



One Water and Adaptation Committee

Report on Lower Basin Proposal for Post-2026 Operations

Item 6g

May 11, 2026

Presented by: Shanti Rosset

Item 6g Report on Lower Basin Proposal for Post-2026 Operations

Subject

Lower Division States' May 1 Proposal to the Bureau of Reclamation (Reclamation)

Purpose

Provide overview of the Lower Division States' May 1 Proposal (Proposal) for operations of the Colorado River system reservoirs for 2026 - 2028

Next Steps

Track progress of the post-2026 guidelines environmental impact statement and work on associated intrastate and interstate implementation agreements

Proposal at a Glance

Key parameters of the Lower Division States' 2026–2028 operating plan – May 1, 2026 Final

3

Calendar Years (2026–2028)

Implementation Term

1.25

MAF/Year (AZ + CA + NV)

LB Reductions Per Year

6.0

MAF – maintained

WY2026 Powell Release

1.0

MAF – trend toward

UIU Releases Above Baseline

700+

TAF cumulative (target 1 MAF)

Additional Conservation

3.2

MAF committed by LB water users

Total Lower Basin Savings

Lower Division States commit to revisiting operating plans for post-2028. Federal cost-share funding is expected to support water conservation contributions.

Lower Basin Reductions

1.25 MAF/year – Arizona, California, Nevada (CY2027–2028)

1.25 MAF

per year

Arizona

760 TAF

60.8% of total

California

440 TAF

35.2% of total

Nevada

50 TAF

4.0% of total

HOW REDUCTIONS MAY BE SATISFIED

- ▶ Reduced water orders
- ▶ Extinguishing Intentionally Created Surplus (ICS) (subject to elevation-based limits – Table 1)
- ▶ California: ICS use capped at **600 TAF** over the implementation term
Exception: if Powell release exceeds 7.5 MAF in 2027 or 2028, CA ICS cap increases to **680 TAF**

⚠ Safety Trigger:

If any 24-month study projects Lake Mead below elevation 1,010', Reclamation will consult with the Lower Division States on additional protective actions.

ICS Framework (1 of 2) – Key Modifications

Drought Contingency Plan (DCP) ICS framework extended through 2028 – key modifications

① Evaporation – Brock carve-out

Beginning in 2027, a 3% annual evaporation charge applies to all ICS in storage, except Brock Reservoir System Efficiency ICS created under the 2007 Agreement.

② 10% creation assessment

10% creation assessment for all new ICS. The 10% becomes system water, supporting shared reservoir storage.

③ IID included in ICS framework from 2019 DCP

The Imperial Irrigation District (IID) will benefit from the same ICS framework as other parties upon approval of new agreements.

④ Withdrawal deadline extended

ICS withdrawal deadline extended from 2036 to 2038, providing additional planning flexibility for ICS account holders like Metropolitan.

⑤ ICS storage limits increased

Extraordinary Conservation ICS storage limits: AZ +500 TAF; CA and NV +300 TAF each. CA total ICS storage limit → 2.0 MAF. Limits do not apply to the Tribal Pool.

⑥ ICS creation limits established

Annual Extraordinary Conservation ICS creation limits: Arizona 125 TAF/yr; California 400 TAF/yr; Nevada 125 TAF/yr. Arizona's limit increases by 25 TAF/yr to accommodate Tribal Pool contributions.

ICS Framework (2 of 2) – Table 1 and Rules

Maximum ICS withdrawal to offset reductions – note Tributary ICS exemption

TABLE 1 – Maximum ICS Withdrawal to Offset Reductions

Does not apply to Tributary ICS (Exhibit A, 2007 Lower Colorado River ICS Agreement)

Lake Mead Elevation (Jan 1, Year N)	CA Max (TAF)	AZ Max (TAF)	NV Max (TAF)
Above 1,025'	400*	200	50
1,010' – 1,025'	267	100	50
1,000' – 1,010'	133	33	33
At or below 1,000'	0	0	0

* CA ICS use capped at 600 TAF over the implementation term; increases to 680 TAF if Powell release exceeds 7.5 MAF in either 2027 or 2028.

Operational neutrality goal:

Lower Division States will consult to determine when and how to convert ICS to operational neutrality at higher Lake Mead elevations. The augmented water exchange framework (Section 5 contractors) remains part of the agreement – exchanged water eligible for ICS storage if not withdrawn in the delivery year; evaporation/system assessments apply only if stored.

Additional Lower Basin Conservation

700 TAF minimum in addition to the 1.25 MAF/year reductions

Each state will develop a specific conservation plan by August 2026. Federal cost-share funding is required. Sources include water savings above the 1.25 MAF commitment, binational conservation programs, and joint federal-state initiatives.

700

TAF (2026–2028)

Minimum Cumulative Contribution

1

MAF (if possible)

Target Contribution

Cost-share

discounted price or state contributions

Federal Requirement

STATE MINIMUMS (specific plan due August 2026)

California

300 TAF

Arizona

300 TAF

Nevada

100 TAF

Funding & Sources

Cost-share required: in-kind, discounted price, or state contributions.

Sources: SEIS above 1.25 MAF;

Binational ICS; LB/Federal 700+ plan.

Long-term goal: Create an operationally neutral common pool of new water savings, strategically deployed at low elevations to delay and offset additional reductions beyond 1.25 MAF.

Upper Initial Units (UIU) Operations

CRSP Act release framework – May 1, 2026 Final

The Lower Division States have requested that Flaming Gorge Reservoir releases trend toward 1.0 MAF. The proposal specifies that if hydrology improves, both Upper Initial Unit (UIU) and Glen Canyon Dam release adjustments should occur simultaneously – not sequentially.

CORE PRINCIPLE

UIU releases above baseline are system water – not operationally neutral for determining Lake Powell operations.

Reclamation must commit to annual UIU release volumes above baseline before making any decision to reduce annual Lake Powell releases.

Bilateral framing:

“Share benefits of improved hydrology between both basins” – recognizing that improved conditions in Lake Powell benefit both Upper and Lower Basin users.

1

Volume target

1.0 MAF above UIU baseline through April 30, 2027. If less is released, WY2027 Powell releases increase by the difference.

2

Trigger condition

If Powell projected below elevation 3,515': release at least 600 TAF above baseline. UIU targets are lowered until Powell release reaches at least 8.23 MAF (approximately elevation 3,565').

3

Timing & process

Reclamation initiates process for UIU releases to begin in early March each year. Logic applies in each successive year of the implementation term.

Lake Powell Release Framework (1 of 2)

WY2026 baseline and WY2027+ elevation-triggered release levels

WY 2026

Scheduled release: **6.0 MAF**

- ▶ Release maintained at 6.0 MAF.
- ▶ If Powell projects to end WY2026 above **3,530'**, additional water released.
- ▶ River Outlet Works (ROW) pilot: Reclamation tests infrastructure performance for extended release periods. **Reclamation consults with Lower Division States on test parameters.**

WY 2027+

Powell \geq 3,540'
Oct 1, prior year

8.0 MAF

Powell $<$ 3,540'
Oct 1, prior year

7.0 MAF

Either scenario: release may be adjusted if 24 –month study Min. Probable forecast + UIU augmentation is insufficient to keep Powell above 3,500'. Consultation options include use of ROW below 3,490'.

Final determination: Most Probable projections in the April 24-month study, following iterative October–April consultation process.

Lake Powell Release Framework (2 of 2)

8.23 MAF obligation, reduced releases recovery definition, and strengthened Glen Canyon Dam plan requirement

If Powell projected > 3,565' at year-end

Reclamation adjusts release to 8.23 MAF or greater, allowing both recovery of UIU releases above baseline AND recovery of any prior reduced releases. Both basins share the benefit of improved hydrology, with a direct annual release target rather than a rolling multi-year average.

Definition of 'reduced releases'

Recovery is required for: (a) the WY2026 reduction from 7.48 MAF to 6.0 MAF (the 1.48 MAF shortfall); and (b) any shortfall below 8.23 MAF in WY2027 or WY2028.

Glen Canyon Dam long-term plan – approval right

By end of CY2027, Interior Department must publish a plan to address long-term operational and structural risks at Glen Canyon Dam. The plan must be developed in consultation with and with the written approval of the Lower Division States. Implementation begins no later than end of 2028.

Iterative process and final determination

Lake Powell release volumes are determined iteratively from October through April each water year. Final determination is based on the Most Probable projections in the April 24-month study. This iterative, consultative process applies to both downward adjustments (infrastructure protection) and upward adjustments (recovery obligation).

