System Conservation Pilot Program

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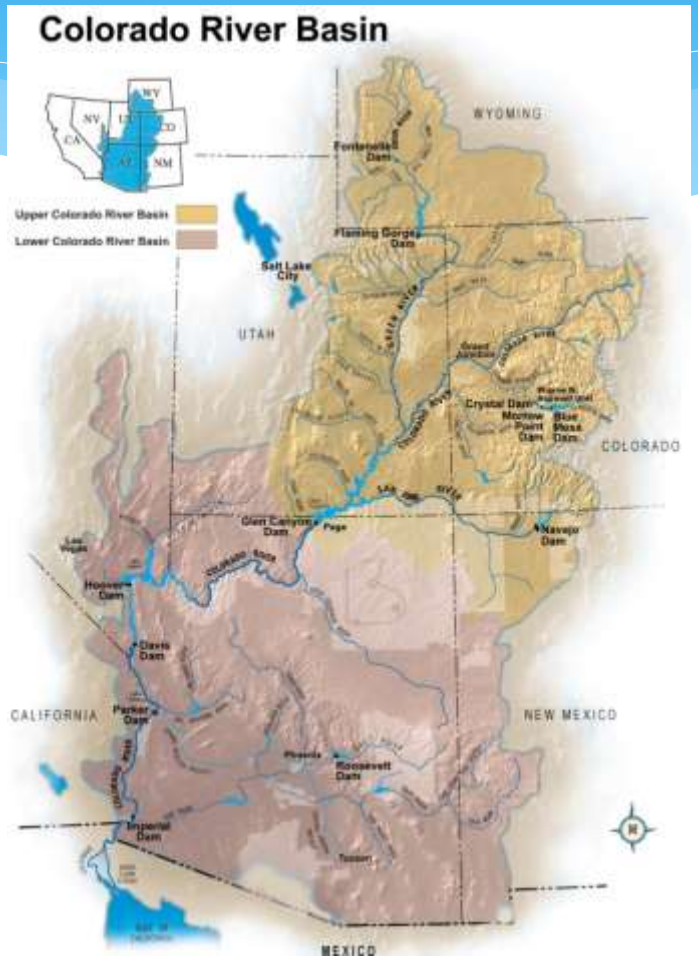
The views expressed in this presentation are solely those of the author, not the official position of the Colorado Department of Law or the State of Colorado.

Colorado River Basin

- The Colorado River Basin includes 7 States and the Republic of Mexico
- The Colorado River Compact divided the basin into the Upper Basin and Lower Basin



Obstacles to Cooperation

* History of conflict in the Basin.
* Colorado River is a limited resource.
* Since 2007, the Basin States have developed new collaborative approaches to solving basinwide problems.

Increase in Basin States Collaboration

* Cooperative efforts among the Basin States and the Bureau of Reclamation have increased, in particular, since the successful agreement among the States and U.S. Dept of Interior that led to the 2007 Interim Shortage Guidelines
* The 2007 Interim Guidelines provide for coordinated operations of Lake Powell and Lake Mead.

Basinwide cooperation

* The System Conservation Pilot Program (SCPP) represents ongoing cooperative efforts among all 7 basin states; and
* An effort to develop "Drought Contingency Planning" in both the Upper and Lower Basins to respond to drought and declining reservoir elevations

Drought Contingency Management

* The Colorado River Basin has been experiencing an unprecedented drought for the past 16 years. The drought has resulted in a substantial decreases in Lake Powell and Lake Mead storage.
* The period 2000-2016 is the lowest 17-year period for inflow into Lake Powell since the closure of Glen Canyon Dam in 1963, with
* An average unregulated inflow of 8.57 maf, or 79 percent of the 30-year average (1981-2010).

Drought Contingency Planning

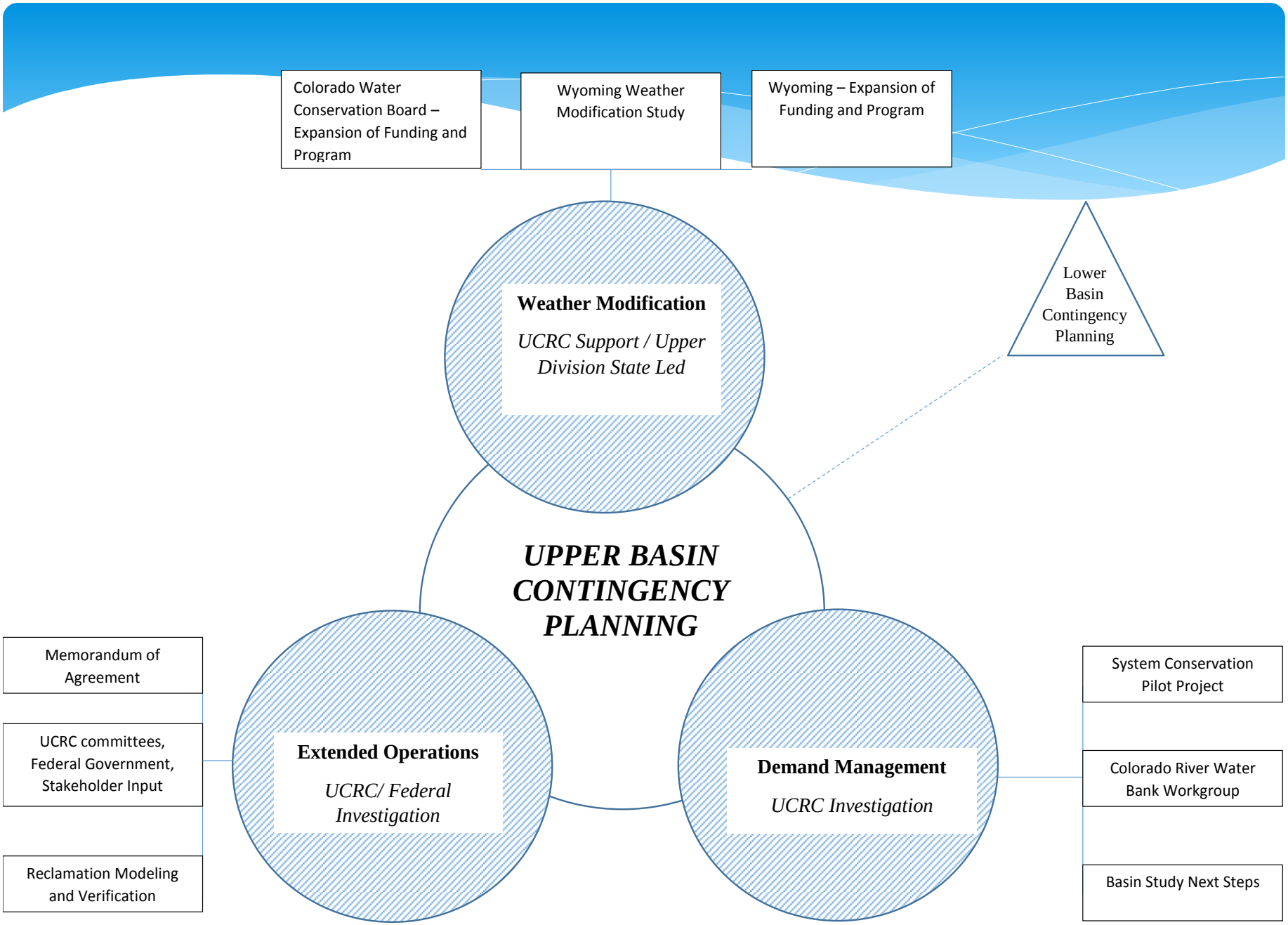
* A Basinwide effort to address the possibility of potentially critically low reservoir elevations at Lake Mead and Lake Powell;
* In the Lower Basin, Drought Contingency Planning is focused on reducing shortage declarations and keeping Lake Mead at or above 1025' – the intake point for SNWA;
* In the Upper Basin, Drought Contingency Planning is aimed at keeping Lake Powell elevation above 3490' – minimum power pool elevation.

Current Lake Powell Conditions

* Lake Powell is currently at elevation 3617’
* Reservoir storage 13,448,000 million acre feet
* 55% of reservoir capacity

UB Drought Contingency Planning

* Extended reservoir operations
* Weather modification (i.e., cloud seeing), and
* Demand Management: voluntary, temporary, compensated reduction in consumptive use


Colorado Water Conservation Board – Expansion of Funding and Program
Wyoming Weather Modification Study
Wyoming – Expansion of Funding and Program
Lower Basin Contingency Planning
Weather Modification
UCRC Support / Upper Division State Led
UPPER BASIN CONTINGENCY PLANNING
Memorandum of Agreement
UCRC committees, Federal Government, Stakeholder Input
Reclamation Modeling and Verification
Extended Operations
UCRC/ Federal Investigation
Demand Management
UCRC Investigation
System Conservation Pilot Project
Colorado River Water Bank Workgroup
Basin Study Next Steps

System Conservation Pilot Program

A basinwide demand management pilot program that is testing the feasibility of using

* Voluntary,
* Compensated, and
* Temporary

Water savings actions to reduce consumptive use.

What SCPP Does NOT Do:

* Shepherd conserved water to Lake Powell;
* Target any specific type of water use for conservation;
* Benefit any single water user or state – the benefits are intended for the entire system.

System Conservation by Basin

* The System Conservation Pilot Program is administered separately by the Upper and Lower Basins;
* The Bureau of Reclamation is the Program administrator in the Lower Basin; and
* The Upper Colorado River Commission is the Program administrator in the Upper Basin.

Differences Between Lower and Upper Basins

Number of users of Colorado River water:

* Lower Basin: a few dozen
* Upper Basin: thousands

Differences, cont'd

How users take water

* Lower Basin: by contract with Bureau of Reclamation
* Upper Basin: pursuant to state law where the water user is located.

Upper Colorado River Commission

Includes one Commissioner who represents the United States, and from each of the four Upper Division States:

* Colorado,
* Wyoming,
* New Mexico, and
* Utah

Agreement to Facilitate SCPP in the Upper Basin

* UCRC Commissioners signed the Agreement to Facilitate the System Conservation Pilot Program in the Upper Basin on May 13, 2015
* The current agreement was scheduled to terminate in 2016, but the parties are working to extend the agreement through 2017 to allow another round of projects.

Types of Pilots in the Upper Basin

Pilot projects in the first two years of the Program have included

* Growing crops that use less water,
* Temporary fallowing of agricultural crops,
* Upgrading to more efficient irrigation practices,
* Reducing municipal outdoor irrigation, and
* Reducing releases from storage.

Program Funding

* $11 million of funding was proposed for the initial phase of the SCPP.
* Up to $2.75 million of which would be available for the Upper Basin.
* An additional $1.8 million has been committed towards one-year projects in the Upper Basin to be approved for 2017.

Upper Basin Projects in 2016

* 32 RFPs were submitted for consideration in the 2016 round of the Upper Basin Program
* 23 Projects have been approved
* In 2016, there is at least one pilot in each of the four Upper Division States: Colorado, Wyoming, Utah and New Mexico

2017 RFP

* Although the Program's term was originally set to expire in 2016, the Funding Partners recently agreed to extend it through 2017.
* In order to maximize our learning opportunities, the UCRC is seeking new pilots and new participants.
* Proposals due by November 30, 2016.

Pilots for 2017

The Funding Partners and UCRC are particularly interested in selecting projects in 2017 that:

* Generate significant (measurable) consumptive water savings,
* Involve multiple participants,
* Involve a ditch company, irrigation district, conservancy district or other entities to coordinate participation and measure and account for consumptive water savings,
* Involve industrial/municipal water uses,
* Provide opportunities for federal project or tribal involvement,

Pilots for 2017, Cont'd

* Demonstrate consumptive use savings through methods not previously employed in the applicable state or region during earlier rounds of the Program,
* Partner with State instream flow programs or downstream water users to move saved water downstream,
* Involve storage water,
* Involve innovative temporary fallowing methods.

Pilot Selection Criteria

Pilot Program participants will be selected based on selection criteria including:

* Ability to demonstrate the efficacy of a new conservation method,
* Schedule for implementing the conservation project,
* Complexity or level of administration involved in project implementation,

Pilot Selection Criteria, Cont'd

* Cost per acre-foot of conserved water,
* Identified environmental benefits,
* Demonstrated commitment to project success,
* Diversity in geographic locations,
* Diversity in the types of water conservation methods,
* Demonstrable water savings,
* Potential for any conserved water to benefit storage in the Colorado River system.

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