

**EXECUTIVE DIRECTOR'S MONTHLY REPORT  
TO THE  
COLORADO RIVER BOARD OF CALIFORNIA**

**December 12, 2008**

**ADMINISTRATION**

Approval of Board Meeting Minutes – November 12<sup>th</sup>

A copy of the November 12<sup>th</sup> Board meeting minutes has been included in the Board folder for review and comment. I am asking for approval and adoption of these meeting minutes by Board members.

Final 2009 Colorado River Board Meeting Schedule

Included in the Board folder is a copy of the finalized 2009 Board meeting schedule for your review and consideration. I am asking for Board approval and adoption of the final meeting schedule at the December meeting.

**PROTECTION OF EXISTING RIGHTS**

Colorado River Water Report

As of December 1, 2008, storage in the major Upper Basin reservoirs decreased by 251,270 acre-feet and storage in the Lower Basin reservoirs increased by 12,900 acre-feet during November 2008. Total System active storage as of December 8<sup>th</sup> was 33.401 million acre-feet (maf), or 56 percent of capacity, which is 1.694 maf more than one year ago (Upper Basin reservoirs increased by 2.107 maf and Lower Basin reservoirs decreased 0.413 maf).

November releases from Hoover, Davis, and Parker Dams averaged 11,360, 10,130, and 6,370 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of December 2008, are 7,300, 5,400, and 5,000 cfs, respectively. The December releases represent those needed to meet downstream water requirements including those caused by reduced operation of Senator Wash Reservoir.

As of December 8<sup>th</sup>, taking into account both measured and unmeasured return flows, the Lower Division states' consumptive use of Colorado River water for calendar year 2008, as forecasted by Reclamation, totals 7.568 maf and is described as follows: Arizona, 2.762 maf; California, 4.535 maf; and Nevada, 0.271 maf. The Central Arizona Water Conservation District (CAWCD) will divert 1.520 maf, of which 0.188 maf are planned to be delivered to the Arizona Water Bank. The Metropolitan Water District of Southern California (MWD) will use about 0.886 maf, which is 173,000 acre-feet more than its 2007 use of mainstream water.

The preliminary end-of-year estimate by Reclamation staff for 2008 California agricultural consumptive use of Colorado River water under the first three priorities and the sixth priority of the 1931 *California Seven Party Agreement* is 3.677 maf. This estimate is based on the collective use, through October 2008, by the Palo Verde Irrigation District, the Yuma Project-Reservation Division (YPRD), the Imperial Irrigation District, and the Coachella Valley Water District. Figure 1, found at the end of this report, depicts the historic projected end-of-year agricultural use for the year.

## Colorado River Operations

### *2009 Annual Operating Plan Development*

The final consultation meeting of the Colorado River Management Work Group was held on October 24<sup>th</sup> in Las Vegas, Nevada, to provide final comments on the 2009 Annual Operating Plan for the Colorado River System Reservoirs (2009 AOP). During the meeting, only minor comments were provided to Reclamation. Reclamation has finalized the recommended 2009 AOP and forwarded it to Secretary Kempthorne for approval and transmittal to the Governors of the Colorado River Basin states.

It is anticipated that the final 2009 AOP will provide for the following:

- Glen Canyon Dam releases – Glen Canyon Dam will be operated in the Upper Balancing Tier with a release of 8.23 maf, unless the April 2009, 24-month study projects water surface elevation of Lake Powell to be above equalization trigger (3,639 feet) by the end of the water year. Then Glen Canyon Dam will be operated to equalize the storage contents in Lakes Powell and Mead by the end of the water year or by the end of the water year Lake Powell will fall to water surface elevation 3,619 feet or Lake Mead will rise to 1,105 feet, whichever occurs first.
- Hoover Dam releases – Hoover Dam will be operated under an Intentionally Created Surplus (ICS) condition to meet the basic demands along the mainstream in the Lower Basin of 7.5 maf plus allow entities who have created ICS during 2009 or in a previous year to receive the requested ICS water during calendar year 2009.
- Apportioned, but unused water – The Secretary of the Interior will make water apportioned to one Lower Division state, but unused in that state during 2009, available to another Lower Division state.
- Mexico delivery – Mexico will be allowed to schedule the delivery of 1.5 maf of water during calendar year 2009.

It is anticipated that the 2009 AOP will be approved by Secretary Kempthorne and transmitted to the Governors soon.

*MWD Response Letter to Reclamation and Southern Nevada Water Authority Regarding the Availability of Unused Nevada Apportionment for Storage by MWD*

In a letter, dated October 27<sup>th</sup>, from The Metropolitan Water District of Southern California to Reclamation and the Southern Nevada Water Authority, MWD indicated that it would honor SNWA's request to store additional intentionally created unused apportionment (ICUA) water for SNWA during 2008. The letter indicates that MWD has agreed to store a total of 45,000 acre-feet of ICUA water for Nevada during Calendar Year 2008. A copy of MWD's letter has been included in the Board folder.

*Reclamation's Ongoing Administrative and Operations Activities*

Reclamation is continuing to work on a number of activities that deal with the operation of the Colorado River within the Lower Basin. These include:

- A Lower Colorado Region Policy for Unused Water in the Lower Basin
- Operation of the Yuma Desalting Plant under a Pilot Project
- A Proposed Rule-Making Process for Regulating the Use of Lower Colorado River Water Without an Entitlement

The results of each of these efforts probably will not occur until next year. The Policy on unused water in the Lower Basin will cover how Reclamation intends to handle any apportioned, but unused, water in the Lower Basin before the operating year begins, during the operating year, and after completion of the operating year. Specifically, this policy will deal with apportioned, but unused, water that the Secretary can make available to another Lower Division state pursuant to Article II(B)(6) of the Supreme Court Decree in *Arizona v. California* and does not deal with ICUA water that may be made available through Storage and Interstate Release Agreements. With implementation this policy, the case-by-case handling of apportioned, but unused, water each year can be avoided. It will also allow for consistent handling of how this water will be made available within the Lower Division states and hopefully avoid some of the controversy and lengthy discussions that have occurred in previous years.

At previous Board meetings, the Board has received status reports on Reclamation's efforts to move forward with the Yuma Desalting Plant (YDP) Proposed Pilot Project Operations. Progress on operating the YDP as a pilot project beginning in 2009 is continuing. Reclamation, through the International Boundary and Water Commission (IBWC), is consulting with Mexico on the pilot project operations; Reclamation is working with the Arizona Department of Environmental Quality to receive the necessary state permits for operation of the plant; Reclamation is completing the necessary NEPA and environment compliance for the pilot project; and Reclamation is working with the non-federal parties who, if the pilot project is undertaken, will be providing funding for the operation of the YDP.

It has been determined that additional information is needed before a decision on the long-term operation of YDP can be made. Operation of the YDP for one year at about 1/3 capacity will provide the needed information regarding the performance and cost of operations, as well as any corrective actions in the plant's design or equipment that are desirable for long-

term operations. Through the pilot project about 30,000 acre-feet of water will be returned to the Colorado River at a cost of \$23 million.

The Central Arizona Project (CAP), Southern Nevada Water Authority (SNWA), and The Metropolitan Water District of Southern California (MWD) are participating in discussions with Reclamation on providing non-federal funding for operations of the YDP during the pilot project. These non-federal parties have tentatively agreed to the following funding percentages: MWD 60%; SNWA 30%; and CAP 10%. The quantity of the blended water, which is returned to the Colorado River, would be credited to the non-federal funding parties as System Efficiency ICS in accordance with the December 2007 Interim Guidelines. This System Efficiency ICS water would be credited to each party's ICS account based upon the portion of funding provided by each party for operations of the YDP.

As has been discussed at previous Board meeting, on July 16<sup>th</sup>, Reclamation published a proposed rule in the *Federal Register* (73 FR 137, 40916-40932, July 16, 2008) regarding the regulation of the use of Lower Colorado River water without a valid entitlement. The proposed rule would establish procedures that Reclamation will follow in making determinations of unlawful use of Lower Colorado River water. The proposed rule also included notice and appeal procedures for those persons or entities whose use of Lower Colorado River water is identified as unlawful.

Reclamation received comments from the Board, as well as a number of other interested entities by the September 15<sup>th</sup> comment deadline. Because of the diverse range of comments received by Reclamation, it is still considering how it wants to proceed. Thus, the proposed Regulation will not become effective this year. One possibility is that the proposed rule will be redrafted, based upon the comments that were received, and re-released for comment.

#### *Central Arizona Water Conservation District Selects a New General Manager*

On December 4<sup>th</sup>, the Central Arizona Water Conservation District (CAWCD) selected Mr. David Modeer as its new General Manager to replace Mr. David S. "Sid" Wilson who is retiring after 14 years at CAWCD. Mr. Modeer comes to CAWCD after water management positions with the Cities of Tucson and Phoenix. A copy of a CAWCD news release announcing Mr. Modeer's hiring is included in the Board folder.

#### *President appoints Mr. Bill Ruth as the American Commissioner of the International Boundary and Water Commission*

In November 2008, President Bush appointed Mr. Bill Ruth as the American Commissioner of the International Boundary and Water Commission (IBWC). Mr. Ruth formerly worked for the IBWC for 25 years prior to his retirement in 1998. Mr. Ruth replaces Mr. Carlos Marin, who was killed in a plane crash in Mexico in September 2008 along with Commissioner Herrera of the Mexican Section of the IBWC. A copy of IBWC's announcement of this appointment is included in the Board folder.

## Basin States Discussions

### *Basin States Discussions*

As has been reported at previous Board meetings, representatives of the Basin states and others have been meeting to develop a discussion document that identifies the projects and programs that may have binational interest in the United States and Mexico in augmenting the water supplies of the Colorado River. Following an October 2<sup>nd</sup> Basin states meeting, where a draft discussion paper outlining potential projects that may have binational interest was discussed, a small group of Basin states representatives was formed to further develop a document that could be supported by all of the Basin states in discussions with Mexican counterparts. That small group has been meeting and has prepared a draft document that will be discussed at a Basin states meeting on December 17<sup>th</sup>. Assuming that the Basin states representatives are supportive of this document, the intent is to send it to IBWC Commissioner, Mr. Bill Ruth, to work with appropriate Mexican authorities to arrange a meeting where dialogue on potential areas of cooperation between the two countries could be further explored.

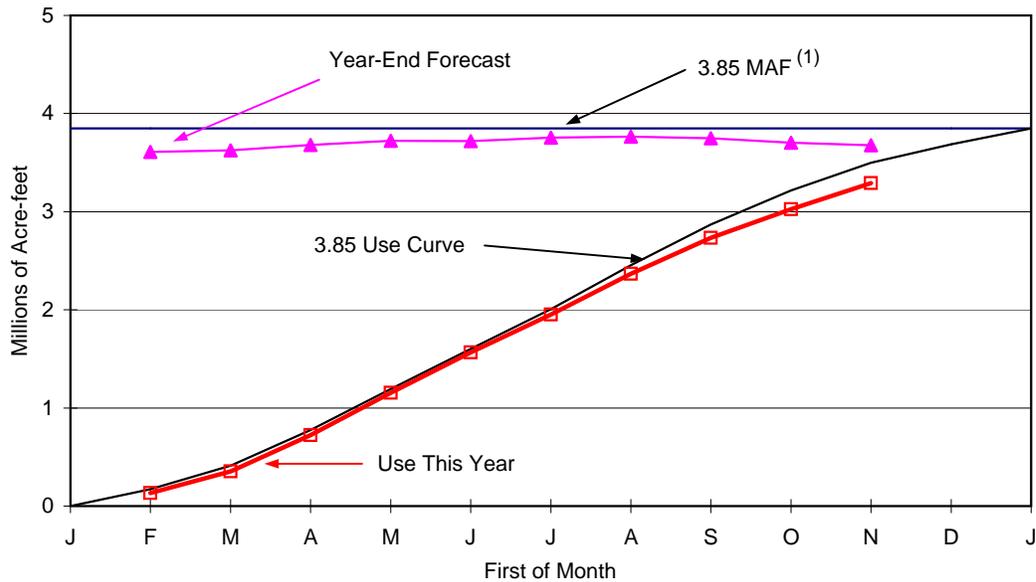
## Reports to the Colorado River Board

During the December Board meeting Mr. Jack Barnett, Executive Director of the Colorado River Salinity Control Forum (Forum), will provide a brief report on the activities of the Forum. Also, Mr. Pete Carlson will be reporting on recent activities that are occurring in Washington, D.C. with the U. S. Congress and the change in Administration.



Gerald R. Zimmerman  
Executive Director

**FIGURE 1**  
**DECEMBER 1, 2008 FORECAST YEAR-END COLORADO RIVER WATER USE**  
**BY THE CALIFORNIA AGRICULTURAL AGENCIES**



Forecast of Colorado River Water Use by the California Agricultural Agencies (Millions of Acre-feet)			
Month	Use as of First of Month	Forecast of Year End Use	Forecast of Unused Water (1)
Jan	0.000	-----	-----
Feb	0.134	3.610	0.026
Mar	0.352	3.625	0.011
Apr	0.722	3.680	-0.044
May	1.154	3.724	-0.088
Jun	1.566	3.720	-0.084
Jul	1.951	3.753	-0.117
Aug	2.368	3.765	-0.128
Sep	2.732	3.749	-0.113
Oct	3.025	3.704	-0.068
Nov	3.292	3.677	-0.041
Dec			
Jan			

(1) The forecast of unused water is based on the availability of 3.636 MAF under the first three priorities of the water delivery contracts. This accounts for the 85,000 af of conserved water available to MWD under the 1988 IID-MWD Conservation agreement and the 1989 IID-MWD-CVWD-PVID Agreement as amended; 50,000 af of conserved water available to SDCWA under the IID-SDCWA Transfer agreement as amended; 27,559 af of conserved water available to SDCWA and MWD as a result of the Coachella Canal Lining Project; an estimated 8,128 af of water available to SDCWA and MWD as a result of the All-American Canal Lining Project; and 14,500 af of water IID and CVWD are forbearing to permit the Secretary of the Interior to satisfy a portion of Indian and miscellaneous present perfected rights use; 22,649 af of water IID and CVWD are forbearing to payback Colorado River Water Delivery Agreement Exhibit C and 2006 overruns. As USBR is charging disputed uses by Yuma island pumpers to Priority 2, the amount of unused water has been reduced by those uses - 6,060 af. The CRB does not concur with USBR's viewpoint on this matter.