

January 31, 2023

Deputy Interior Secretary Tommy Beaudreau
Assistant Secretary for Water and Science Tanya Trujillo
Bureau of Reclamation Commissioner Camille Calimlim Touton

Dear Deputy Secretary Beaudreau, Assistant Secretary Trujillo, and Commissioner Touton:

The Colorado River Board of California (CRB)¹ appreciates the opportunity to submit an alternative for the Bureau of Reclamation (Reclamation) to analyze as part of Reclamation's preparation of a Supplemental Environmental Impact Statement (SEIS) for the December 2007 Record of Decision entitled "Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead."

As described in the Notice of Intent (NOI) to prepare this SEIS, if low runoff conditions into Lake Powell and Lake Mead continue, Reclamation's ability to protect dam infrastructure, make full water deliveries, and generate hydropower could be significantly impacted and result in the need to operate Glen Canyon and/or Hoover Dam in a manner beyond the scope of the 2007 Guidelines Record of Decision (2007 Guidelines ROD). 87 FR 69043 (November 17, 2022). Any modifications made to the operations of Lake Powell and Lake Mead as part of this process — particularly in the absence of a true consensus approach — need to be consistent with applicable federal laws, interstate compacts, and decrees and provide certainty to water contractors, protection of stored Intentionally Created Surplus and public health, safety, and welfare (as determined by each state) through the interim period.

Since Reclamation published the NOI in November, California has worked with the other Colorado River Basin States in an attempt to develop a joint Framework Agreement Alternative. Unfortunately, despite numerous meetings and intensive good-faith efforts, a seven-state consensus was not reached. Therefore, California respectfully submits the attached alternative for Reclamation's consideration, modeling, and analysis. The development of alternatives is the first step of the SEIS process. California looks forward to continuing collaborative work with the Basin States,

¹ Established in 1937, the Board protects the interests and rights of the agencies and citizens of the State of California to the water and power resources of the Colorado River System. The ten-person Colorado River Board is comprised of representatives from the Coachella Valley Water District, Imperial Irrigation District, Los Angeles Department of Water and Power, The Metropolitan Water District of Southern California, Palo Verde Irrigation District, San Diego County Water Authority, California Department of Water Resources, California Department of Fish and Wildlife, and members of the public.

Reclamation, and the Interior Department to develop consensus-based approaches. California appreciates Reclamation's recognition of the need to initiate this process. Our state's proposed alternative makes a constructive effort to uphold the Law of the River while making substantial efforts to protect the Colorado River system with voluntary reductions far beyond California's legal obligations. The 40 million people, nearly 6,000,000 acres of agriculture, and 30 Indian tribes that rely on the Colorado River require us to be successful in this effort. As this process moves forward, the State of California and California's Colorado River Contractors remain committed to continuing to work with you and others across the basin to protect the system. Now is the time to step up and demonstrate leadership through action and the development of other collaborative, innovative opportunities for basin-wide solutions.

Development and Evaluation of Alternatives

California proposes the attached alternative for Reclamation to analyze as part of the SEIS. California's alternative includes actions that build on the existing Colorado River reservoir management and operations framework. The NOI identifies that Reclamation may propose modifications to Sections 2, 6, and 7 of the 2007 Guidelines ROD for 2023, 2024, and possibly through the expiration of the 2007 Guidelines in 2026. The NOI anticipates that Reclamation will analyze alternatives, including a No Action Alternative and a Reservoir Operations Modification Alternative to be developed by Reclamation as a set of actions and measures adopted under Secretarial authority pursuant to applicable federal law. Given the brief period of time before the 2007 Guidelines ROD expires, California's alternative emphasizes additional voluntary reductions in water use.

California intends through its alternative proposed modifications to the 2007 Guidelines ROD to protect Lake Mead elevation of 1,000 feet and Lake Powell elevation of 3,500 feet by discontinuing the use of operational neutrality described in the May 3, 2022 letter regarding actions to protect Lake Powell, making changes to Lake Powell operational tiers and releases, modifying shortage conditions, and other changes described in the attachment. This alternative provides a realistic and implementable framework to address reduced inflows and declining reservoir elevations by building on voluntary agreements and past collaborative efforts in order to minimize the risk of legal challenge or implementation delay. California's alternative uses adaptive management to protect critical reservoir elevations through the interim period.

California's Actions Benefitting Lake Mead

California's Colorado River Contractors committed to conserving up to an additional 1,600,000 acre-feet of Colorado River water starting in 2023 and continuing until 2026, as described in CRB's October 5, 2022 letter. California was the first state to commit to conserving specific volumes of additional water after Commissioner Touton's call for further basin-wide conservation in June 2022. The State of California and California's Colorado River Contractors appreciate the Interior Department's collaboration and partnership at the Salton Sea, which will help facilitate this additional conservation of

Colorado River water in California. In 2019, California also agreed to participate in the Drought Contingency Plan (DCP), committing to make up to 350,000 acre-feet of DCP contributions annually. Between these two commitments, California could voluntarily reduce its use of Colorado River water by up to 750,000 acre-feet annually — even though California is not required to take shortages under the 2007 Guidelines ROD. Since the 2007 Guidelines ROD was adopted, California’s investments and conservation in various efforts including Intentionally Created Surplus, the 500+ Plan, and other forms of voluntary conservation raised the elevation of Lake Mead by more than 20 feet preventing Lower Basin shortage conditions for years before the first shortage was declared in 2022.

California’s Quantification Settlement Agreement

Prior to 2003, California historically relied on and put to beneficial use surplus Colorado River water. As Arizona and Nevada fully developed their allocations, this surplus water was no longer available. Federal action to ensure that California reduced its use of Colorado River water to the state’s legal entitlement triggered a difficult and expensive intra-state process that necessitated transfers and exchanges of Colorado River water from agricultural to urban uses through a complex set of agreements. California’s 2003 Quantification Settlement Agreement (QSA), the Colorado River Water Delivery Agreement (Federal QSA), and associated agreements permanently reduced California’s Colorado River water use by 800,000 acre-feet per year — even after decades of dependence on that supply by millions of urban users — through various water management programs that form the nation’s largest agricultural-to-urban water conservation and transfer agreement. These agreements also include shortage sharing provisions and obligations between California water providers that could be affected by the SEIS and related modifications to the 2007 Guidelines ROD in ways that cause disproportionate and unintended consequences on these California water providers. These shortage sharing provisions in California’s intrastate agreements are not well understood outside of California.

Just as the State of California was able to find ways to develop and implement intra-state agreements to drastically reduce water use and live within the state’s limited Colorado River water supply, so too may the State of Arizona be required to make similar arrangements to live within its available Colorado River water supplies. While California was able to complete the QSA only after a highly contentious legal, political, and policy process between various parties driven by the threat of unilateral federal action. Twenty years later the QSA serves as an example of temporary conflict caused by scarcity leading to long-term cooperation for sustainability — a model that other basin states and Reclamation should strongly consider.

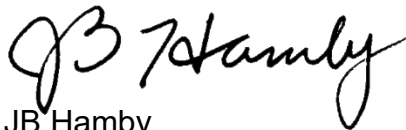
The Absence of Consensus Agreement Between States Defaults to the Law of the River

In the absence of a seven-state consensus proposal, the SEIS process and the preferred alternative should maintain existing protections to California’s senior entitlements, protect stored ICS, and protect public health, safety, and welfare as

determined by each state (and particularly for disadvantaged communities with no alternative water supplies) through the interim period. The SEIS documents should address the manner in which the water demands within the states affected by a shortage declaration will be managed pursuant to the 1968 Colorado River Basin Project Act and the *Arizona v. California* consolidated decree. This approach would be comparable to the one used to develop Exhibit B contained in the 2003 Colorado River Water Delivery Agreement executed by the Department of the Interior pursuant to the Interim Surplus Guidelines.

The CRB appreciates the opportunity to provide California's alternatives for analysis in the SEIS and looks forward to working with Reclamation, the Interior Department, the Basin States, and Basin State Tribes throughout this process.

In partnership,

A handwritten signature in black ink, appearing to read "JB Hamby". The signature is fluid and cursive, with the initials "JB" being particularly prominent.

JB Hamby
Chairman, Colorado River Board of California
Colorado River Commissioner, State of California

ATTACHMENT 1

CALIFORNIA SEIS MODELING FRAMEWORK ALTERNATIVE

PROPOSED LAKE POWELL & GLEN CANYON DAM OPERATIONS

1. Remove Operational Neutrality (i.e., use Powell actual water surface elevation to determine release tier).
2. EQUALIZATION TIER – Operations in this Tier conducted pursuant to the 2007 Interim Shortage Guidelines (ISG) Record of Decision (ROD).
3. UPPER ELEVATION BALANCING TIER – Below Equalization Tier to 3,575'. Balancing releases range between 9.0-7.0 MAF. Potential for recovery of prior Drought Operations Agreement (DROA) releases and the WY-2022 reduced Lake Powell release volume of 480 KAF.
4. MIDDLE ELEVATION RELEASE TIER – Spans Lake Powell elevations 3,575' to 3,550'. Annual releases from Glen Canyon Dam range between 8.23-7.48 MAF. Implement up to 100 KAFY of Upper Basin Demand Management activities to create additional protection volume for Lake Powell.
5. LOWER ELEVATION BALANCING TIER – Spans Lake Powell elevations 3,550' to 3,500'. Lake Powell annual release ranges between 7.48 - 7.0 MAF, unless lower releases are necessary to keep Lake Powell above elevation 3,500'. Implement up to 500 KAF DROA releases and up to 500 KAF of Upper Basin Demand Management activities to create additional protection volume for Lake Powell to absolutely protect elevation 3,500'.
6. $\leq 3,500'$ – Lake Powell releases restricted to maintain absolute Lake Powell protection of elevation 3,500'.

PROPOSED LAKE MEAD & HOOVER DAM OPERATIONS

1. Remove Operational Neutrality (i.e., use Mead actual water surface elevation to determine operating condition). This will increase the frequency and volume of shortage and Lower Basin Drought Contingency Plan (DCP) contributions without the need to modify agreements.
2. At all elevations below 1,145', provide 1.0 MAFY of additional interim period protection volumes. These volumes could be achieved through voluntary or mandatory means. California has proposed to conserve 400 KAFY of this volume through voluntary actions and its water districts are developing programs to initiate this plan in 2023. Proposed allocation of the remaining volume is based

on previous negotiations among the states: 560 KAFY to Arizona and 40 KAFY to Nevada.

3. Implement reductions described in the ISG, DCP, and Minute No. 323 using the existing schedules and volumes specified in those agreements, except that stored ICS may be delivered below 1,025' to meet human health and safety requirements .
4. If Lake Mead elevations decline further, Reclamation should reduce releases from Lake Mead in addition to the above volumes as follows:
 - a. $\leq 1,025'$: 150 KAFY
 - b. $\leq 1,020'$: 300 KAFY
 - c. $\leq 1,015'$: 500 KAFY
 - d. $\leq 1,010'$: 750 KAFY
 - e. $\leq 1,005'$: 950 KAFY

These reductions should be applied using existing authorities or implemented through additional voluntary compensated conservation agreements.

5. If these actions are insufficient, Lake Mead releases should be further restricted in order to preserve elevation 1,000'. Utilize the existing framework of the "Law of the Colorado River" and Priority System to deliver available supply to Present Perfected Rights, Federal Reserved Rights, and other senior water rights until available annual supply exhausted. If additional water is required to meet human health and safety requirements, stored ICS water may be released below 1,000'. Facilitate development of intrastate partnerships and/or temporary transfers to meet outstanding HHS needs if contractor's alternative water supplies are insufficient.
6. If necessary to keep Lake Mead above elevation 1,000', consider utilization of a periodic release (e.g., 250-500 KAF) from Lake Mohave to assist in meeting the annual U.S./Mexico Water Treaty delivery obligation.

Table 1: Proposed Lower Basin Reductions

Lake Mead Elevation	Baseline Reductions (ISG, DCP, Minute 323) (KAF)	Additional 1.0 MAF below 1,145' (KAF)	Additional Protection Volumes (KAF)	Cumulative Protection Volumes (KAF)
1,145	-	1,000	-	1,000
1,090	241	1,000	-	1,241
1,075	613	1,000	-	1,613
1,050	721	1,000	-	1,721
1,045	1,013	1,000	-	2,013
1,040	1,071	1,000	-	2,071
1,035	1,129	1,000	-	2,129
1,030	1,188	1,000	-	2,188
1,025	1,375	1,000	150	2,525
1,020	1,375	1,000	300	2,675
1,015	1,375	1,000	500	2,875
1,010	1,375	1,000	750	3,125
1,005	1,375	1,000	950	3,325
1,000*	1,375	1,000	950	3,325

*Additional reductions would be implemented to prevent Lake Mead from declining below elevation 1,000'.