



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Brent Newman, Interstate, Federal, & Water Information Section
Karen Kwon, Colorado Office of the Attorney General

DATE: May 15, 2019

AGENDA ITEM: 12. Colorado River Drought Contingency Planning and Demand Management Feasibility

This is an informational item, with no formal Board action requested.

Background

Since January 2018, CWCB staff and members of the Attorney General's Office have been conducting a series of outreach presentations across Colorado regarding drought contingency planning efforts underway in the Colorado River Basin. Consistent with direction from the Board, these efforts have served dual purposes: to educate and inform interested water rights holders and other stakeholders about the status of ongoing efforts to develop drought contingency plans in the Upper and Lower Colorado River Basins, and to solicit feedback from Colorado water users regarding the concept of demand management as a potential tool for avoiding compact administration in the event of continued drought or worsening hydrology.

At the September 2018 Board meeting, staff provided an update on ongoing outreach efforts, the relationship between ongoing interstate efforts to implement DCPs in the Upper and Lower Basin, and the evaluation of demand management as a tool within Colorado. The Board heard comment from a variety of water managers, stakeholders, and members of the public regarding opinions, challenges and opportunities presented by potential implementation of demand management.

At the October 4, 2018 Special Meeting, the Board directed staff to continue this outreach, including providing information about the recently released Drought Contingency Plan (DCP) documents. The Board also directed staff to prepare a "draft policy statement" for Board review at the November meeting, to guide the assessment, feasibility analysis, and potential implementation of a demand management program within Colorado.

At the November 15, 2018 Board meeting, the Board unanimously approved "Support and Policy Statements Regarding Colorado River Drought Contingency Plans, Demand Management, and Compact Administration," which set out the Board's policy to:



“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.”

This policy statement also laid out a strategy for formulating the state’s demand management position, identifying several elements for investigation and vetting through a thorough public review process. The statement also provides initial sideboards for such an investigation, informed by Board discussion and water user input to that point.

At the March 2019 Board meeting, the Board approved a scope of work for the “2019 Work Plan for Intrastate Demand Management Feasibility Investigations.” One element of the Work Plan is the formation of workgroups to evaluate issues related to the feasibility of a potential demand management program within Colorado. Since the March meeting, staff has provided notice on the CWCB website of a two-week window in which parties could indicate their interest in serving on one of these workgroups. Interest in participation has been high, and the Project Management team has worked to designate workgroup members to an effective and efficient number based on their subject matter expertise on particular elements of the demand management investigation and a demonstrated commitment to explore issues and potential workable solutions to the benefit of the state.

Moving forward, staff will be planning dates for an initial “orientation” meeting with all workgroup members to discuss the purpose of the workgroups and the process and structure of workgroup meetings. Regular updates on the progress of the workgroups will be provided at Board meetings moving forward.

This work will focus on demand management considerations within Colorado in addition to outreach and workshops activities in which the CWCB staff can inform and receive feedback on demand management considerations from interested water users and stakeholders throughout the state. It will continue on a parallel track with interstate efforts led by the Upper Colorado River Commission. CWCB and Attorney General’s Office staff will also participate in those efforts, in close coordination with Colorado’s Commissioner and staff from neighboring Upper Basin states.

Staff recommendation

This is an informational item, with no formal Board action required. Staff will provide an update of outreach efforts since the March meeting, and discuss progress on elements of the 2019 Work Plan.

