



One Water and Stewardship Committee

Extension of Colorado River System Conservation Agreement

Item 7-4

January 13, 2025

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Authorize Colorado River System Conservation Agreements

Subject

Authorize extension of Metropolitan's existing Colorado River System Conservation Agreement with U.S. Bureau of Reclamation to fund Metropolitan's PVID Following Program; and adopt CEQA determination that the environmental effects of the conservation efforts in Palo Verde Irrigation District are the subject of a proposed action that was previously addressed in various CEQA documents and related actions.

Purpose

To obtain Board approval for an agreement allowing water conserved by Metropolitan to be added to Lake Mead under Reclamation's LC Conservation Program.

Recommendation and Fiscal Impact

Authorize entering into an agreement to extend the duration of the existing agreement to generate Colorado River system water through the PVID following program, generating up to an additional 36,066 AF of system water in 2026.

In addition to reduced budgeted expenditures of \$2.5 million, Metropolitan would see increased net revenue of about \$2.8 million from following land owned by Metropolitan.

Budget

Not budgeted. Metropolitan would benefit from reduced budgeted expenditures and additional net revenue of approximately \$5.3 million in 2026.

Two Separate Requests for Proposals Funded by the Inflation Reduction Act

Bucket 1

- Short-term projects with short-term benefits
 - Immediate implementation
 - Elevation protection



Bucket 2

- Long-term projects with multi-year benefits
 - Improving system efficiency
 - Reducing long-term demand



Background

August 2022

**2022 Inflation Reduction
Act \$4B for Drought
Relief**



November 2022

Bucket 1 Proposals due

December 2023

**MWD Board approves PVID,
Bard, and Quechan Lower
Colorado System
Conservation projects**



Extension of PVID Following Program for System Conservation

Terms Specific to Extension

- ❖ Duration: August 1, 2026 – December 31, 2026
- ❖ Yield: 1.39 AF/acre
- ❖ Voluntary enrollment for the fixed five-month period

Continuation of Existing Terms

- ❖ Federal funding: \$400/AF
- ❖ Metropolitan administers the program
- ❖ Community funding

5-Month Voluntary Fallowing in Addition to Metropolitan Fallowing Call



Blue - Fallowing Call

Green - Voluntary Fallowing

Solid - MWD Supply

Striped - System Conservation Eligible

Summary



Future Budget Benefit

~\$2.5 million in reduced program expenditures

+

~\$2.8 million in additional net revenue



System Water Creation

Create up to 36,066 AF of System Water in Lake Mead

Next Steps,
Pending
Board
Approval

1

Execute agreement

2

Obtain forbearance

3

Amend Implementing Agreement
with PVID

Board Options

- Option #1

Authorize extension of Metropolitan's existing Colorado River System Conservation Agreement with U.S. Bureau of Reclamation to fund Metropolitan's PVID Fallowing Program; and adopt CEQA determination that the environmental effects of the conservation efforts in Palo Verde Irrigation District are the subject of a proposed action that was previously addressed in various CEQA documents and related actions

- Option #2

Direct the General Manager not to enter into the agreement under the proposed terms.

Staff Recommendation

- Option #1

