



● Colorado River Management Report

Summary

This Report provides a summary of the activities related to management of Metropolitan's Colorado River resources during July 2010.

Detailed Report

Phase I of Colorado River Supply-Demand Study Nearly Complete

The Bureau of Reclamation and the Colorado River Basin States are nearing the completion of Phase I of the two-year study to evaluate options for meeting the long-term water supply needs of the Colorado Basin. Phase I consists of three components:

1. Assessing Future Water Demand. The study evaluates three different demand scenarios through the year 2060: one that has demand growing consistent with current state projections, one that has demands increasing faster than anticipated due to factors such as increased energy development, and one that has demands falling due to factors such as retirement of agricultural land.
2. Assessing Future Water Supply. The study projects the future water supplies available in the Colorado Basin, given anticipated impacts due to climate change. Climate change impacts are forecast to reduce the runoff in the Colorado Basin and increase system losses from increased reservoir evaporation and riparian vegetation water use.
3. Evaluating Water Supply Imbalance Impacts to Basin Resources. The study evaluates the impacts of inadequate water supplies on a number of resources in the Colorado Basin, including water supply deliveries, hydropower generation, recreation, water quality, and environmental resources.

When Phase I is complete, which is anticipated in early September, the report will be peer reviewed by individuals with expertise on Colorado River issues for input before it is finalized. The results will form the basis of Phase II of the study, which will evaluate options for meeting the long-term supply and demand imbalance in the Colorado River Basin. Metropolitan is providing funding for the study through the Six Agency Committee and is actively participating in the development of the study.

Yuma Desalting Plant Operation Continues

The pilot operation of the Yuma Desalting Plant is about one-quarter complete, and the Plant continues to operate smoothly and under budget. To date, over 8,000 acre-feet of water has been conserved, of which over 6,400 AF, or 80 percent of the total, has been credited to Metropolitan's Intentionally Created Surplus storage account in Lake Mead. Part of the agreement to operate the Yuma Desalting Plant was to provide additional water to the Santa Clara wetlands in Mexico, 10,000 acre-feet each from the United States, Mexico, and non-governmental organizations. To date, the United States has delivered all of its water, with Mexico delivering over 3,000 AF and the NGOs yet to deliver their share. Metropolitan, along with Southern Nevada Water Authority (SNWA) and Central Arizona Project, are funding a program to monitor any changes to the Santa Clara wetlands that could be impacted by the pilot operation.

Negotiations for Binational Water Management Program Continue

In late July, the United States formalized its counter proposal to the original Mexico proposal, which addressed shortages in Mexico, storage opportunities, and development of joint binational water programs. Mexico and the United States will meet in August 2010 to further discussions in an attempt to reach agreement later this year. More information about the discussions is available in an informational letter provided to the Board separately.

Board Report ()

Metropolitan Maximizing Delivery of Colorado River Water

Since the Colorado River Aqueduct shutdown earlier this year, Metropolitan has been maximizing delivery of Colorado River water, operating at an 8-pump flow during the summer months. In the fall, based on projected water supply availability, deliveries may be reduced in order to store water in Lake Mead, which would be available for diversion in future years. Currently, Metropolitan has over 150,000 acre-feet of water stored in Lake Mead, and may store up to 100,000 acre-feet more this year, depending on how the fall season unfolds. Storing water in Lake Mead provides multiple benefits, including increased power generation from Lake Mead, reduced pumping costs in the year the water is stored, and helping to avoid shortage declarations in the Colorado River.