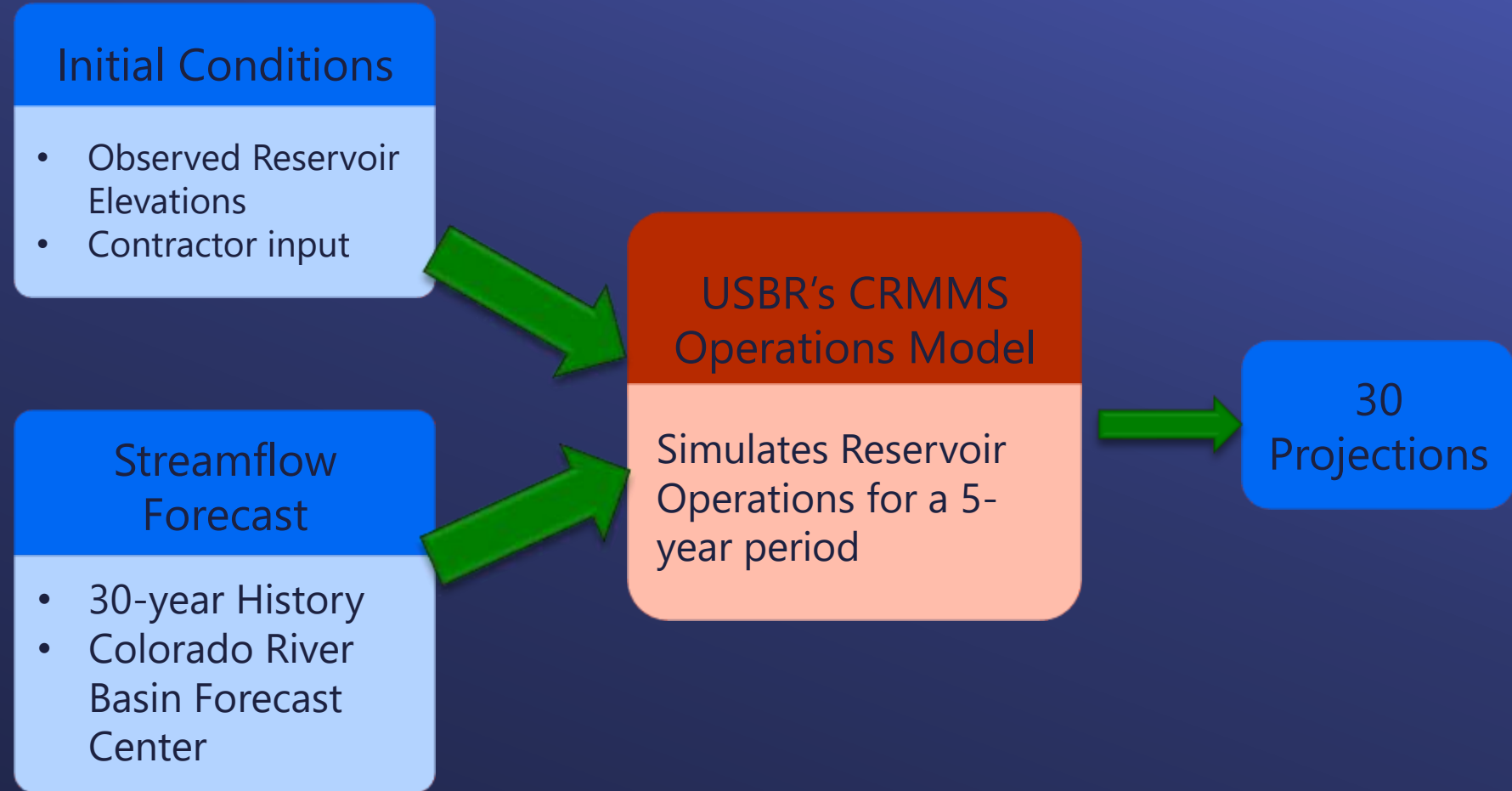
November  
2022

- Reclamation publishes Notice of Intent to prepare an SEIS

January 2023

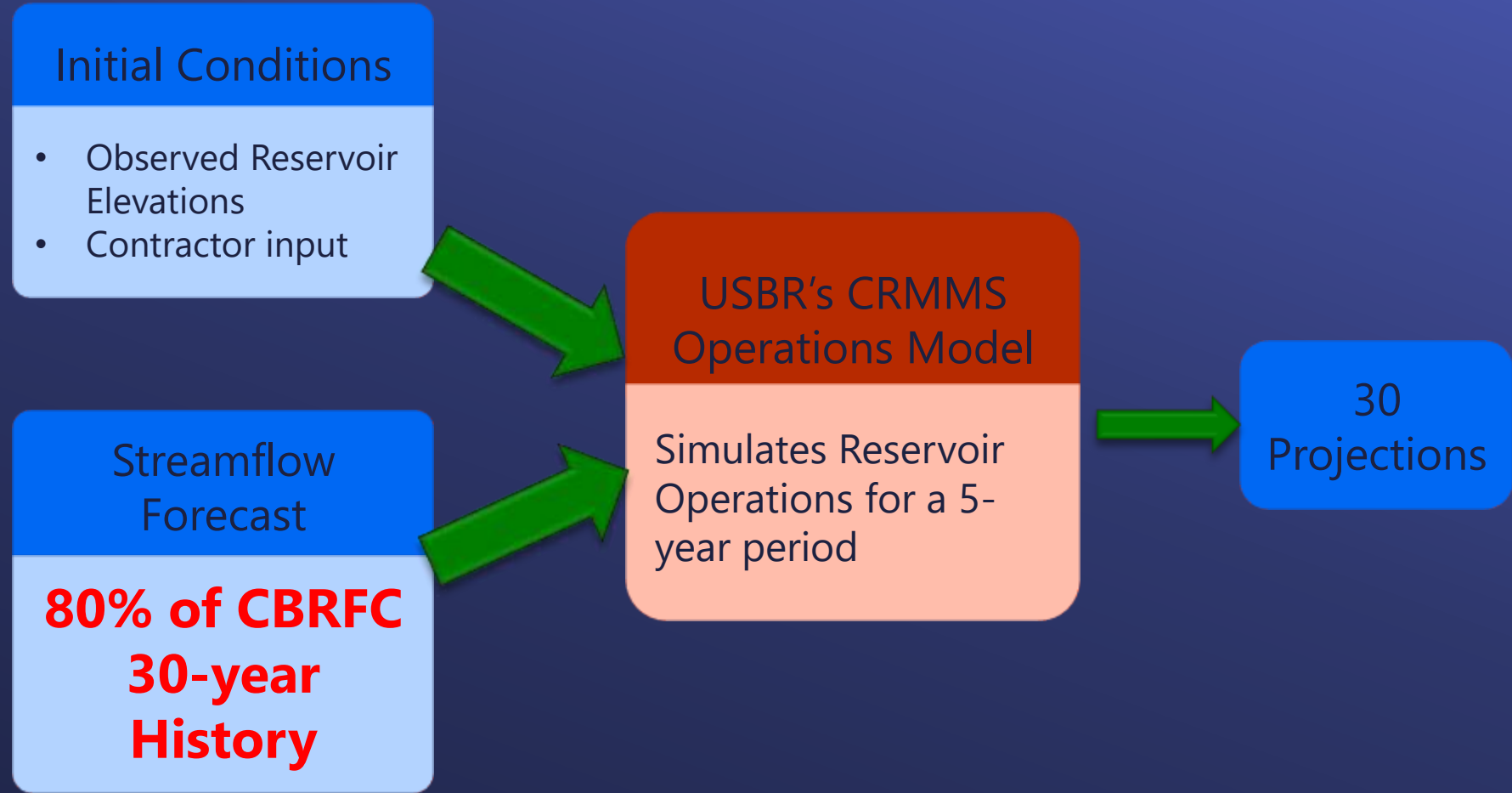
- Six States submit Consensus Based Management Alternative
- Colorado River Board of California submits alternative

# USBR Typical Approach to Short Term Analysis



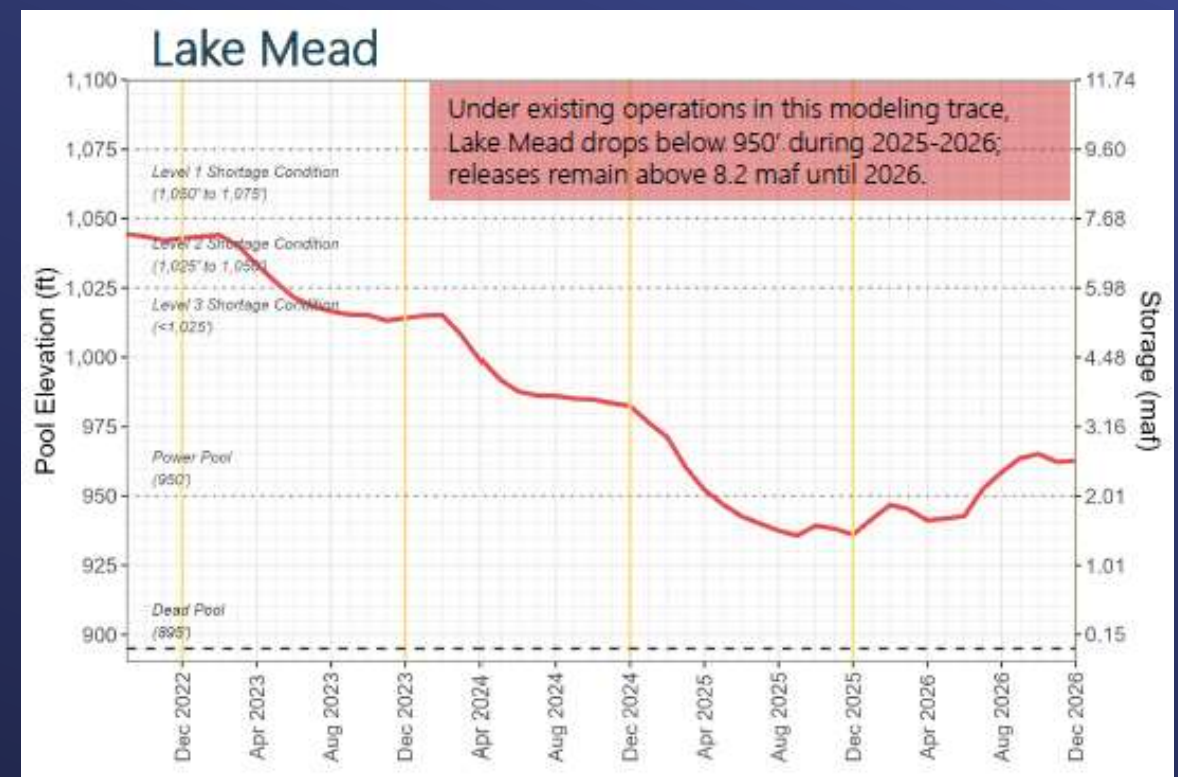
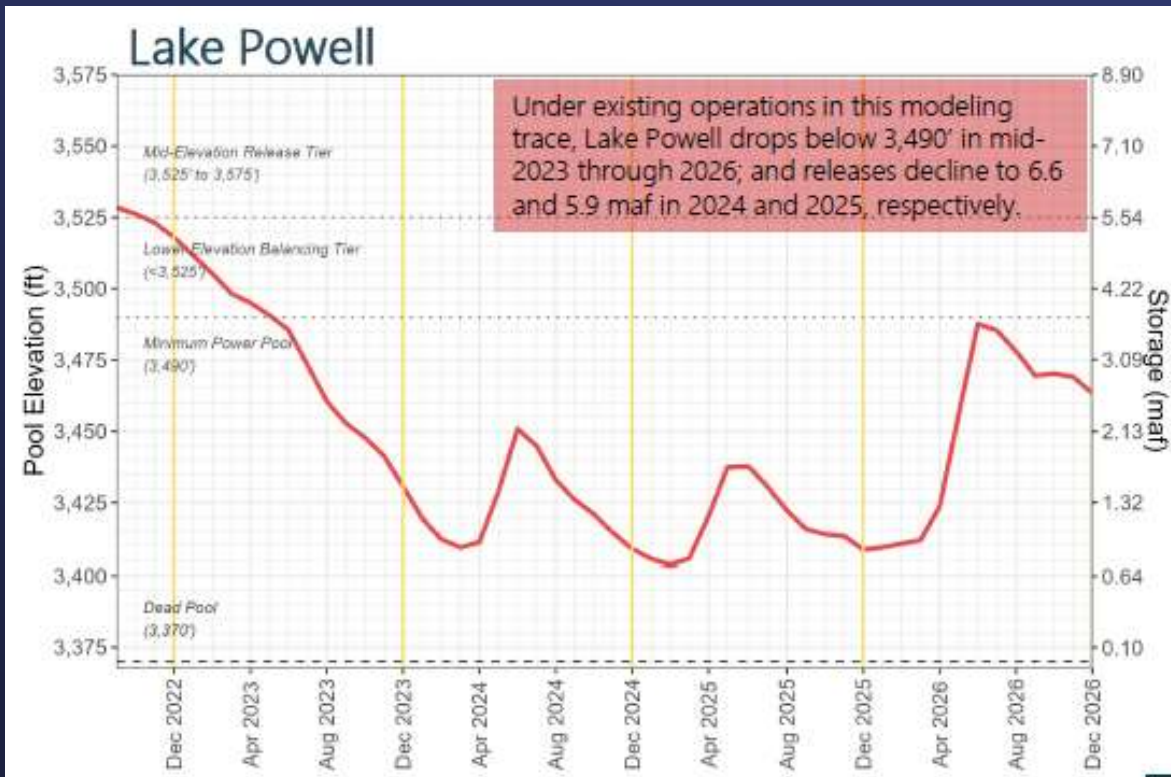
# 80% of 30-Year History as Climate Change Proxy

Developing a plan for protecting critical infrastructure via reservoir elevations under very low runoff conditions



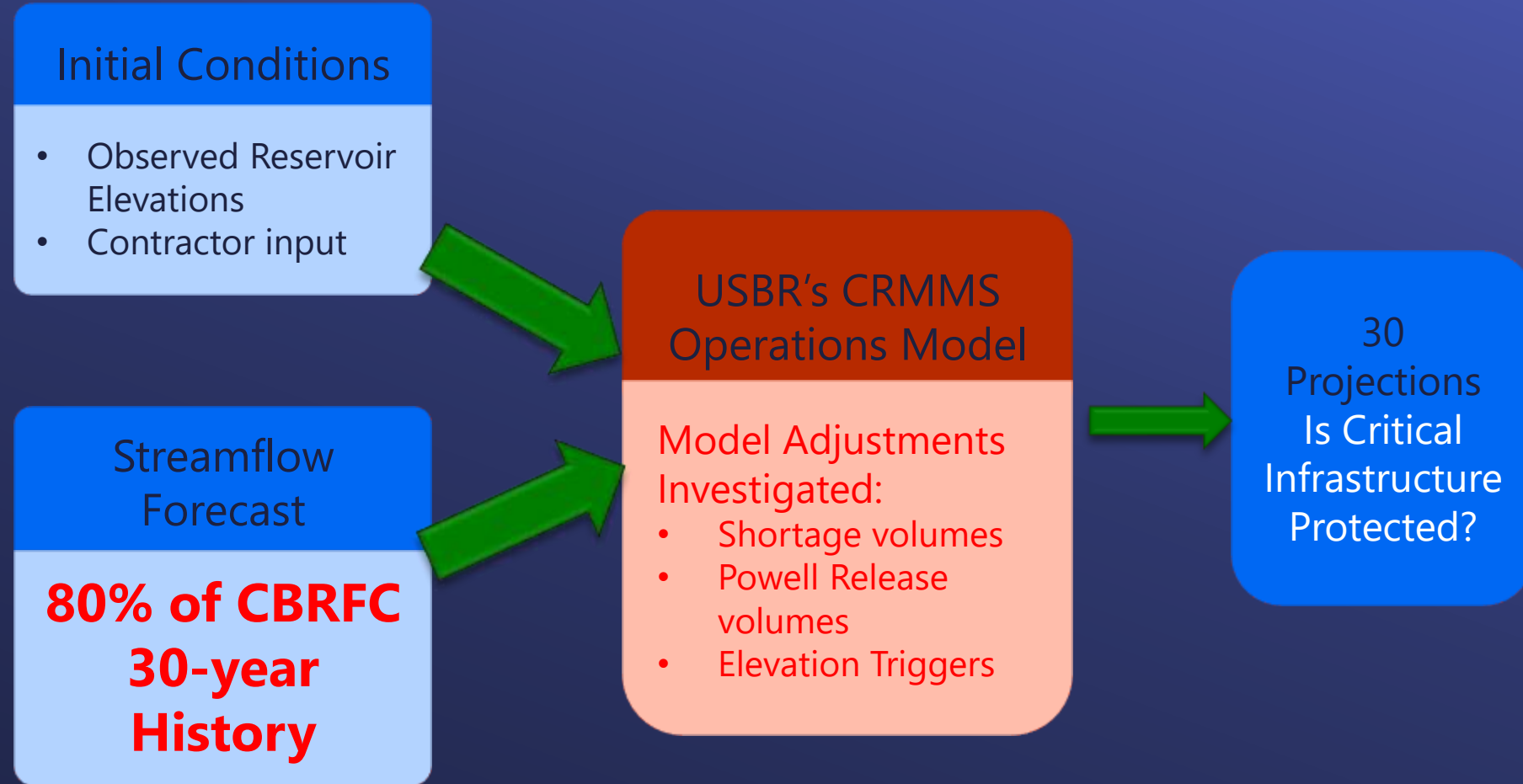
# Under 80% ESP Analysis, Lake Powell and Mead Fall below Minimum Power Pool

**80% ESP Analysis – 2002-2005 Trace**  
**Lowest Powell EOY 2023 Storage in this 30-year period**  
*End-of-Month (actual) Pool Elevation*





# Technical Evaluation of Short-Term Actions to Protect Critical Infrastructure



# Anticipated SEIS Alternatives to be Analyzed

## Colorado River Board of California (CRB) Alternative

Voluntary contributions followed by shortages below Lake Mead elev. 1,025 based on Law of the River

## Six States Alternative

Assesses system losses, triggers Shortages and DCP Contributions at higher elevations, and imposes further reductions below Lake Mead elev. 1,030

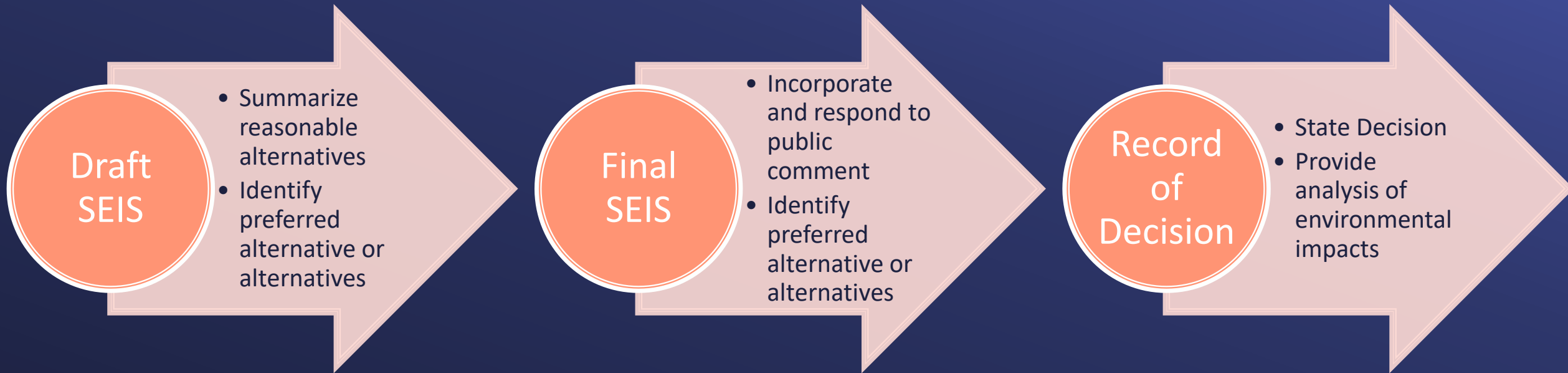
## Reservoir Operations Alternative

Reclamation alternative to mitigate risks to Colorado River System reservoirs if consensus alternative isn't reached or is insufficient

## No Action Alternative

Guidelines, 2019 Drought Contingency Plan and Existing Agreements

# SEIS Process



# Colorado River Board of California (CRB) Submitted Alternative

On January 31, 2023, the CRB submitted an alternative for Reclamation to model

## CRB's Alternative for Modeling

- Proposes short-term modifications to reservoir operations to protect infrastructure
- Asks that any modifications made to the operations of Lake Powell and Lake Mead as part of this process need to be consistent with applicable federal laws, interstate compacts, and decrees
- Seeks to:
  - Provide certainty to water contractors
  - Protect stored Intentionally Created Surplus (ICS)
  - Protect public health, safety, and welfare (as determined by each state) through the interim period

Colorado  
River Board of  
California  
(CRB)  
Submitted  
Alternative

## CRB's Alternative for Modeling

Water demands within the states affected by a shortage declaration will be managed pursuant to:

- The 1968 Colorado River Basin Project Act and;
- US Supreme Consolidate Decree in *Arizona v. California*

Without a Seven States consensus, the default is the Law of the River

# Recent California Actions & Proposals

## Reducing California's Use of Colorado River Water

350,000 AF

In 2019, California agreed to participate in the Drought Contingency Plan (DCP), committing to make up to 350,000 acre-feet of DCP contributions annually

+

400,000 AF

California's Colorado River Contractors proposed conserving up to an additional 400,000 acre-feet starting in 2023 and continuing through 2026

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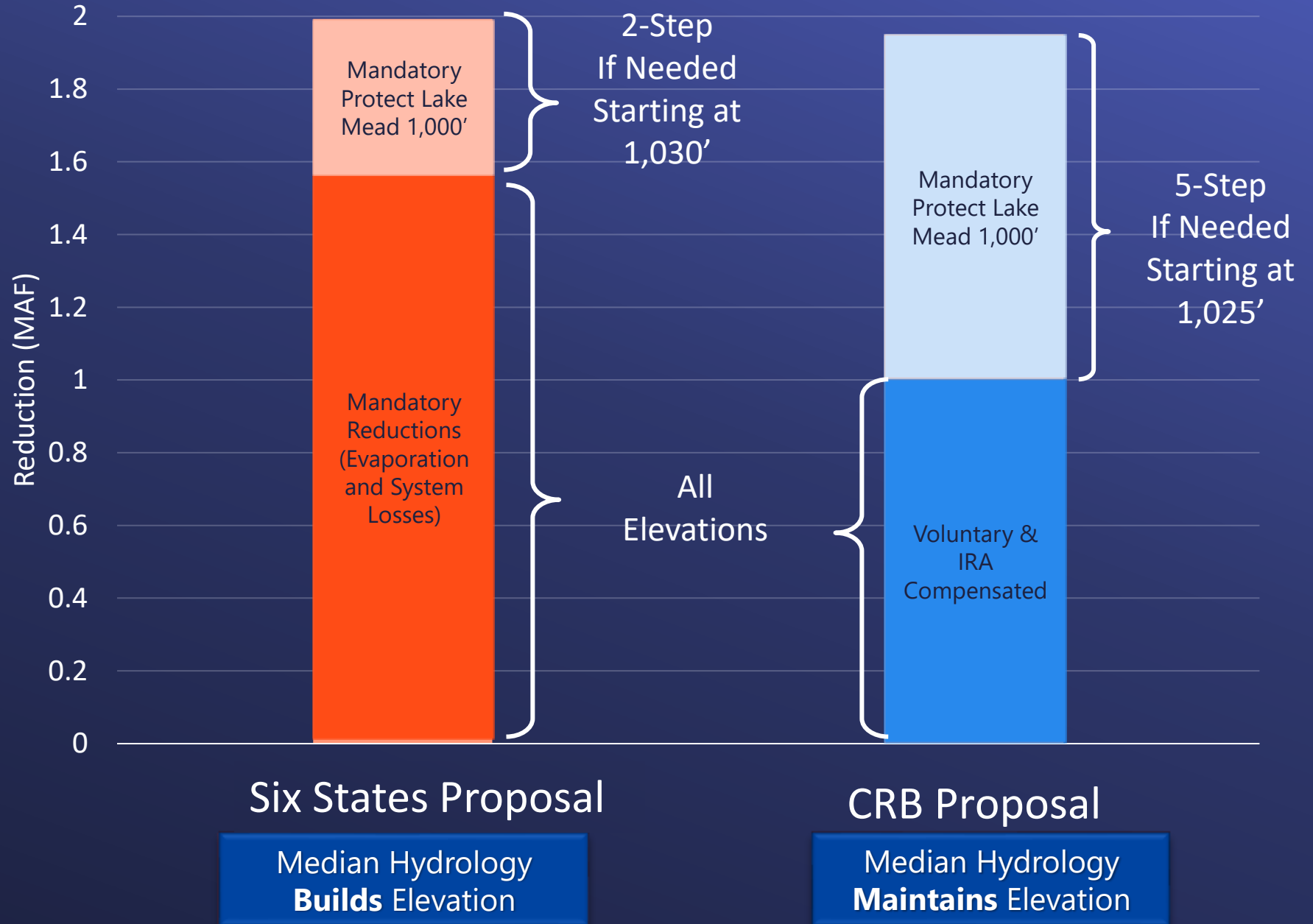
750,000 AF

California could voluntarily reduce its use of Colorado River water by up to 750,000 acre-feet annually — *even though California is not required to take shortages under the 2007 Interim Guidelines*

2007 Interim Guidelines SEIS

# Lower Basin Comparison of Six States and CRB Proposals

Reduction above existing Shortages and DCP Contributions



2007 Interim Guidelines SEIS

## Six States Alternative

Arizona, Nevada, Wyoming,  
Utah, New Mexico and  
Colorado jointly submitted  
the Consensus Based  
Management Alternative  
(CBMA)

# Operations Lake Mead and Lower Basin

- *Assesses 1.54 MAF of annual reductions called Infrastructure Protection Volumes, reducing the volume of water available in normal years from 7.5 MAF to 6 MAF*
- Raises the elevation in Lake Mead when maximum Shortages and DCP Contributions are required
- Imposes additional shortages on Lower Basin Contractors below Lake Mead elevation 1,030 feet



2007 Interim Guidelines SEIS

## Six States Alternative

The Six States transmittal letter identified actions that should be pursued in parallel with the operational changes in the SEIS

## Actions in Addition to SEIS

- Describes Upper Division State actions
  - Drought Response Operation Agreement (DROA) planning from zero to 500 TAF
  - Voluntary reductions in consumptive use
- Seeks inclusion of Mexico
- Beneficial use definitions and determinations under 43 CFR Part 417

2007 Interim Guidelines SEIS

## Six States Alternative

Some transfer and exchange agreements include shortage sharing provisions and obligations between California water providers that could be affected by the SEIS in ways that cause disproportionate and unintended consequences on these California water providers.

## Impacts on California

- Requires mandatory reductions without providing tools to help reduce water use
- Reductions to California's higher priority users could impact our region's water transfer programs
- Imposes cuts to California equivalent to 3.5 million households or 10 million Southern Californians

2007 Interim Guidelines SEIS

# Inflation Reduction Act (IRA) Funding

IRA funding will help facilitate  
voluntary reductions in  
Colorado River water

## Funding for Voluntary Contributions

Reclamation is phasing funding projects

- Phase 1A firm, fixed price for short-term projects
- Phase 1B short-term projects that seek funding above the firm, fixed price

Phase 1 applications were due in November and decisions are expected soon

- Phase 2 will be for longer term system efficiency project
- Deadlines for Phase 2 will be announced

# SEIS and Post-2026 Operations are **Separate Processes**



# Next Steps

- Colorado River Basin State representatives will continue to meet
- Colorado River Contractors in California and CRB will work together throughout the SEIS process
- Reclamation will issue a Draft SEIS in the Spring that identifies the preferred alternative or alternatives, receive public comment, and publish a Final SEIS and Record of Decision in the Summer. The Record of Decision would be implemented starting in 2024.
- Staff will participate in both intrastate and interstate discussions throughout the process
- Staff will provide regular updates and receive direction from the Ad Hoc Committee
- Staff will provide updates to the Board and receive direction throughout the process

