

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

February 14, 2012

ADMINISTRATION

Approval of Board Meeting Minutes – December 14, 2011

A copy of the draft December 14th 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 February 15th.

PROTECTION OF EXISTING RIGHTS

Colorado River Water Report

As of February 1, 2012, storage in the major Upper Basin reservoirs decreased by 479,200 acre-feet and storage in the Lower Basin reservoirs increased by 436,500 acre-feet during January 2012. Total System active storage as of February 6th was 38.279 million acre-feet (maf), or 64 percent of capacity, which is 6.220 maf more than one year ago (Upper Basin reservoirs increased by 2.064 maf and Lower Basin reservoirs increased by 4.156 maf).

January releases from Hoover, Davis, and Parker Dams averaged 11,600, 10,380 and 6,210 cubic feet per second (cfs), respectively. Planned releases from those three dams for the month of February 2012, are 13,600, 12,300, and 8,100 cfs, respectively. The February 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 February 1st, taking into account both measured and unmeasured return flows, the Lower Division states' consumptive use of Colorado River water for calendar year 2012, as forecasted by Reclamation, totals 7.275 maf and is described as follows: Arizona, 2.800 maf; California, 4.175 maf; and Nevada, 0.300 maf. The Central Arizona Project (CAP) will divert 1.538 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 0.620 maf, which is 79,000 acre-feet less than its 2011 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 3.633 maf. This estimate is based on the

collective use, through December 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 February 9th, the water level at the Lake Mead was at 1,133.97 feet above the mean sea level, and the storage was 15.001 maf, 58.0 percent of capacity, while the water level at Lake Powell was at 3,636.42 feet above the mean sea level and the storage was 15.584 maf, 64.1 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) was submitted by Reclamation to the Secretary of the Department of the Interior for his review and approval. This was completed via an undated letter from Secretary Salazar to Vice-President Biden. The final AOP has been posted to Reclamation's webpages in both the Lower and Upper Colorado Regions.

During 2012, the projected water release from Glen Canyon Dam are expected to be in the range of 9.46 MAF to 14.48 MAF or greater. Currently, it is expected that the most probable release from Glen Canyon Dam is 12.04 MAF. Water deliveries in the Lower Basin during 2012 will be limited to 7.5 MAF plus or minus any credits for Intentionally Created Surplus. A volume of up to 1.5 MAF will be scheduled for delivery to Mexico pursuant to Article 15 of the 1944 Water Treaty and Minutes 242, 314, and 318 of the International Boundary and Water Commission.

For your information, I have included a copy of Secretary Salazar's letter to Vice-President Biden accompanying the final AOP. Finally, if you would like to download an electronic version of the final 2012 Annual Operating Plan, it can be obtained at Reclamation's website at <http://www.usbr.gov/lc/region/g4000/aop/AOP12.pdf>.

Status of the Colorado River Basin Water Supply and Demand Study Project

As was reported at the December Board meeting, Reclamation issued a news release on November 29th 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 in late-November, Reclamation and the Project Study Team began soliciting comments and suggested options through February 1, 2012. 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. Stakeholders interested in submitting an option, or options, were able to access an interactive “Option Submittal Form” that could be completed and submitted 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>.

Associated with Phase 4, an extensive public outreach process was implemented to aid in educating and receiving input from the public and stakeholders. For example, Reclamation held an on-line webinar discussing Phase 4 of the Project on December 6th. Additionally, Reclamation used its mailing list to distribute the Options and Strategies Information packet to a broad and diverse group of interested parties. Reclamation Commissioner Connor issued a press release on November 29th; announcing the initiation of Phase 4. Reclamation also set up a booth at the Colorado River Water Users Association’s Annual Conference in mid-December 2011 in Las Vegas, Nevada. Finally, each of the states and participating agencies continued to help 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 Project Team and the consultants are currently in the process of evaluating the options and strategies that have been submitted, and will be meeting in Phoenix, Arizona, on February 28th to further consider and evaluate the options for inclusion in the final report. There are a series of meetings scheduled each month, March through June, with the expectation of the completion and publication of the final Basin Study Report in July 2012.

Reclamation’s Approval of Revised Calendar Year 2011 Diversions for CVWD, IID, and MWD

In three letters, each of which was dated December 30, 2011, Reclamation’s Lower Colorado Regional Office approved revised calendar year 2011 Diversions for the Coachella Valley Water District (CVWD), the Imperial Irrigation District (IID), and The Metropolitan Water District of Southern California (MWD). For CVWD, this revised approval results in a consumptive use of up to 318,735 acre-feet, and an approved diversion of up to 326,820 acre-feet. For the IID, this revised approval results in a consumptive use of up to 2,803,420 acre-feet, and an approved diversion of up to 2,871,285 acre-feet. Finally, for the MWD, the revised approval results in a consumptive use of up to 643,874 acre-feet, and an approved diversion of up to 646,874 acre-feet during calendar year 2011. I have included copies of each of Reclamation’s approval letters in the Board folder.

Reclamation's Approval of IID's 2012 Plan for Creation of Extraordinary Conservation Intentionally Created Surplus

On December 30, 2011, Reclamation sent a letter approving IID's Plan for Creation of Extraordinary Conservation Intentionally Created Surplus (EC ICS) in calendar year 2012. According to its plan, and Reclamation's approval, IID plans to create up to 25,000 acre-feet of EC ICS during calendar year 2012. The IID EC ICS is to be created based upon its on-farm following program and Main Canal seepage interception system. I have included a copy of Reclamation's approval letter in the Board folder.

Reclamations' Approval of SNWA's 2012 Plans for the Creation of Tributary Conservation and Imported Intentionally Created Surplus

On December 30, 2011, Reclamation sent a letter approving the Southern Nevada Water Authority's (SNWA) 2012 Plans for the Creation of Tributary Conservation (TC ICS) and Imported Intentionally Created Surplus in calendar year 2012. According to its plans, and Reclamation's approval, SNWA plans to create up to 37,000 acre-feet of TC ICS during calendar year 2012, and 7,000 acre-feet of Imported ICS during calendar year 2012. The Tributary Conservation ICS will be created based upon SNWA's programs along the Muddy and Virgin Rivers. SNWA plans to create up to 20,000 acre-feet of TC ICS along the Muddy River, and up to an additional 17,000 acre-feet along the Virgin River. An additional 7,000 acre-feet of Imported ICS will be created via SNWA's program in Coyote Spring Valley. The total ICS to be created by SNWA is not to exceed 44,000 acre-feet during calendar year 2012. I have included a copy of Reclamation's approval letter in the Board folder.

Basin States Discussions

Status of Binational Discussions/Negotiations

Since the last report at the December Board meeting, there has been a significant amount of work on the part of the state and federal representatives working on a proposed Minute 319. A focused small group of state representatives have been working closely with federal representatives from Reclamation and the International Boundary and Water Commission (IBWC) in endeavoring to complete a draft of Minute 319 that can be presented to Mexico. Concurrent with work on a draft of Minute 319, the small group has been working on an exchange of assurance letters between the states and the federal agencies. At this time, the entire package is being reviewed by the State Department. There still remains a lot of work to be completed, both domestically and internationally, before a Minute 319 can be executed.

Colorado River Environmental Issues

Basin States' Letter Associated with Scoping Comments on the Adoption of a Long-Term Experimental and Management Plan for the Operation of Glen Canyon Dam

On January 31st, the seven Colorado River Basin states submitted a joint letter providing Reclamation with scoping comments associated with Reclamation's preparation of the Long-Term Experimental and Management Plan for the Operation of Glen Canyon Dam Environmental Impact Statement (LTEMP EIS). The letter included a statement of the Basin states' collective interests in the effective administration of the Colorado River System reservoirs (e.g., water supplies and hydroelectric energy generation, etc.).

The primary scoping comments included: (1) a discussion of the states' interpretation of the legal framework for the LTEMP EIS analyses; (2) the potential constraints associated with the Secretary's ability to modify Glen Canyon Dam operations (i.e., the need to comply with the 2007 Interim Guidelines, etc.); (3) the geographic scope of the proposed actions (e.g., role of and impacts to Lake Mead in the analyses); (4) potential impacts to existing species conservation and recovery implementation programs; (5) distinguishing between experimental and management actions in operating Glen Canyon Dam; (6) development of alternatives that are realistic and comply with existing laws and regulations; and (7) comments associated with the actual process of developing the LTEMP EIS. I have included a copy of the Basin states' letter to Reclamation in the Board folder.

Proposed Basin States' Letter Associated with Reclamation's Development and Implementation of a Protocol for High-Flow Experimental Releases from Glen Canyon Dam, Arizona, 2011 through 2020

The Basin states are continuing to work on finalizing a joint-letter to Reclamation's Upper Colorado Regional Office associated with its release of the final Environmental Assessment (EA) for the High-Flow Experimental Releases Protocol for Glen Canyon Dam. The Basin states have worked closely with Reclamation in submitting comments on the draft and final EA and continue to provide comments to Reclamation in anticipation of Reclamation's preparation and issuance of the decisional document (e.g., a Finding of No Significant Impact, or a Record of Decision, etc.). The primary purpose for the development and implementation of the HFE Protocol is to test and evaluate short-duration, high-volume dam releases during sediment-enriched conditions during a ten-year period of experimentation (i.e., 2011-2020).

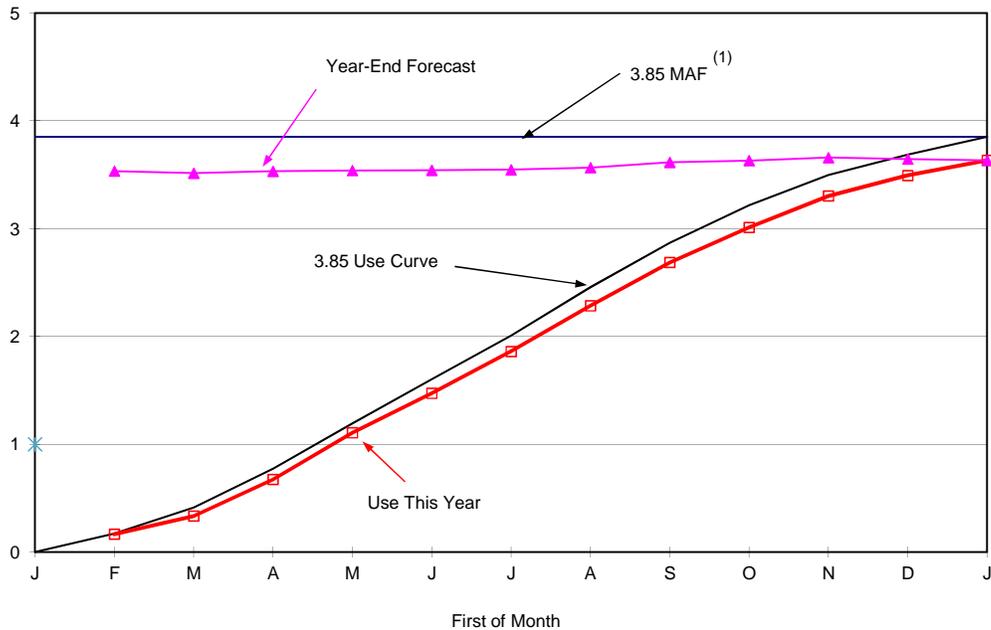
As the states finalize their comment letter to Reclamation, a meeting/conference call was held among representatives of the Basin states, Department of the Interior representatives, and staff from Reclamation's Upper Colorado Regional Office. The primary issues discussed during the meeting/call included the following: (1) Experimental Actions versus Management Actions (e.g., High-Flow experimental releases versus Beach-Habitat Building Flows); (2) Decision-making Process—the states continue to be concerned about the relationship between the HFE Protocol, and the goals and objectives of the Glen Canyon Dam Adaptive Management Program (AMP) and Desired Future Conditions (DFCs) for the Grand Canyon and the requirements for species conservation pursuant to the Endangered Species Act; (3) Monthly Release

Determinations associated with the HFE Protocol need to be consistent with the 2007 Interim Guidelines; and (4) the states continue to believe that Reclamation must clearly articulate the process and steps taken to coordinate and/or integrate the HFE Protocol with the development and implementation of the Long-Term Experimental and Management Plan Environmental Impact Statement process.



Christopher S. Harris
Acting Executive Director

FIGURE 1
FEBRUARY 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	3.493	3.645	-0.103
Jan	3.633	3.633	-0.091

(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.