

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

December 13, 2011

ADMINISTRATION

Approval of Board Meeting Minutes – November 9, 2011

A copy of the draft November 9th Board meeting minutes have been included in the Board folder for review and consideration. I am respectfully requesting the Board's adoption and approval at the regularly scheduled Board meeting on December 14th.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

As of December 1, 2011, storage in the major Upper Basin reservoirs decreased by 599,200 acre-feet and storage in the Lower Basin reservoirs increased by 540,900 acre-feet during November 2011. Total System active storage as of December 4th was 38.437 million acre-feet (maf), or 64 percent of capacity, which is 6.133 maf more than one year ago (Upper Basin reservoirs increased by 2.129 maf and Lower Basin reservoirs increased by 4.004 maf).

November releases from Hoover, Davis, and Parker Dams averaged 9,480, 7,830 and 5,390 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of December 2011, are 7,500, 6,000, and 4,100 cfs, respectively. The November releases represent those needed to meet downstream water requirements including those caused by reduced operation of Senator Wash Reservoir and storage in the Warren H. Brock (Drop 2) Reservoir.

As of December 5th, taking into account both measured and unmeasured return flows, the Lower Division states' consumptive use of Colorado River water for calendar year 2011, as forecasted by Reclamation, totals 7.331 maf and is described as follows: Arizona, 2.783 maf; California, 4.318 maf; and Nevada, 0.230 maf. The Central Arizona Project (CAP) will divert 1.601 maf, of which 0.134 maf are planned to be delivered to the Arizona Water Bank. The Metropolitan Water District of Southern California (MWD) will use about 0.698 maf, which is 401,000 acre-feet less than its 2010 use of mainstream water.

The preliminary end-of-year estimate by the Board staff for 2011 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 3.659 maf. This estimate is based on the collective use, through October 2011, 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 projected end-of-year agricultural use for the year.

As of December 5th, the water level at the Lake Mead was at 1,127.01 feet above the mean sea level, and the storage was 14.052 maf, 54.3 percent of capacity, while the water level at Lake Powell was at 3,644.72 feet above the mean sea level and the storage was 16.567 maf, 68.1 percent of capacity.

Colorado River Operations

Status of the 2012 Annual Operating Plan for Colorado River Reservoirs

The final proposed 2012 Annual Operating Plan for Colorado River Reservoirs (AOP) has been sent to the Commissioner of Reclamation for his review and approval. In the interim, Reclamation has posted the final proposed AOP on its webpages, and anticipates that the Commissioner will forward the approved AOP on to the Secretary of the Department of the Interior for his review and approval in the near term. The final approved AOP will also be posted to Reclamation's webpages in both the Lower and Upper Colorado Regions. For your information, I have included a copy of the Introduction to the proposed final draft 2012 AOP in the Board folder.

Status of Basin Study

Progress continues to be made toward completing the Basin Study. The recent focus has been on finalizing the water demands under the current trends and developing the process for the Options and Strategies phase of the study. The California parties have been working with the Bureau of Reclamation staff and the study consultants to finalize the current trends demand data and to develop the data for each of the alternative demand scenarios. The current trends demand data has been developed. Some additional work regarding the demands for each of the alternative scenarios is occurring.

On November 29th, Reclamation issued a news release announcing the initiation of Phase 4 of the Basin Study. This phase of the project is associated with the *Development and Evaluation of Opportunities for Balancing Water Supply and Demand*. Reclamation and the Study Team are seeking public input and suggestions for a broad range of options to help resolve future water supply and demand imbalances in the Colorado River Basin. The goals of the Options and Strategies Phase of the study are: 1) to receive broad input on potential options for addressing future water supply and demand imbalances, 2) to evaluate representative options for major categories of options received, 3) to explore the effectiveness of various combinations of options, and 4) to summarize findings related to the performance and robustness of various options and portfolios. It is not intended for the study to result in the selection of a particular proposed project or set of projects. Rather, the study is intended to explore a broad range of opportunities to address future imbalances and the performance of those opportunities across a range of future conditions and in terms of impacts to Basin resources.

With the initiation of Phase 4 of the Basin Study, Reclamation and the Project Study Team are soliciting comments and suggested options through February 1, 2012. An interactive “Option Submittal Form” can be accessed and completed electronically on the webpage maintained by the Bureau of Reclamation’s Lower Colorado Region for the Basin Study development process at <http://www.usbr.gov/lc/region/programs/crbstudy.html>. For example, comments could include both opportunities that describe structural and/or non-structural options and strategies to address water-supply imbalances within the Colorado River Basin.

An extensive public outreach process has been developed to receive input from the public and others. For example, an on-line webinar discussing Phase 4 of the Project was held on December 6th and others are being planned. Additionally, Reclamation will use its mailing list to distribute the Options and Strategies Information packet to a diverse group of interested parties; a press release from Commissioner Connor was issued on November 29th; it is expected that a booth will be set-up at the Colorado River Water Users Association’s Annual Conference in December in Las Vegas, Nevada; and each of the states and participating agencies will help to make interested parties aware of the opportunity to provide input on the potential options and strategies to address the water supply and demand imbalance in the Colorado River Basin. The Board folder contains a copy of Reclamation’s news release, and a fact sheet describing the new Phase 4 of the Basin Study Project.

Basin States Discussions

Status of Binational Discussions/Negotiations

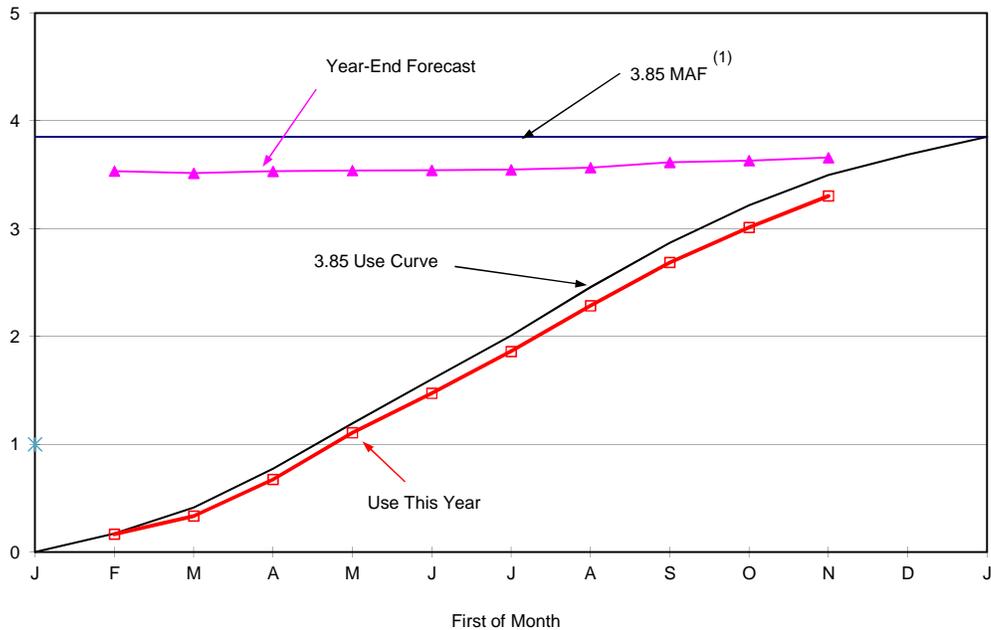
Since the November Board meeting, progress has been made in the negotiations with Mexico regarding Minute 319; and the objective still remains to have a signed minute, acceptable to both countries, by the beginning of next year. As was discussed last month, several small subgroups have been formed among the U.S. participants to address various legal questions. Each of these groups has been meeting and the larger Legal Committee is continuing its work.

Reclamation is preparing a report on the analysis that has been conducted by the Binational Sub-routine Group on potential shortage and surplus triggers associated with potential reservoir elevations, reservoir storage contents, and climatic indices. That report should be available soon. In addition, Reclamation staff has been working on a Procedures Document that outlines the acceptable deal points of a potential minute with Mexico. When completed, that document will be made available to the Basin states’ representatives and others.

/s/

Christopher S. Harris
Acting Executive Director

**FIGURE 1
DECEMBER 1, 2011 FORECAST OF 2011 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	0.167	3.533	0.009
Mar	0.335	3.514	0.028
Apr	0.674	3.531	0.011
May	1.107	3.539	0.004
Jun	1.473	3.541	0.001
Jul	1.861	3.546	-0.004
Aug	2.285	3.566	-0.023
Sep	2.686	3.615	-0.073
Oct	3.011	3.631	-0.089
Nov	3.304	3.659	-0.117
Dec			
Jan			

(1) The forecast of unused water is based on the availability of 3.542 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 1988 IID-MWD-CVWD-PVID Agreement as amended; 80,000 AF of conserved water available to SDCWA under the IID-SDCWA Transfer Agreement as amended being diverted by MWD; as estimated 26,000 AF of conserved water available to SDCWA and MWD as a result of the Coachella Canal Lining Project, 67,700 AF of water available to SDCWA and MWD as a result of the All American Canal Lining Project; 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 and 25,000 AF of water IID is conserving to create Extraordinary Conservation Intentionally Created Surplus. 0 AF has been subtracted for IID's Salton Sea Salinity Management in 2011. As USBR is charging uses by Yuma Island pumpers to priority 2, the amount of unused water has been reduced by those uses - 6,530 AF. The CRB does not concur with USBR's viewpoint on this matter.