



• Colorado River Management Report

Summary

This Report provides a summary of the activities related to management of Metropolitan's Colorado River Resources during December 2011

Detailed Report

President Obama Signs Hoover Power Allocation Act

On December 20, President Obama signed the Hoover Power Allocation Act (Act), which provides Metropolitan with continued access to cost-effective, renewable energy through 2067. Under the provisions of the Act, Metropolitan will receive enough energy from Hoover Dam to deliver its 550,000 acre-foot basic apportionment to Southern California. Also under the Act, beginning in 2018, 5 percent of the electricity generated at Hoover Dam will be set aside for new entities that currently do not have access to power from Hoover Dam. The approval of the Act culminates several years of efforts and negotiations among the Hoover Power contractors and the federal government to balance the needs of existing contractors with the new entities interested in obtaining power from Hoover Dam.

QSA Parties Meet with California's Natural Resources Secretary

On December 13, representatives of the Quantification Settlement Agreement (QSA) parties met with the Secretary of the California Natural Resources Agency, John Laird. The purpose of the meeting was to discuss the inter-relationship between the QSA mitigation obligations and the state's Salton Sea restoration program. Each of the QSA parties, Imperial Irrigation District (IID), San Diego County Water Authority (SDCWA), Coachella Valley Water District (CVWD), and Metropolitan, expressed the need for the state to take action to address the Salton Sea, which could also assist in implementing measures required to mitigate the IID-SDCWA transfer. The absence of a clear restoration plan makes it difficult to develop such a mitigation plan that would be complementary with any future state projects at the Salton Sea. Secretary Laird acknowledged that the ongoing litigation over the QSA had affected the state's interest in proceeding. He assured the parties that, with the recent appellate court decision, he would be directing attention to the Salton Sea.

Agencies Discuss IID's Projected Shortfall for SDCWA Transfer

As was reported last month, in November 2011, the Bureau of Reclamation (Reclamation) notified the QSA parties that IID projected that it will fall short in implementing the amount of conservation required under the Colorado River Water Delivery Agreement (CRWDA) to meet its full transfer obligation to SDCWA in 2011 by about 15,000 acre-feet. Reclamation asked for input from the QSA parties on how to address the accounting issues for this situation. Several agencies sent letters to Reclamation with their input. IID responded that the full amount should be transferred to SDCWA in 2011, (with the shortfall coming out of Lake Mead storage), and any shortfall should be considered an inadvertent overrun, (in which case IID would repay Lake Mead over the next four years). Metropolitan's position was that the Inadvertent Overrun Payback Policy (IOPP) was not intended to backfill transfers, and that the Exchange Agreement between Metropolitan and SDCWA only provides for the transfer of conserved water. In the event that IID is short in conserving sufficient water in 2011, Metropolitan intends to adjust its deliveries to SDCWA to account for the reduced transfer in 2011 and invoice SDCWA for the additional deliveries as sales from Metropolitan. Finally, the state of Nevada and Southern Nevada Water Authority submitted a letter stating that in the event of a transfer shortfall of this magnitude, consistent with the CRWDA, the IOPP should be immediately suspended for IID. Reclamation will take the input from the parties and develop a proposed accounting plan for the transfer early next year.

Board Report (Colorado River Management Report)

Metropolitan Stores Record Amount of Water in Lake Mead in 2011

During 2011, Metropolitan stored about 175,000 acre-feet of Intentionally Created Surplus (ICS) water in Lake Mead, the most stored in a single year since the program began in 2007. The conserved water stored in Lake Mead was the result of implementing the Palo Verde Irrigation District Land Fallowing and Crop Rotation Program, the IID-Metropolitan Conservation Program, and Metropolitan's funding of the Pilot Operation of the Yuma Desalting Plant. This storage brings the total amount of ICS Metropolitan has stored in Lake Mead to over 400,000 acre-feet. In 2012, Metropolitan has approval to store an additional 200,000 acre-feet in Lake Mead, if the water is not needed to meet service area demands.

Negotiations Continue to Develop Binational Water Management Agreement

Several meetings took place in December to resolve outstanding issues associated with developing a minute to the 1944 Treaty with Mexico. During a panel at the Colorado River Water Users Association, the two international boundary and water commissioners reiterated their commitment to develop an agreement by early 2012. The agreement would include how Mexico would share in surplus, shortages, storing water in Lake Mead, and entering into water conservation projects with interested agencies in the United States. As the development of the agreement changes rapidly, staff will provide an update at the January Board meeting of the current status of the agreement (time permitting).

Metropolitan and PVID Recognize Mutually Beneficial Water Transfer Program

On December 14, staff and directors from Metropolitan and Palo Verde Irrigation District (PVID) met to recognize the valuable partnership between the two agencies. The PVID transfer has significantly helped Metropolitan manage its supplies during the recent drought in California. Additionally, the program has provided a stable income for the farmers, allowing them to invest in new machinery and upgrade equipment. The Western Governors Association recognized the benefits of the Metropolitan-PVID partnership, and used the program as a case study to model how other water transfer programs should be implemented in the West.

Metropolitan Bids Farewell to Lorri Gray-Lee

On December 14, the Basin States hosted a reception to honor the achievements of outgoing Lower Colorado Regional Director Lorri Gray-Lee, who has accepted the regional director position for the Northwest Region, with her new office in Boise, Idaho. Several agencies congratulated Ms. Gray-Lee on her accomplishments and wished her well in her new position. Metropolitan presented her with a plaque commemorating her outstanding service to the Lower Basin states during her tenure as regional director, and head of the Lower Colorado Multi-Species Conservation Program. Terry Fulp has been named acting regional director.