Colorado River Drought Contingency Planning and Demand Management

CWCB January Board Meeting January 29, 2019

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Overview

- Ongoing outreach efforts
- DCP status
- Intrastate Demand Management Feasibility Investigations

DCP and Demand Management Outreach Since November Board meeting

- Northwest CO Council of Governments QQ Committee Frisco
- Montrose County Western Slope Water Summit Montrose
- Joint Tribal Meeting Ignacio
- Animas-La Plata Association Durango
- Southwest Basin Roundtable and DCP Subcommittee Durango
- White River Water Expo and Annual Meeting Meeker
- Water Bank Work Group Denver
- Denver Water Denver

DCP Status

- Upper Colorado River Commission (UCRC) unanimously approved the DCP documents in December and voted to support enabling Federal legislation.
- Lower Basin States in a variety of stages for plan approval:
 - NV Similar to UCRC
 - CA entities support the DCP documents as drafted and agree to pursue federal legislation. IID has required additional sign off pending outcome of AZ process and a few internal considerations.
 - AZ needed additional time to work out how the DCP could be implemented within its state. The legislature must approve AZ participation in DCP.
- <u>Bureau of Reclamation Commissioner</u> issued a January 31st deadline for states to be ready to move forward with DCP finalization in Upper and Lower Basins.

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."

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

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, Verification, and Accounting
 - Water Rights Administration
 - Environmental Considerations
 - Economic Considerations
 - Funding
 - Education and Outreach
 - Other?

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 approval contemplated at March board meeting.
- Check in with UCRC and Upper Basin states on parallel interstate investigation processes.
- DCP signing and federal legislation...
- Not anticipating completion of feasibility investigations by end of 2019. Simply starting the process.

The Elephant in the Room

What if...

Scope of Work to be finalized by Board in March.

• Investigation and learning about demand management feasibility does not require us to act.

• Better situates Colorado moving forward to understand issues, concerns, and options moving forward, for potential Federal action or 2026 renegotiation.

Board Direction and Comment

Staff proposes to present a formal 2019 Work Plan for approval at the March Board Meeting. This will allow for Board input as well as modifications to the Work Plan as necessary, due to DCP progress and to align with parallel UCRC investigation.