

# Colorado River Drought Contingency Planning and Demand Management

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# Overview

- DCP status
- Demand Management Background
- Intrastate Demand Management Feasibility Investigations

# Compact Compliance

- “The Upper Basin states will not cause the flow at Lee Ferry to be depleted below an aggregate of 75,000,000 acre-feet for any period of ten consecutive years.” (Colorado River Compact, Art. III(d))
- This obligation is an UPPER BASIN obligation, not just Colorado.
- From a wholly accounting-based perspective, the Upper Basin is no closer to falling out of compliance than in the history of the compact.
- HOWEVER, from a responsible planning standpoint, variable hydrology and declining storage at Lake Powell are a real and immediate concern, with potential operational impacts and Compact implications in the upcoming years.
- **DON'T PANIC, BUT PLAN.**

# The Good News

- The current 10-year flow at Lee Ferry (Compact point) is **92,133,000 acre-feet** from 2007-2017.
- The state of Colorado and the Upper Basin have not been in a curtailment situation, and under *historical* hydrologic conditions, we will not face a curtailment in the near future.
- The annual flow at Lee Ferry has never been less than that required by the Law of the River.

# The Challenging News – Hydrology

- 2000-2018
- 7 of the last 18 years of inflows into Lake Powell (between April and July) were less than 5 million acre-feet.
- Above-average inflows into Lake Powell have occurred only 5 years since 2000.
- 4 of the 5 lowest years on record have occurred during this 17-year drought, with 2012, and 2013 being the driest consecutive two-year period in recorded history.
- Current realistic predictions are for increasing demand and decreasing supply.

NEWS ▸ ENVIRONMENT

## As Colorado River Basin reservoirs drop to near-record low levels, possibility of unprecedented water shortage declaration rises

Climate shift to hotter, drier conditions worsening current water crunch



Eric Baradat, Getty Images

The Colorado River is seen at the bottom of the

# The Challenging News

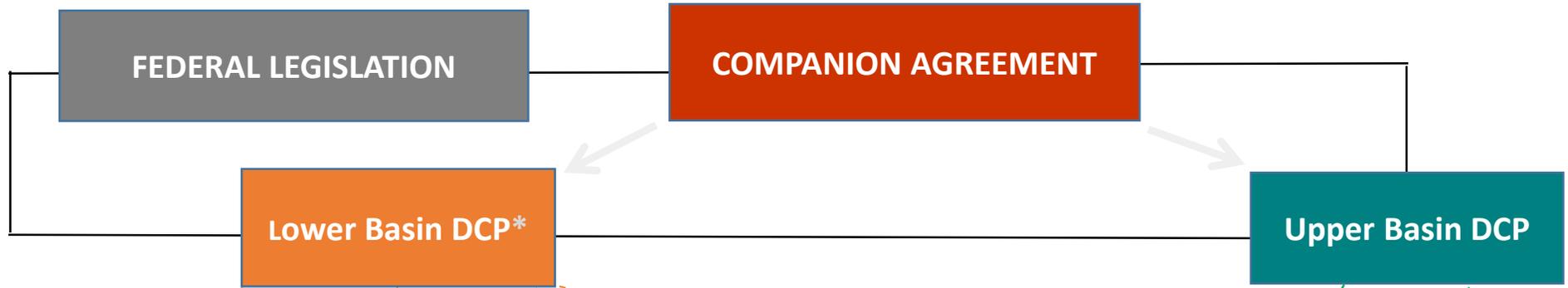
The 2007 Interim Guidelines are working as planned but hydrology has been worse than predicted.

- As a result of full use and dry hydrology, Lower Basin states are facing an unprecedented shortage declaration based on reservoir levels.
- The Upper Basin has been able to rely on storage from the CRSPA Units to remain safely in compact compliance under variable hydrology.
- The Upper Basin deals with hydrologic shortages every year – administration under prior appropriation is nothing new for our water users.

# Drought Contingency Planning Update

- DCP is an ongoing, coordinated effort of the seven basin states and the federal government.
- Planning for drought response to reduce risks associated with reaching critical reservoir elevations at Lake Powell and Lake Mead.
- **Why?**
  - If critical elevations are breached, the system faces threats to ability to control own destiny – drinking water supply, irrigation, power production, environmental resource preservation, and overall sustainability.
- **Low Probability but High Risk**
  - Sensible to plan for the worst case scenarios to avoid potential controversy, conflict, and uncertainty.
  - Preparation for but not predicting need for implementation.

# COLORADO RIVER BASIN DROUGHT CONTINGENCY PLAN (DCP) DOCUMENTS AND AGREEMENTS



Lower Basin DCP Agreement

Operational Provisions

AZ Agreements

CA Agreements

NV Agreements

Drought Response Operations Agreement

Demand Management (DM) Storage Agreement

- ICS Exhibits
- Intra-State DCP Agreements
- Legislation

- ICS Exhibits
- Intra-State DCP Agreements

- ICS Exhibits

**THIS IS NOT A DM PROGRAM.**  
*Creates free storage if a DM Program is created.*

\*Activates Section IV of Minute 323 (Binational Water Scarcity Plan)

# DCP Status

- 7 State consensus reached.
- Commissioner Burman has rescinded the Federal Register notice seeking comment from the Governors of the seven basin states.
- Seven state principals signed letter seeking Congressional support for legislation to implement the Drought Contingency Plan documents.



# Moving Forward with DCP

- Congressional hearings in March.
- Legislation passed in House and Senate.
- Signed by President on April 16.
- Signed by seven states and Assistant Secretary of the Interior on May 20.
- Moving forward:
  - IID ongoing issues.
  - Trigger Mexico participation in DCP through water scarcity plan of Minute 323. To be involved in WY 2020, LB DCP must be signed by April 22<sup>nd</sup>.
  - Apply all elements of DCPs to operational determinations for water year 2020 in August.

# Upper Basin DCP Agreements

## \* Drought Response Operations - (CRSPA Initial Units)

- ✓ Conserve water in LP or move available water from Upper CRSPA Units (Aspinall, Flaming Gorge, Navajo) to protect LP target elevation.
- ✓ Allow for subsequent recovery of storage at same facilities.
- ✓ Take actions consistent with authorities, permits, contracts for water and power, etc.

## \* Demand Management Storage

- ✓ Secure authorization to store, at no charge, any intentional reductions in consumptive use made to help assure Upper Basin's continued compact compliance.
- ✓ Provide the UCRC and Upper Division States sufficient flexibility to explore the feasibility of, and evaluate viable options for, developing an Upper Basin Demand Management Program.

# Interstate → Intrastate

- Upper Basin DCP Documents include:
  - Drought Response Operations Agreement
  - Demand Management Storage Agreement
- Demand Management Investigation:
  - In concert with Upper Basin partners.
  - 2019 Work Plan details in-state work, with Colorado water users and stakeholders.
  - Will inform and be informed by interstate conversations.

# Demand Management

- UCRC Resolutions in 2014 and 2018 – explore **feasibility** of:
  - Temporary
  - Voluntary
  - Compensated
  - Reduction in diversions to conserve water that is otherwise consumptively used
- To help avoid potential need for involuntary curtailment of Colorado River uses. Specifically geared to ensure compact compliance.
- 2<sup>nd</sup> line of defense

# CWCB Demand Management Outreach

- Direction of the Board – November 2017/January 2018
- Identify and evaluate possible options for avoiding involuntary compact curtailment
  - Consistent with direction from Colorado's Water Plan
- Focus on Demand Management considerations to inform progress on the interstate and intrastate fronts.
- Thorough and transparent outreach to water users and stakeholder community to provide information about Colorado River issues and DCP evolution

# CWCB Demand Management Outreach

- CWCB will continue to speak at forums statewide to:
  - Provide context and updates on Colorado River Basin activities
  - Obtain input and feedback on various demand management considerations
- Workshops and technical outreach
  - Identify specific legal, technical, and policy questions associated with demand management
- **Takeaway: Not developing any position regarding whether and how to develop a demand management program in Colorado in a vacuum. Working with stakeholders and water users to preserve options and opportunities while we seek engagement and input to consider positions moving forward.**

# Demand Management Considerations

- Consistency with prior appropriation and state water laws
- Preservation of water rights
- Economic and environmental considerations
- Monitoring and verification of water conservation
- Administration and accounting
- Sideboards/limitations to consider
- Water court involvement
- Parity – benefits and burdens shared
- Funding – who funds the program?
- Many others

# CWCB Policy Statement

“Develop the state’s position and approach on whether and how to develop any Upper Basin Demand Management Program that could potentially be implemented within Colorado consistent with state law to avoid or mitigate the risk of involuntary compact curtailment and to enhance certainty and security in the Colorado River water supply.”

INVESTIGATING

VOLUNTARY, TEMPORARY, AND  
COMPENSATED

Reducing Use Through Demand  
Management



# 2019 Work Plan

- Purpose
- Tasks
  - Initial Issue Identification
  - Establish Workgroups
  - Conduct Workshops
  - Evaluate and Report
  - Project Management
- Timelines
- Deliverables
- Estimated Resources/Costs

# 2019 Work Plan: Purpose

- We are **not** setting up a Demand Management program.
- We are **not** exploring the administrative impacts of a compact curtailment.
- We **are** exploring the array of issues that Colorado (and potentially other Upper Basin states) may need to understand to commit to implementation of a demand management program in the future.
- We **are developing a framework for investigating** Colorado's interests and position regarding whether and how any Colorado River Demand Management Program could or should operate within Colorado.
- This position **will** be based on evaluation and consideration of policy, legal and technical aspects with water user/stakeholder input and technical expertise.

# Tasks: Initial Issue Identification

- Identify and prioritize issues that Colorado may deem important to evaluate as part of feasibility investigation:
  - Legal
  - Technical
  - Policy
- Working with:
  - Colorado's Commissioner and other Upper Basin state staff
  - Water users and stakeholders
    - Work in progress since January 2018
    - Outreach and public input will inform issue identification.

# Tasks: Establish Workgroups

- **To evaluate priority issues regarding demand management feasibility.**
- Guided by criteria in Support and Policy Statement.
- First job: formulate meaningful scopes of work, budgets, and timeline for initial work to be completed in CY 2019.
- **Keeping in mind:** the need for an effective and efficient process.

# Tasks: Establish Workgroups

- Proposed Workgroups:
  - **Law and Policy**
  - **Monitoring and Verification**
  - **Water Rights Administration and Accounting**
  - **Environmental Considerations**
  - **Economic Considerations**
  - **Funding**
  - **Education and Outreach**
  - **Agricultural Impacts**
  - **Tribal Interests**

# Tasks: Conduct Workshops

- CWCB/AG Colorado River team to develop and conduct public workshops to continue outreach on Colorado River issues, specifically the issues associated with demand management feasibility.
  - Open lines of communication.
  - Provide forum for public review of Workgroup process.
  - Receive feedback and input regarding status of DM investigation process.
- Will not take the place of ongoing outreach efforts.

# Tasks: Evaluate and Report

- Project Management team to prepare and provide regular reports to CWCB on progress and results of CY 2019 investigations
- Joined by members of Workgroups as appropriate.
- Final status report of CY 2019 scopes of work, progress, and recommended next steps in January 2020.

# Project Management Team

- Analogous to CWCB role in curating Colorado's Water Plan.
- Proposed Membership:
  - CWCB staff
  - AGO staff
  - EDO staff
  - DWR staff
  - Colorado's Commissioner for interstate implications
- Primary clearinghouse for facilitating workgroups, comments, input, feedback, and drafting of potential considerations for state positions to vet with water users and interstate partners, and bring to the Board.

# Timelines

- **SUBJECT TO CHANGE – TIMELINES VERY FLUID**
- Demand Management Feasibility Investigations scope of work – approved at March board meeting.
- Workgroups to be formalized in late May, meet in early June.
- Check in with UCRC and Upper Basin states on parallel interstate investigation processes.
- DCP signing – May 20.
- Not anticipating completion of feasibility investigations by end of 2019. Simply starting the process.

# Questions, comments, stern guidance:

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