



● Colorado River Management Report

Summary

This report provides a summary of activities related to management of Metropolitan's Colorado River resources for the month of May 2023.

Purpose

Informational

Detailed Report

2007 Interim Guidelines Supplemental Environmental Impact Statement (SEIS) Updates

In a letter to the Bureau of Reclamation (Reclamation) Commissioner, the Lower Division States of California, Arizona, and Nevada proposed to conserve at least 3.0 million acre-feet (maf) on top of existing shortage and Drought Contingency Plan reductions through 2026. This proposal is called the "Lower Basin Plan". The Lower Division States requested that Reclamation fully analyze the Lower Basin Plan as an action alternative in the SEIS. The seven Colorado River Basin States also sent a letter requesting that Reclamation pause the SEIS and fully analyze the Lower Basin Plan as an action alternative. In response, Reclamation announced a temporary withdrawal of the SEIS to fully analyze the Lower Basin Plan as an action alternative. After Reclamation has completed its analysis, it will publish an updated draft SEIS for public comment and finalize the SEIS later this year.

The Lower Basin Plan includes the following elements:

- Minimum of 3 maf of new system conservation from 2023 to 2026.
 - At least 1.5 maf by the end of 2024.
- New conservation up to 2.3 maf will be federally compensated under Inflation Reduction Act (IRA)
 - Compensated conservation will be mandatory, enforceable, measurable, verifiable, and non-retrievable.
- The remaining new conservation may be compensated or uncompensated.
- All or a portion of this may be offset with Intentionally Created Surplus (ICS) created in 2023-2026.
 - ICS designated as meeting the new conservation goal cannot be delivered, transferred, or assigned before December 31, 2026.
- Existing shortage and Drought Contingency Plan contribution obligations under the 2007 Interim Guidelines, Lower Basin Drought Contingency Plan, and Treaty Minute 323 will remain in place.
- Lower Basin Plan does not require the Secretary of Interior to unilaterally exercise her authorities to implement reductions or contemplate any waiver of those authorities.

Post-2026 Colorado River System Operations

The Interior Department announced that it will publish the Notice of Intent to initiate the environmental impact statement process that will be part of the development of the new operating guidelines that will replace the 2007 Interim Guidelines in early June 2023.

Board Report (Colorado River Management Report)

IRA Drought Mitigation Funding Update

Reclamation sent a letter to Lower Basin Colorado River contract and entitlement holders requesting proposals for long-term durable system efficiency improvement projects that result in water conservation benefitting the lower Colorado River System and its water users. This is the next phase of the Lower Colorado River Conservation Program (using “Bucket 2” IRA funds) intended to provide new opportunities to fund system conservation and efficiencies in the Lower Basin that lead to durable long-term solutions for the Colorado River System that results in additional volumes of water remaining in Lake Mead. Proposals are due by July 19, 2023. To be eligible, proposals must:

- Result in quantifiable, verifiable water savings in Lake Mead that are based on a consumptive use reduction and recent history of use, and/or
- Add new water to the applicant’s water supply enabling a consumptive use reduction of Colorado River water.
- Be submitted by Colorado River water delivery contract or entitlement holders or Central Arizona Project water delivery contract or subcontract holders, including partnerships with such entities.
- Demonstrate viability for full implementation, including demonstrating financial and technical capability of the entity for initial implementation and long-term operations, maintenance, and replacement.
- Provide for monitoring to ensure the proposed benefits to the system are realized.

The Interior Department will consider other factors in evaluating the proposals such as the volume and duration of water savings, cost effectiveness, and environmental benefits.

2023 Upper Basin Drought Response Operations Plan

Reclamation approved the 2023 Drought Response Operations Plan prepared by the Upper Colorado Basin Region, the Upper Division States, and the Upper Colorado River Commission pursuant to the Upper Basin Drought Contingency Plan, Drought Response Operations Agreement (DROA). The approved plan includes recovery of past DROA releases and anticipates no additional DROA releases during the plan period, depending on developments in hydrology throughout the plan year.