



Subcommittee on Imported Water

Report on Colorado River negotiations and protection of Metropolitan's Colorado River water rights

Item 3d

October 28, 2025

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Subject

- Report on Colorado River negotiations and protection of Metropolitan's Colorado River water rights

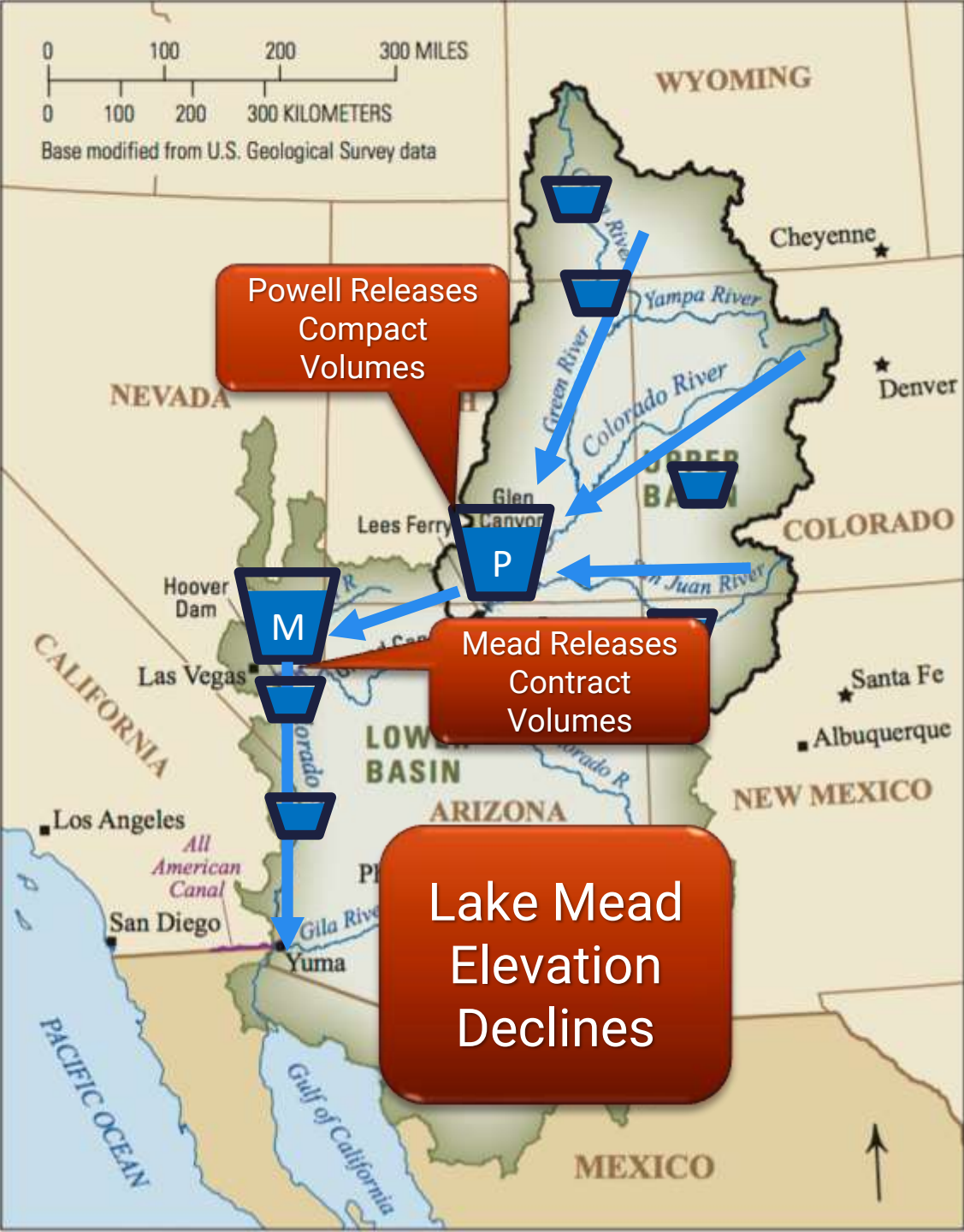
Purpose

Provide a high-level overview of basin-wide hydrology and system imbalance, including the structural deficit in the Lower Basin; and to provide an outline of original Lower Basin alternative

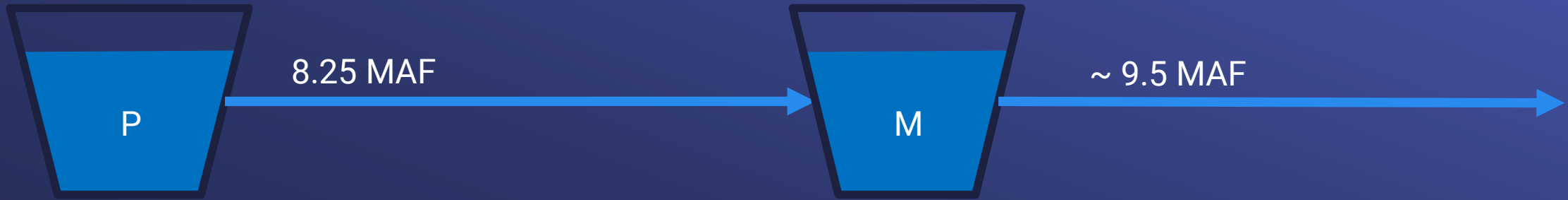
Next Steps

Not applicable

Existing Water
Supply and
Demand
Imbalance in
the Lower
Basin
(Structural
Deficit)



Basic Structural Deficit Calculation



Compact Release	7.5 MAF
<u>Half of Mexico</u>	<u>0.75 MAF</u>
Total Release	8.25 MAF

Arizona	2.8 MAF
California	4.4 MAF
Nevada	0.3 MAF
Mexico	1.5 MAF
<u>Net System Losses</u>	<u>~0.50 MAF</u>
Total Water Demand	9.50 MAF

$$8.25 - 9.50 = -1.25 \text{ Million Acre-feet}$$

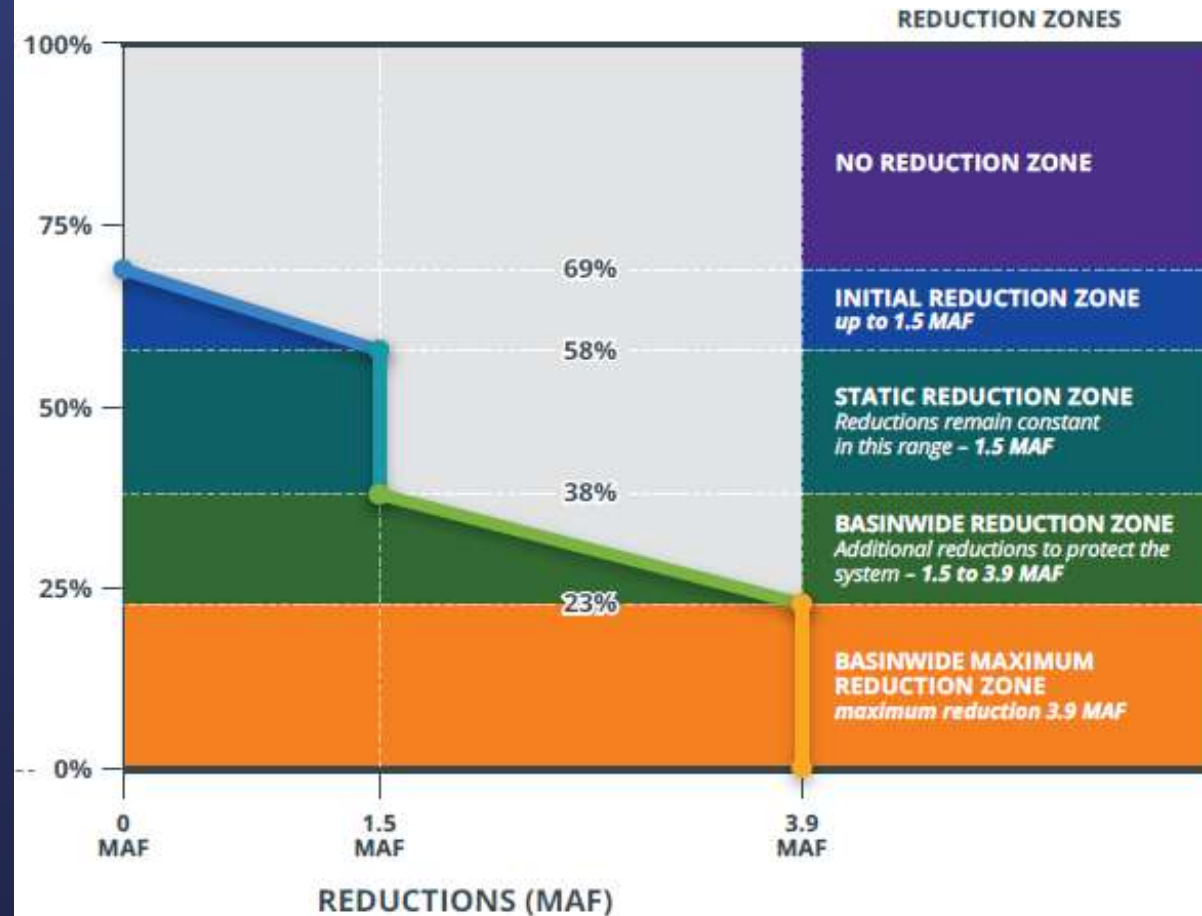
→ “The Structural Deficit”

Current Handling of the Structural Deficit

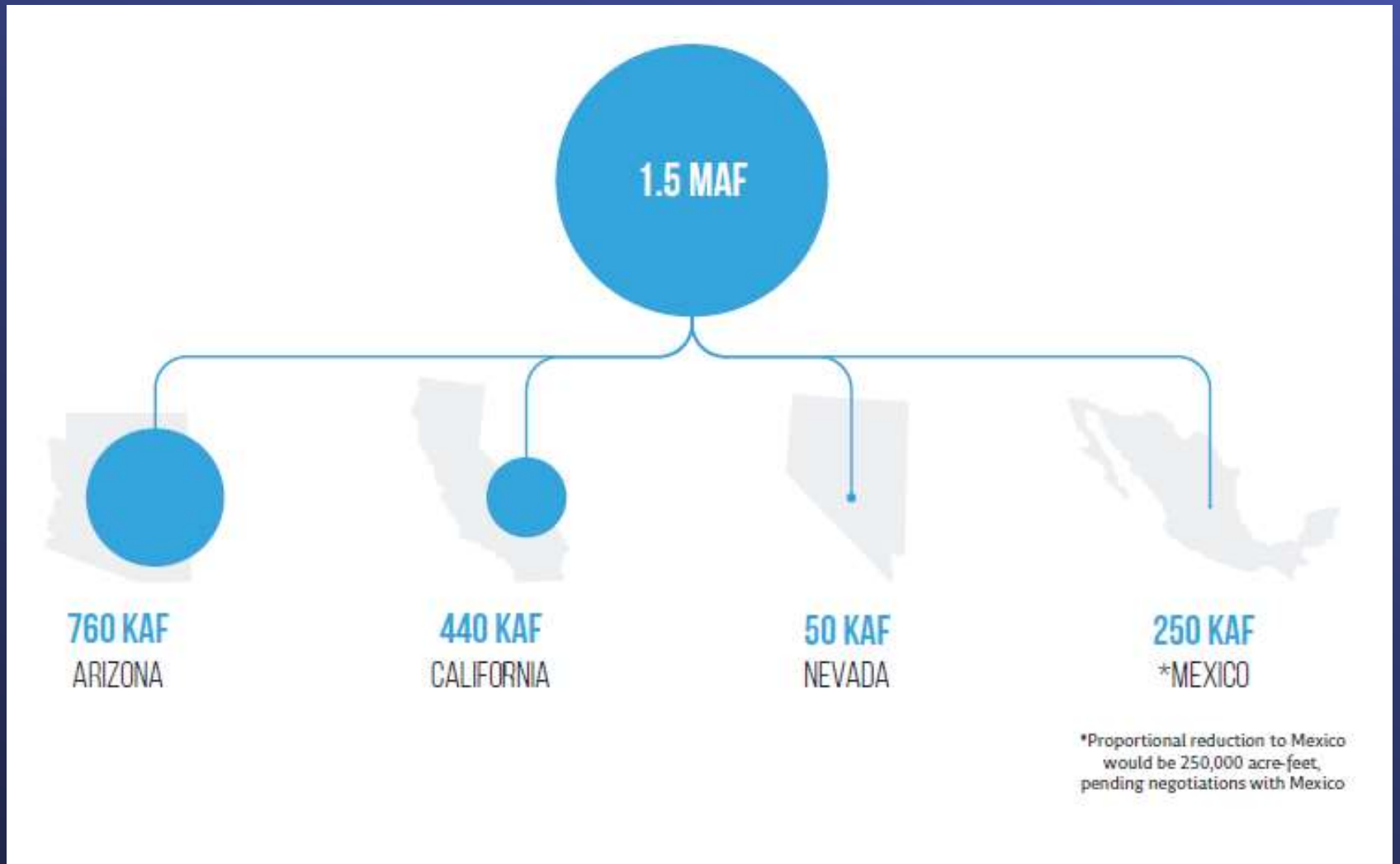


Lower Basin Reductions Proposed to Resolve the Structural Deficit

Proposed Lower Basin Reductions Lower Basin's March 2024 Proposal



Proposed Sharing of Reductions within the Lower Basin



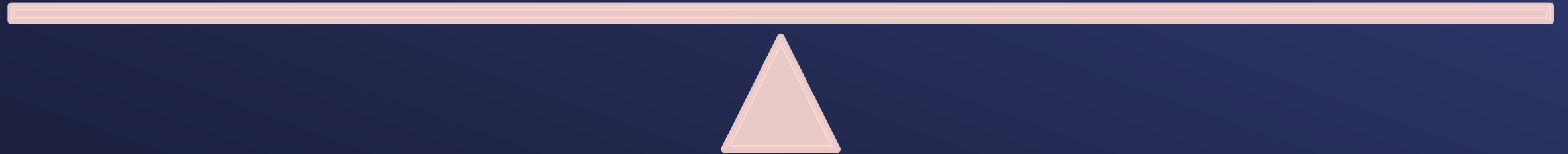
Water Balance After Structural Deficit Addressed

Supply

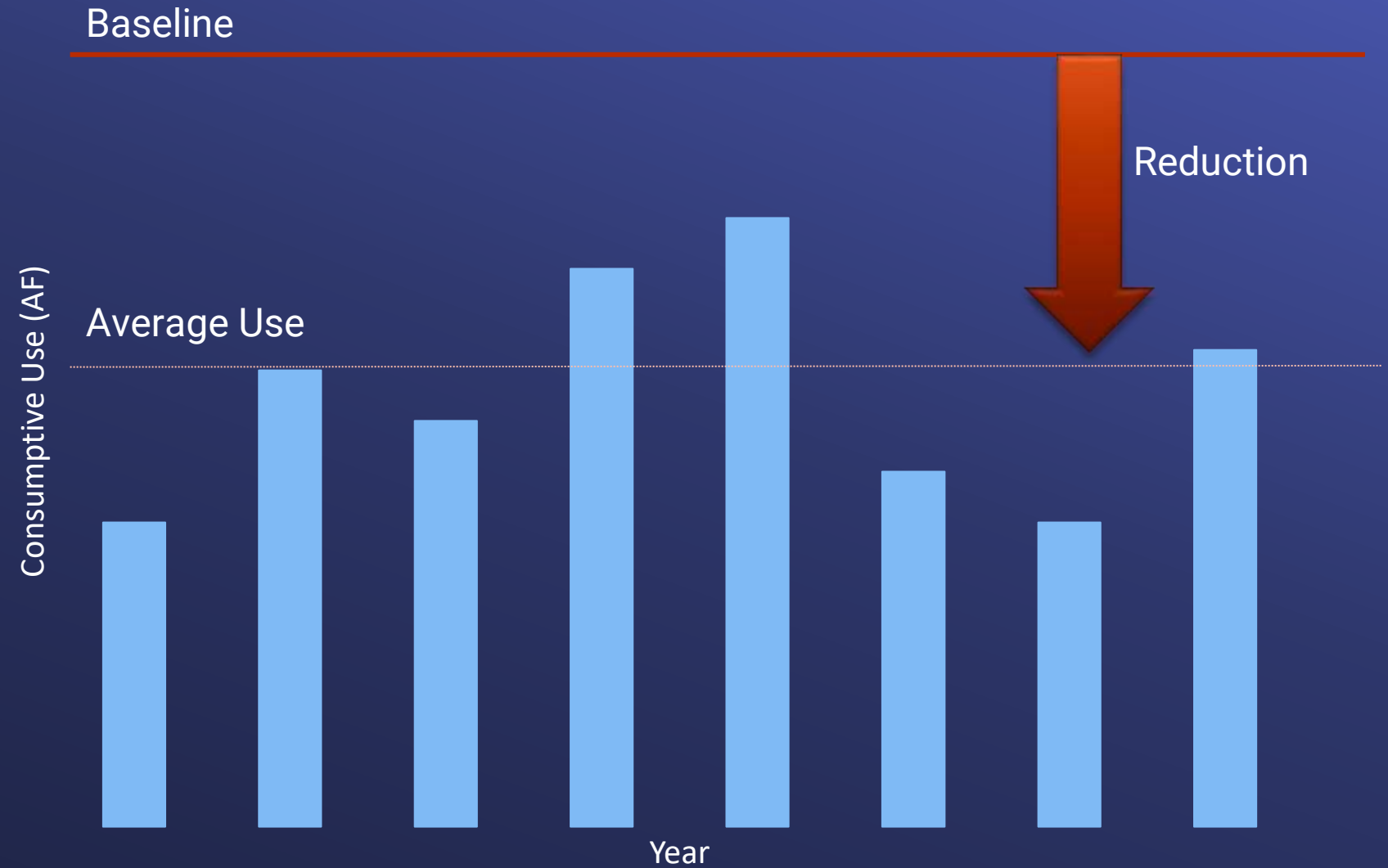
Demand

Millennium Drought: 12.5 MAF

Upper Basin (5-yr avg)	4.4 MAF
Arizona	2.8 MAF
California	4.4 MAF
Nevada	0.3 MAF
Mexico	1.5 MAF
Net System Losses	~0.5 MAF
Lower Basin Reduction	-1.5 MAF
Total Water Demand	12.4 MAF

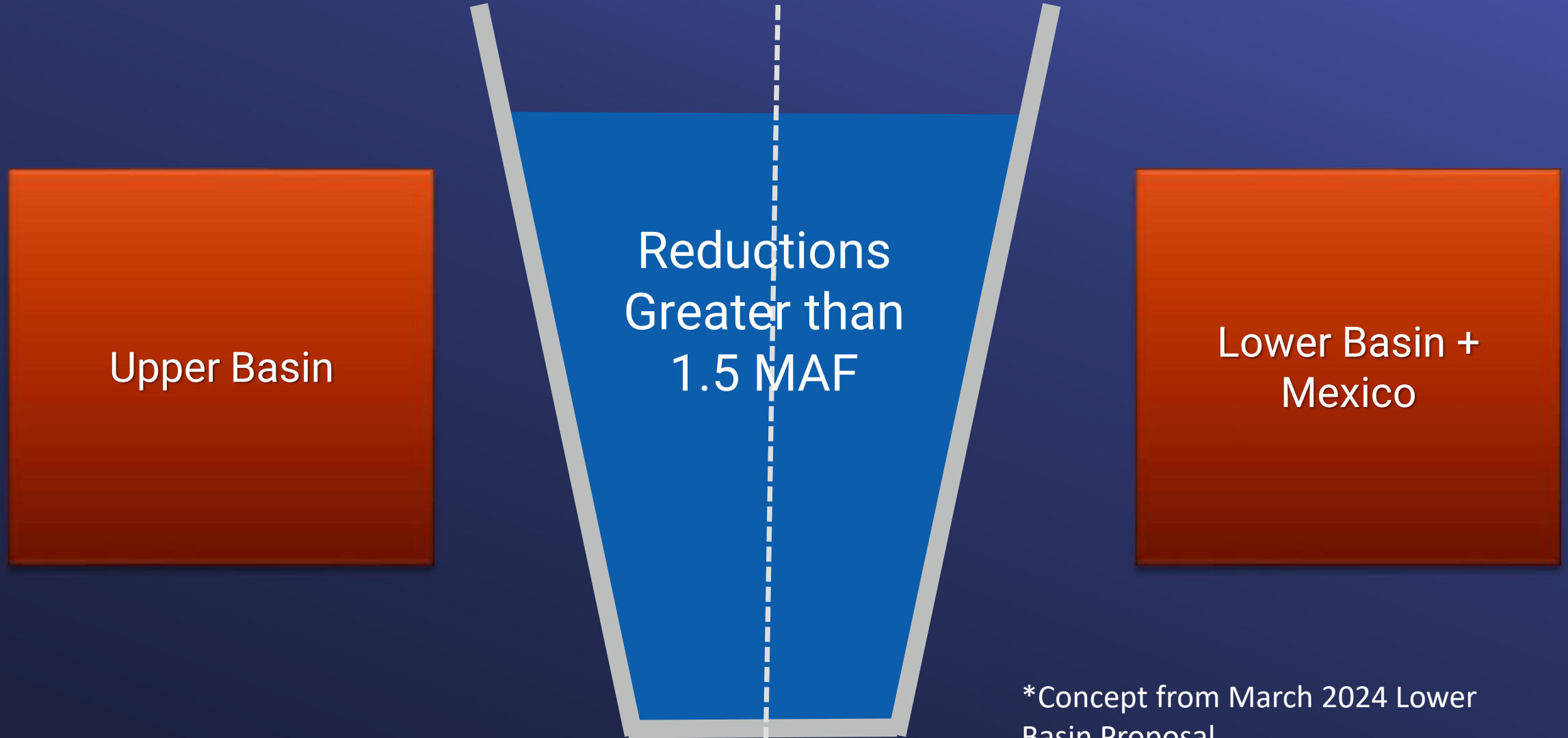


Storage and
Flexibility
Promotes
Average
Reliability



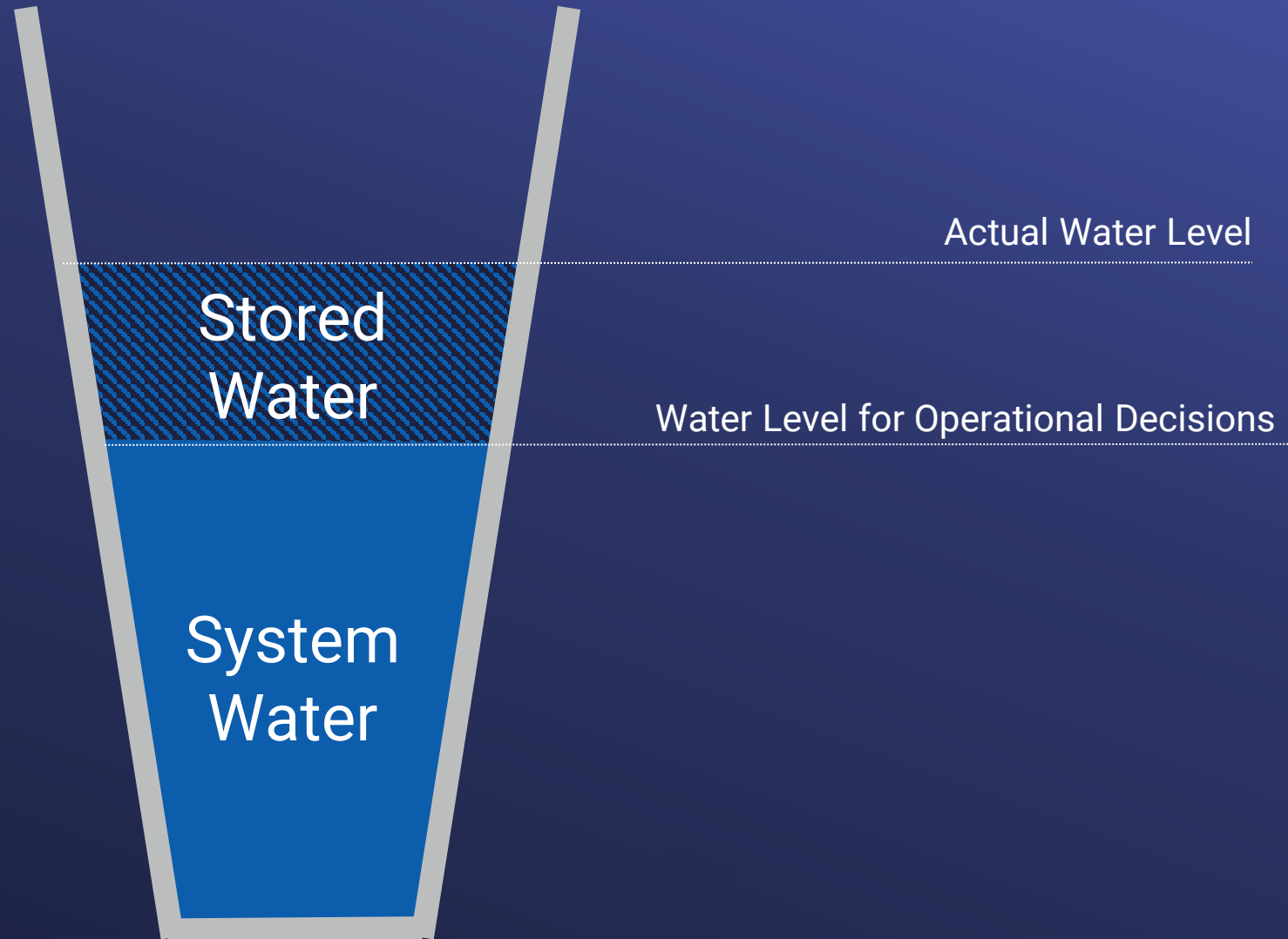
*For Illustrative Purposes

Original Lower Basin Proposal – What to do When More than 1.5 MAF of Reductions are Needed

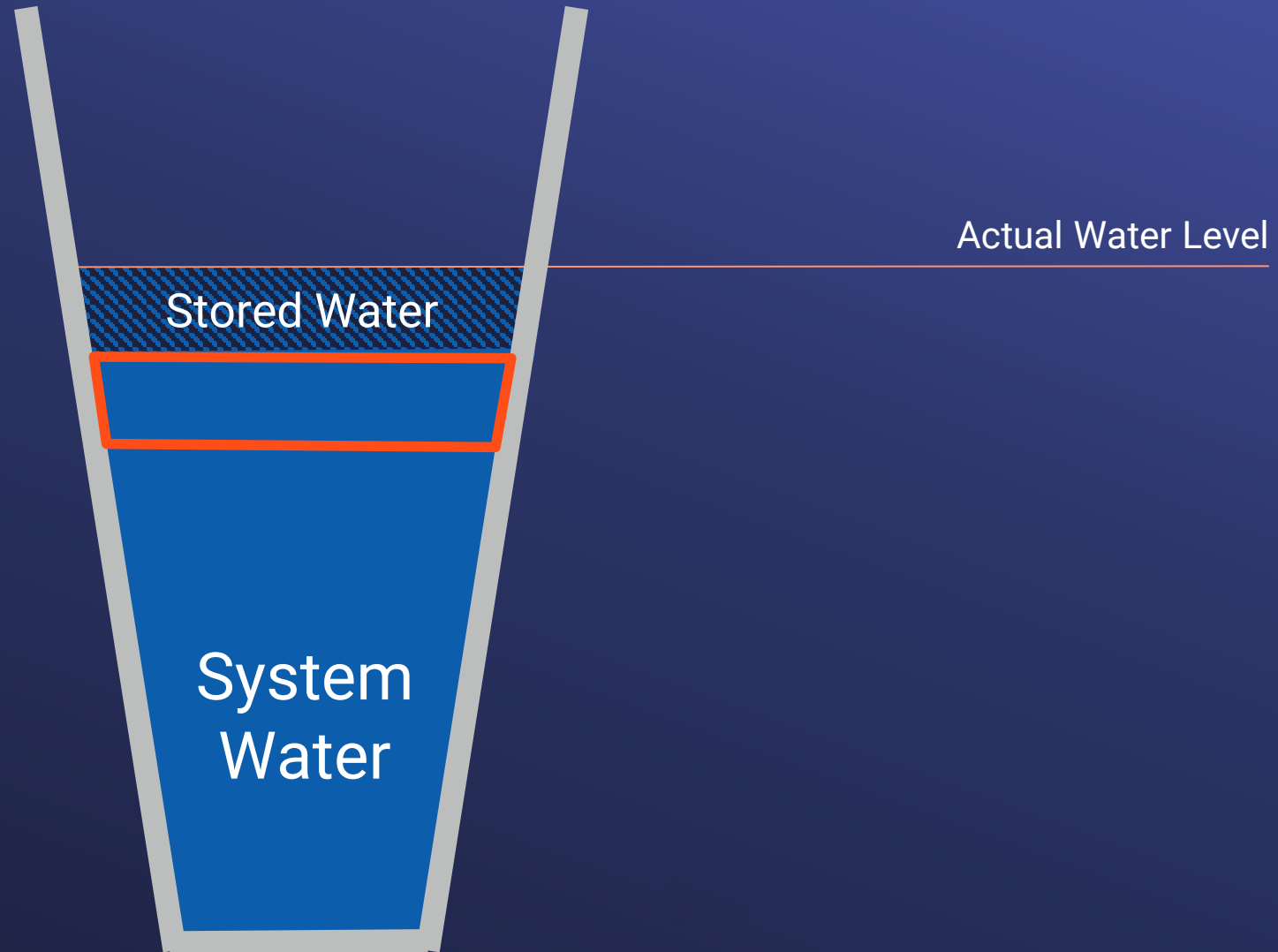


*Concept from March 2024 Lower Basin Proposal

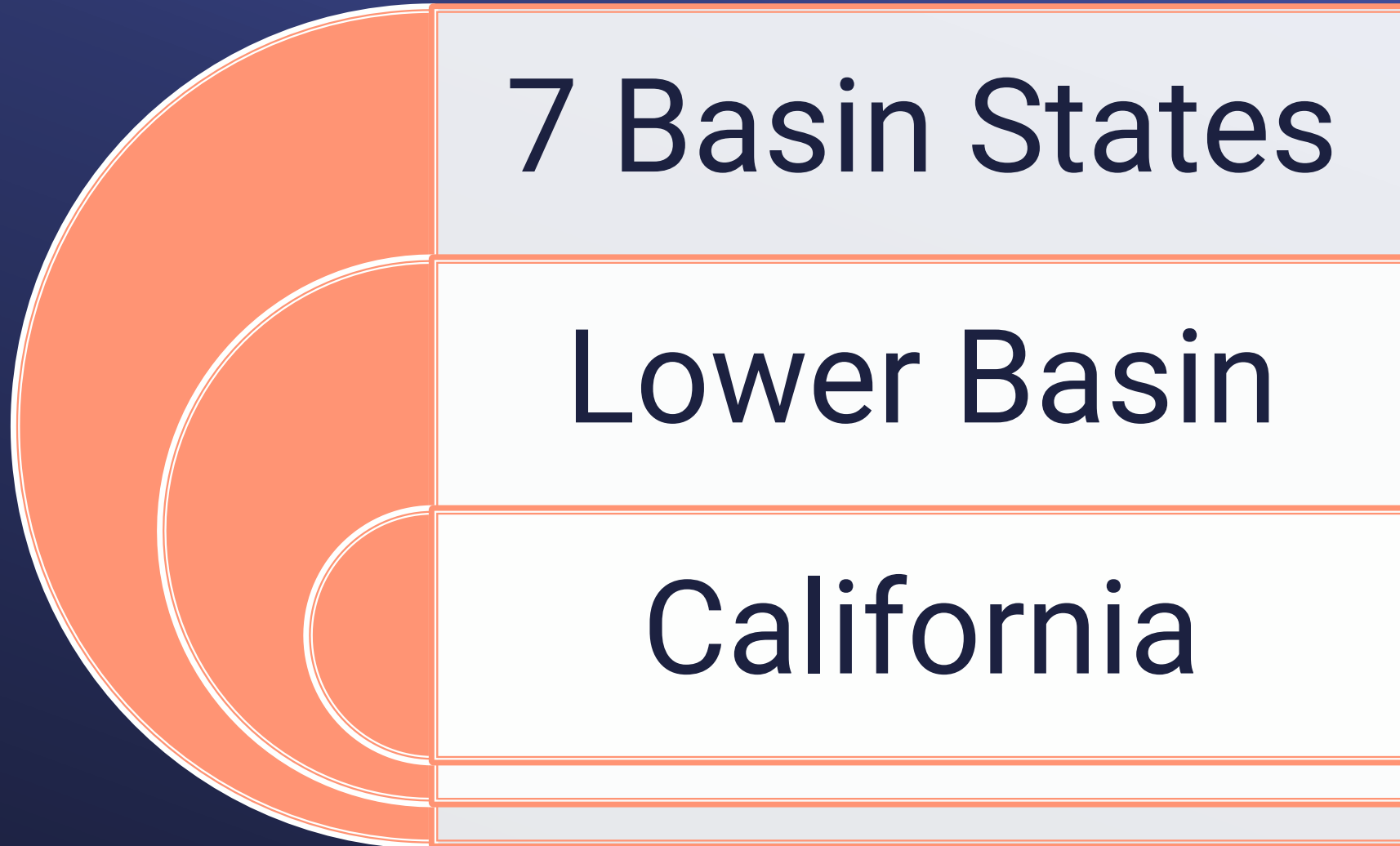
New Storage Operationally Neutral



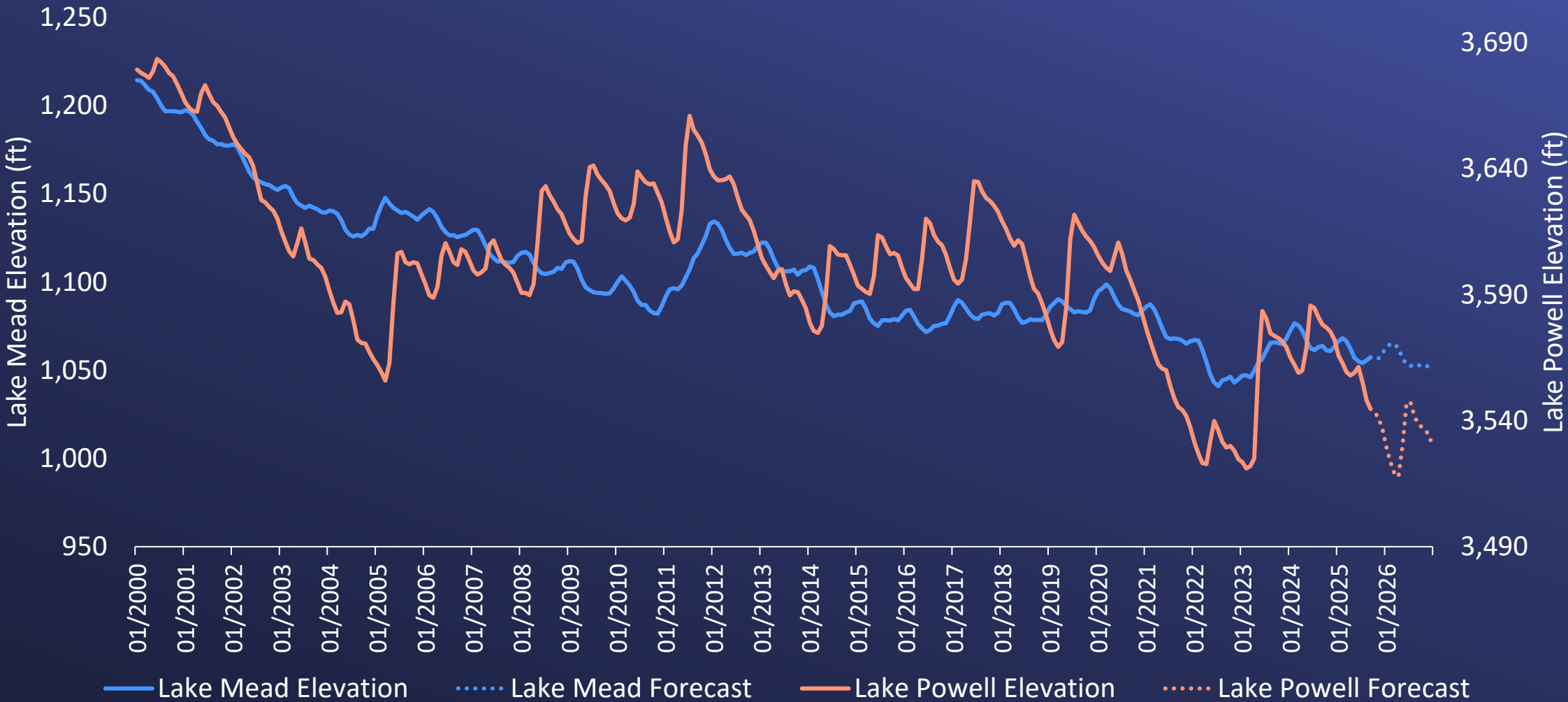
Using
Operationally
Neutral
Storage
Increases
System Water



Discussions Ongoing at All Levels



Lake Powell and Lake Mead Elevations



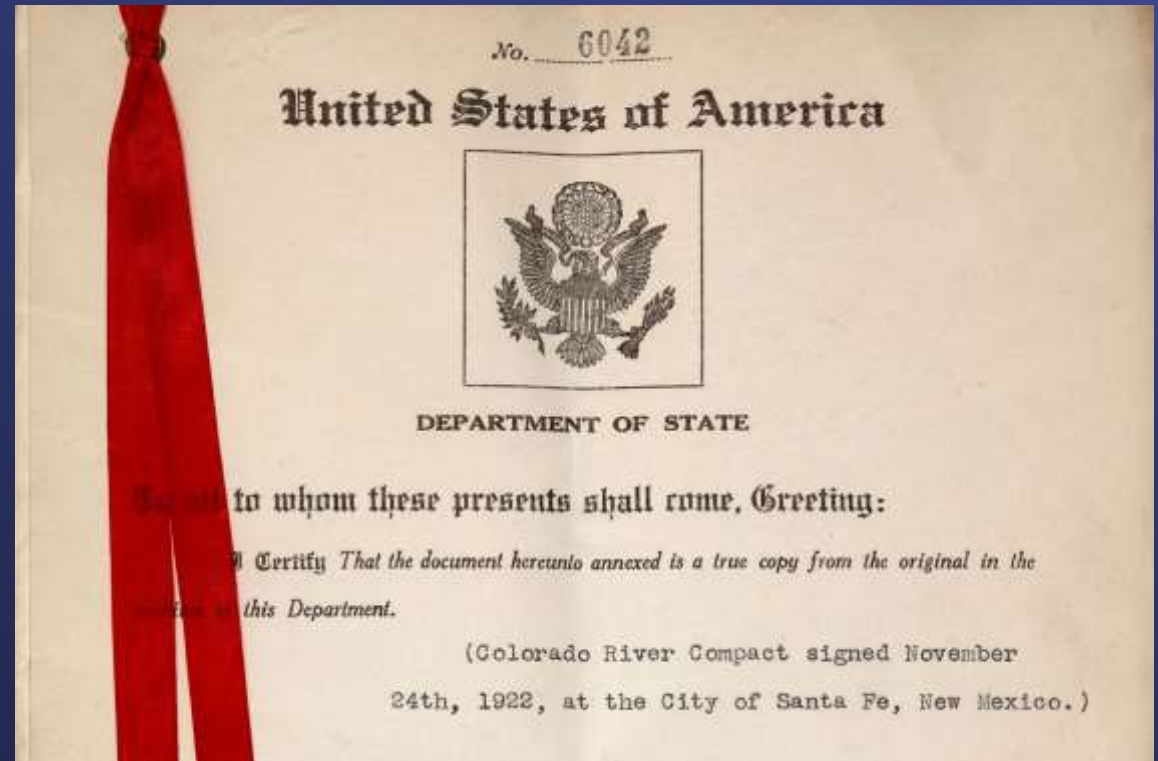
1922 Colorado River Compact



Why the 1922 Compact Still Matters

The Colorado River Compact is the foundation of the Law of the River

- Governs every major operating decision by USBR
- Shapes California's rights and obligations under current and future contracts



Why the Basin States Reached Agreement in 1922

- Wyoming v. Colorado (1922) applied prior appropriation across state lines in an interstate equitable apportionment case
- At that time, most Colorado River water use occurred in California
- Upper Basin feared losing its ability to develop future uses



**WYOMING
v.
COLORADO
1922**

SUPREME COURT

Colorado River Compact

- Divided the Basin into Upper and Lower Basin
- Allocated both the Upper and Lower Basin 7.5 million acre-feet (maf) per year
- Allowed additional 1.0 MAF for Lower Basin
- Anticipated a treaty with Mexico – 1.5 MAF in normal years
- Created Upper Basin obligations to Lower Basin
 - (75 maf/10 yr) and half of Mexico Treaty delivery

Key Compact Provisions – Articles III(a) through (d)

- Art. III(a): Each Basin may use 7.5 MAF annually
- Art. III(b): Lower Basin may increase its use by 1.0 MAF from tributaries below Lee Ferry
- Art. III(c): Upper Basin must deliver half of the Mexico Treaty delivery when there isn't a surplus above the aggregate of III(a) and (b)
- Art. III(d): Upper Basin obligated not to cause the flow at Lee Ferry to be depleted below 75 MAF/10-yr

Article III(d) and the 75/10 Obligation at Lee Ferry

- Lee Ferry is just downstream of today's Lake Powell
- The Compact requires the Upper Basin to not deplete flows below 75 MAF over any 10-year period
- Lower Basin view: Upper Basin must reduce depletions if Lee Ferry flows fall below 75 MAF/10 years
- Upper Basin view: No reductions required until its own depletions exceed 7.5 MAF annually
- The Compact's language isn't vague, but its interpretation allows differing views

Article VIII – Present Perfected Rights

- Protects pre-1929 water uses (PPRs)
- *Arizona v. California* case directed USBR to administer PPRs in order, regardless of state line
- The majority of PPRs are primarily in California



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How These Provisions Shape Current Negotiations



Disagreement over the meaning of:



Upper Basin obligation “not to cause the river at Lee Ferry to be depleted beyond” 75 maf/10-yr drives Basin conflict



When a “deficiency” exists triggering Upper Basin obligation to deliver half of the Mexico Treaty volume

Lower Basin focus -
Powell releases to
Lower Basin and Mexico

Upper Basin focus - hydrologic
shortages and that the Upper
Basin’s uses are less than the
Lower Basin’s

How These Provisions Shape Current Negotiations

Disagreement over the meaning of:

- Upper Basin obligation “not to cause the river at Lee Ferry to be depleted beyond” 75 maf/10-yr drives Basin conflict
- When a “deficiency” exists triggering Upper Basin obligation to deliver half of the Mexico Treaty volume

Implications for Post-2026 Guidelines

- Reclamation must operate Glen Canyon and Hoover Dams 'consistently with the Compact and applicable federal law'
- Compact interpretation will shape how Powell releases and Lower Basin reductions are shared
- California's contractors rely on Reclamation making lawful deliveries consistent with the Compact



What This Means for Metropolitan

- Compact interpretation directly affects Metropolitan's supply reliability
- Lower Basin has a common interest in ensuring that operations of Lake Powell are consistent with the intent of the Compact obligations
- Engagement with Reclamation ensures operational guidelines reflect Lower Basin priorities

The Compact as Both Constraint and Protection

- The Compact is a constraint on how USBR can operate reservoirs
- The Compact is a protection for California's rights and for orderly Basin management
- The Lower Basin's rights under the Compact provide an important basis for protecting Colorado River water contractors like Metropolitan in California, Nevada, and Arizona

