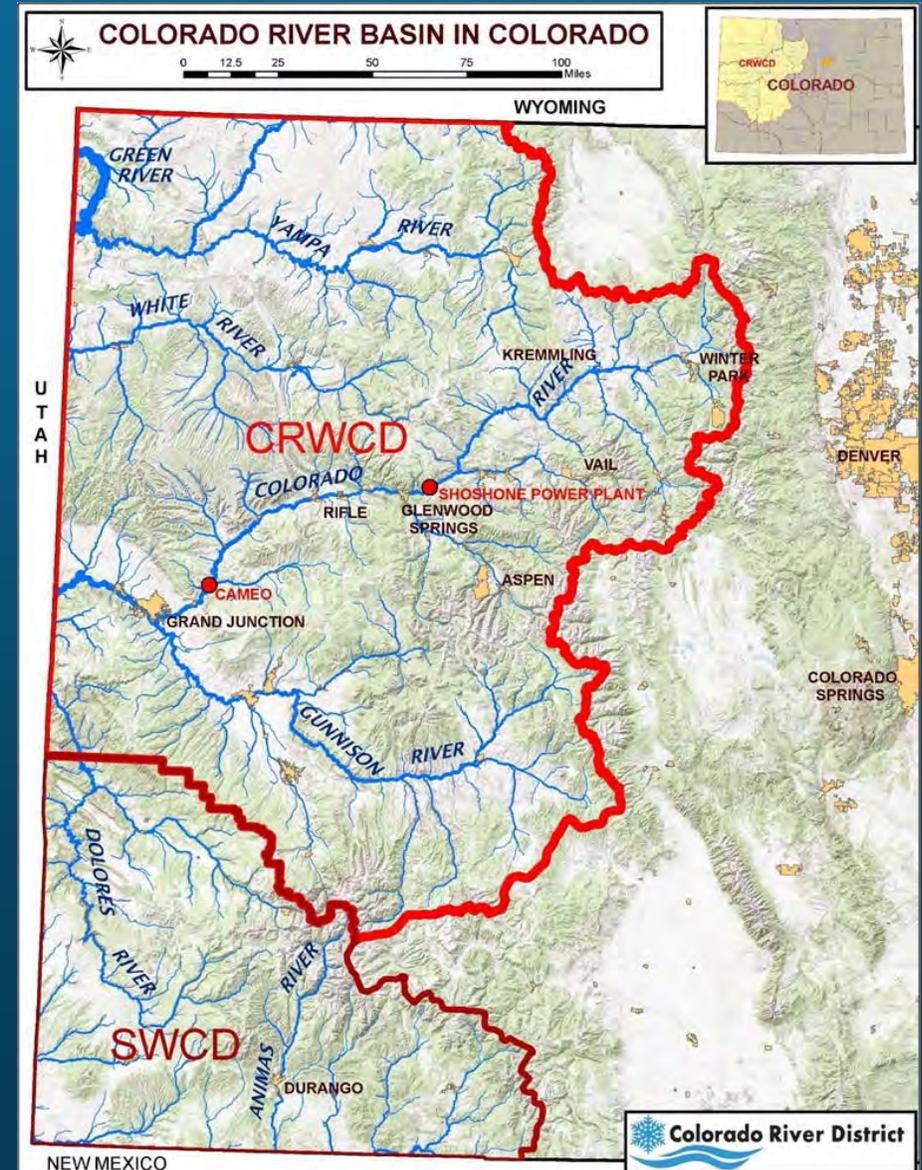
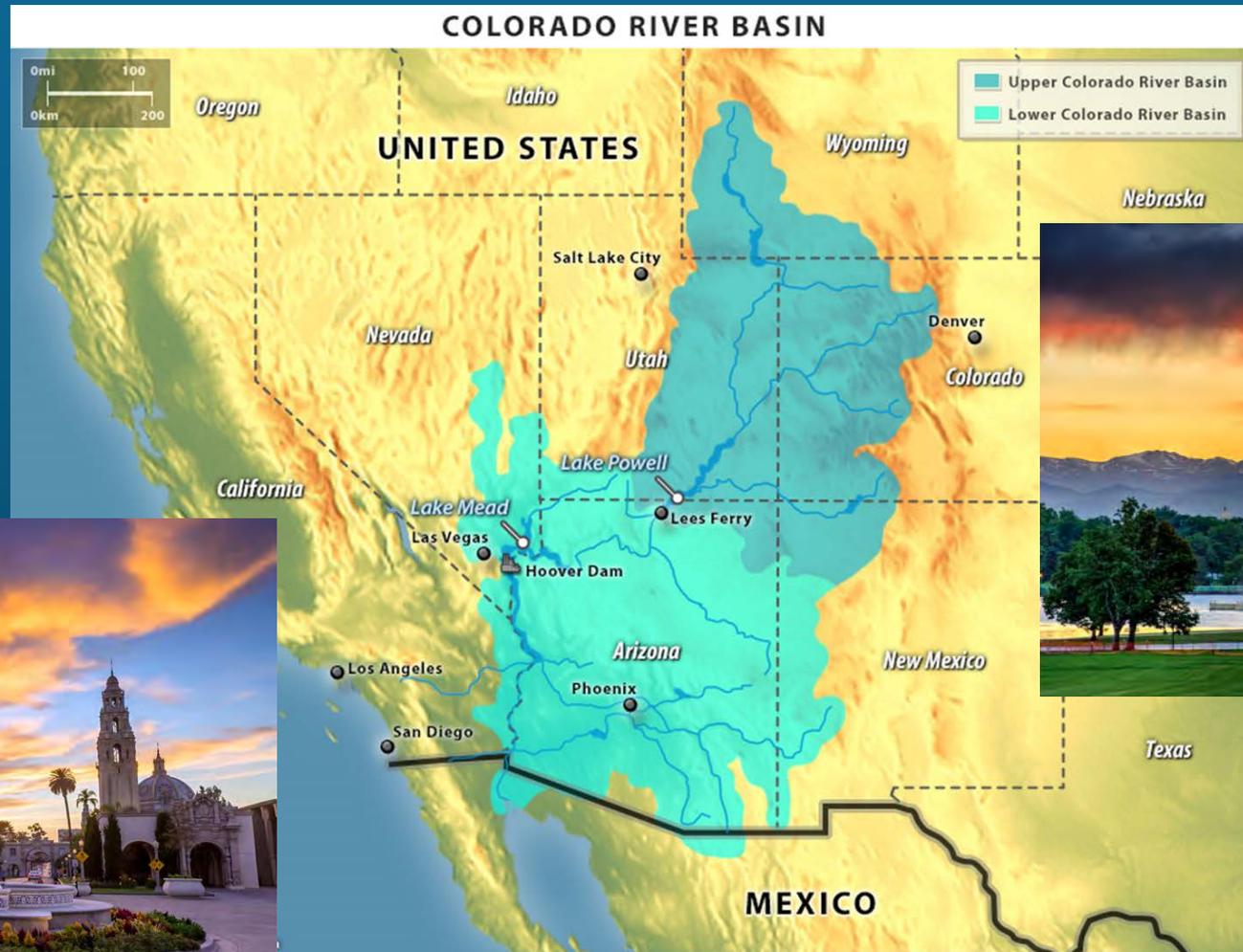


Minding the Source for More Than 80 Years

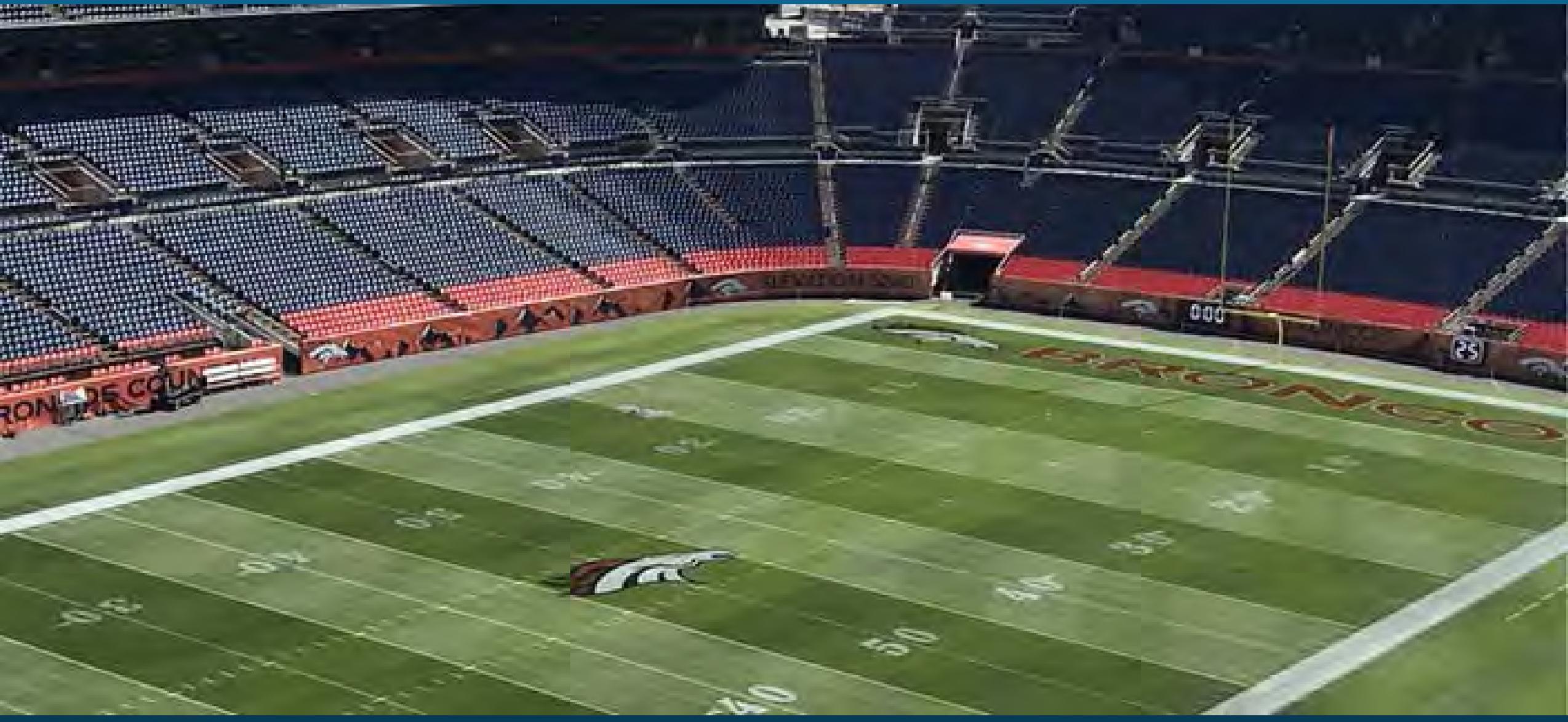
- Created by the General Assembly in 1937
- Represent water interests of 15 western Colorado counties
- Area encompassing 28% of Colorado
- 80% of the water but only 20% of the population
- Board representation from each county
- Funded exclusively through mill levy & water activity enterprise



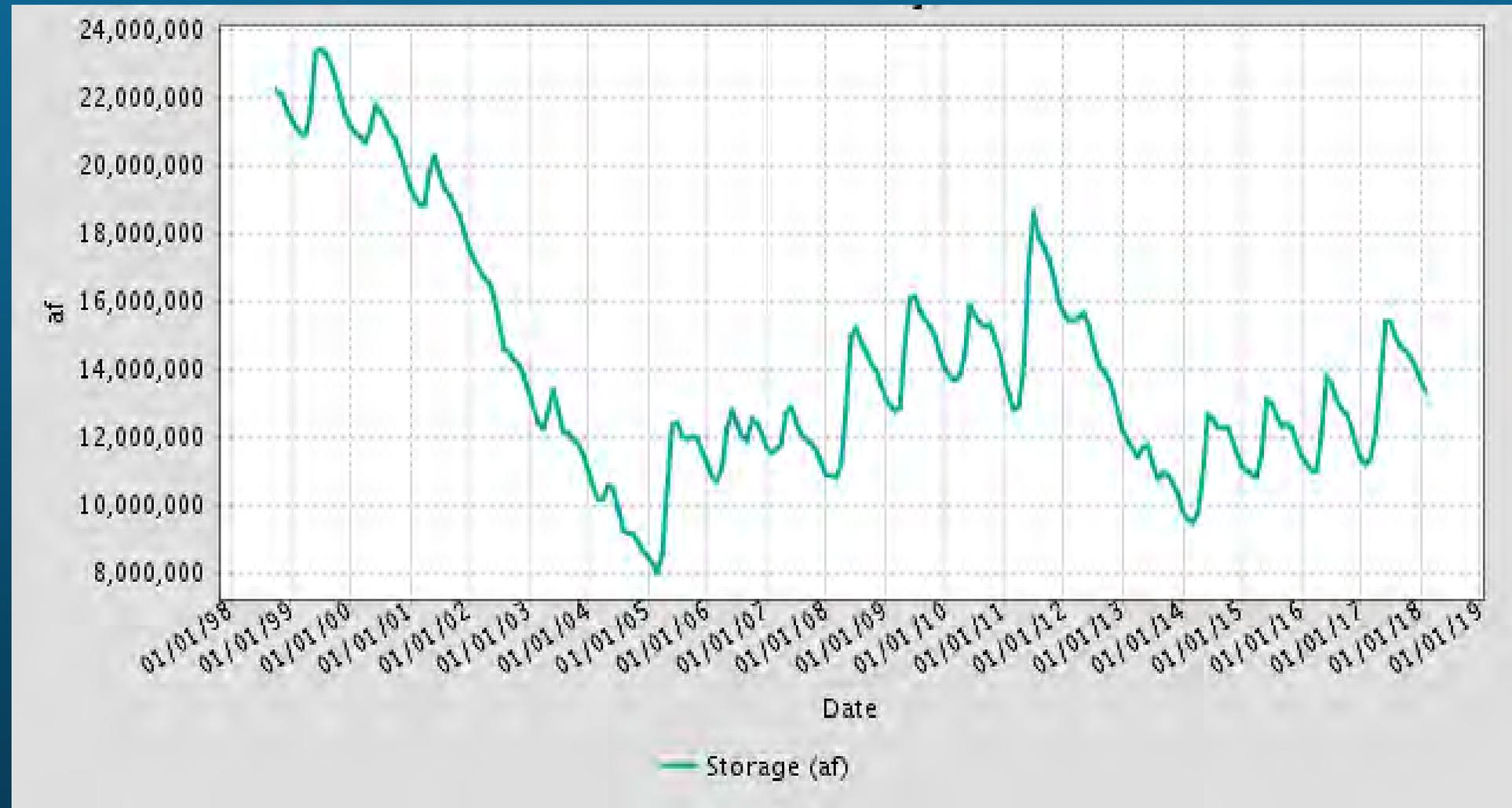
Challenges from the East and the West



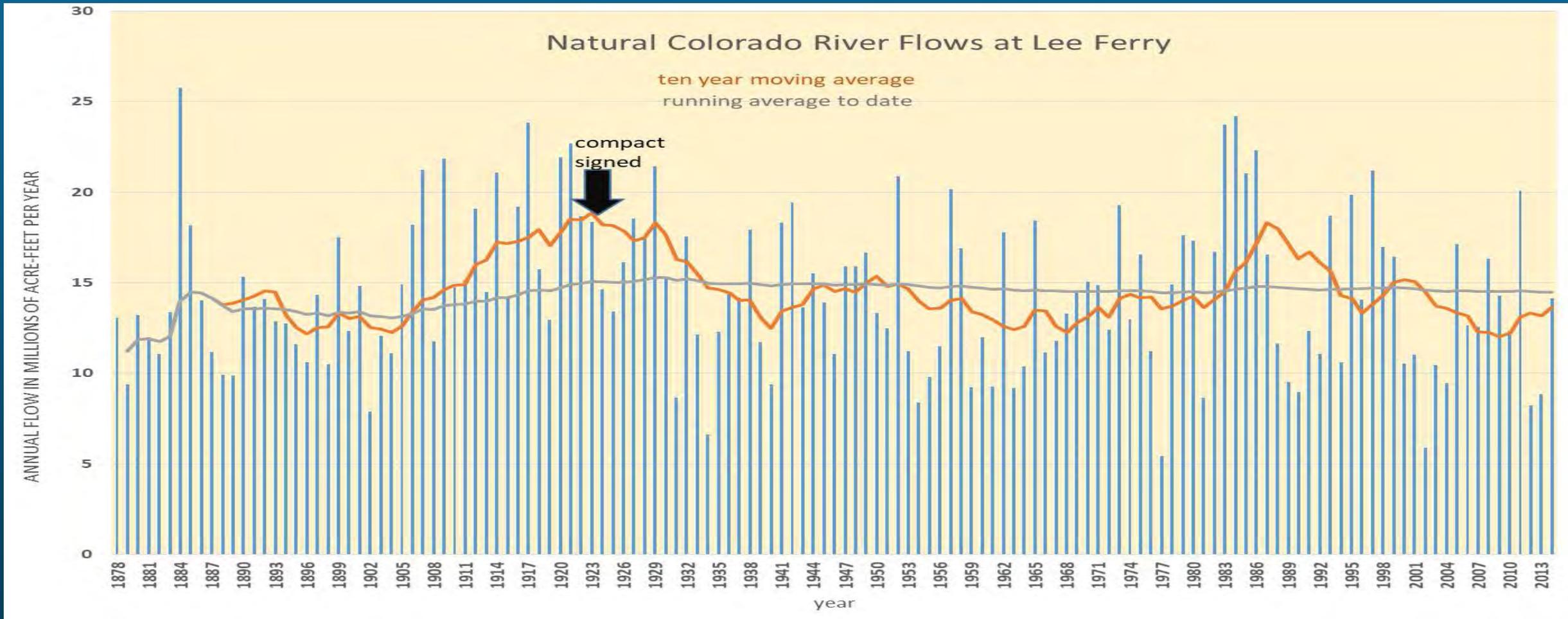
The Playing Field



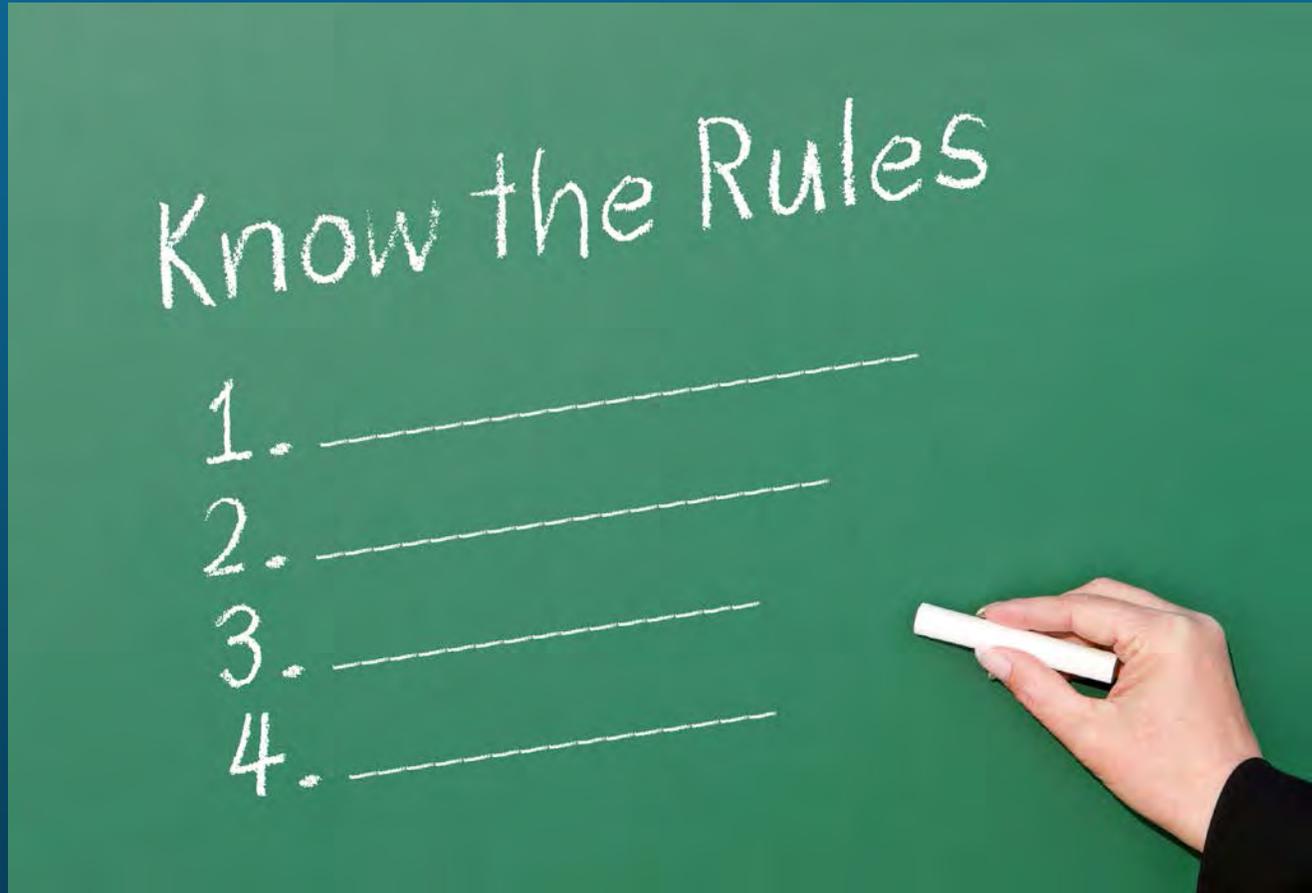
Lake Powell: We Have a Long-term Problem



Allocation of the River: Timing is Everything



The Rules



The Colorado River Compact: A Quick Refresher



- Compact divides the Colorado River, including all tributaries, into an Upper Basin and a Lower Basin.
- Boundary between the two basins is Lee Ferry, Arizona
- III (a). “There is hereby apportioned
- . . . in perpetuity to the Upper Basin and to the Lower Basin . . . the exclusive beneficial consumptive use of 7,500,000 acre feet per annum
- III (d). The states of the Upper Division will not cause the flow . . . at Lee Ferry to be depleted below an aggregate of 75,000,000 for any ten consecutive years . . . ”



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Risk Study: What We've Learned

- **Demand management will be needed under multiple scenarios.**
- **Risk of Powell dropping below critical levels is real (10-20%).**
- **A 10% ↑ in Upper Basin depletions doubles the frequency that demand management is needed.**
- **During extended dry periods, CRSP reservoir re-ops will be insufficient to maintain Powell above 3,525'.**
- **As much as 1 to 2 MAF of additional water could be required.**
- **Demand management will have to be designed as a protected water bank or reserve account.**

COLORADO RIVER LOWER BASIN STRUCTURAL DEFICIT

DIVERSIONS ARE:

CA - 4.4 MAF
NY - 0.3 MAF
AZ - 2.8 MAF
MEXICO - 1.5 MAF

LAKE MEAD

DROPS 13 FEET PER YEAR EVEN IN NORMAL FELLOWS
BECAUSE CURRENT USE EXCEEDS AVAILABLE SUPPLY.



THE RESULTING DEFICIT **MUST BE ADDRESSED** TO
PROTECT THE RELIABILITY OF THE COLORADO RIVER SYSTEM

Credit: CAP

Note:
This Does not
Account for
Reservoir
Evaporation!
Add Another
1.3 MAF



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Upper Basin Drought Contingency Planning

Upper Basin DCP

CRSP Reservoir Reoperations

Continue Cloud Seeding Efforts to Augment Snowfall

Demand Management

Key Observations & Needs:

1. **We can't afford to wait for a crisis**
2. **Lower basin states must address and reduce their historic overuse (structural deficit)**
3. **Demand management will require careful study & negotiation**
 - **MUST BE VOLUNTARY, TEMPORARY & COMPENSATED**
 - **WEST SLOPE AGRICULTURE CANNOT BE THE SACRIFICE ZONE**
 - **CONSERVED WATER MUST REMAIN IN UPPER BASIN CONTROL**



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The Future will Not Look like the Past



Demand Management Sideboards: VOLUNTARY, TEMPORARY & COMPENSATED . . . But WHY?



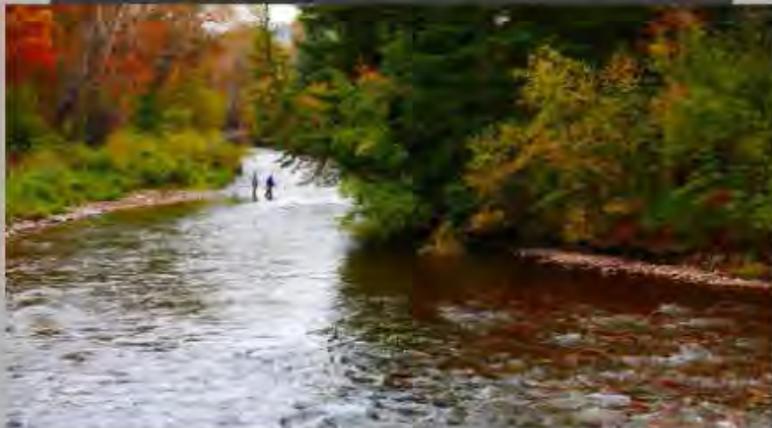
Mandatory Curtailment Brings Disproportionate Risk for the West Slope:

Junior Rights Curtailed First

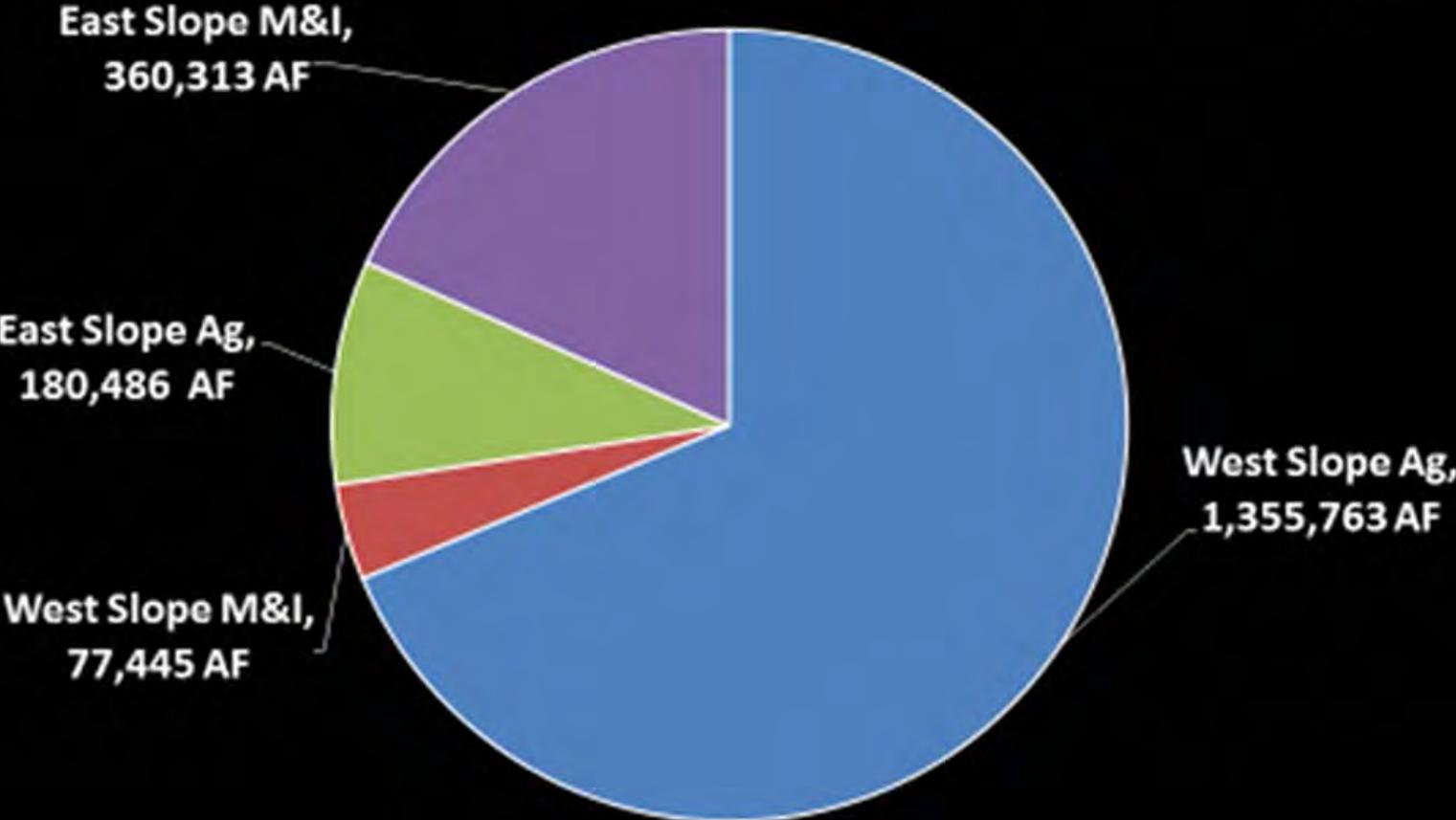
- Critical Storage for Grand Valley, Uncompahgre Valley and others on the West Slope are all post compact

More Buy & Dry of Ag Lands

- Front Range Augmentation
- Significant reduction in late-season return flows



Depletions from the Colorado River Basin



What is Compact Curtailment and How Would it Impact Western Colorado Communities ?



Consider the Alternatives



CWCB: DEMAND MANAGEMENT POLICY STATEMENT

In consideration of the past, present and potential future hydrologic conditions confronting the Colorado River Basin, and in light of the above considerations, it will be the Colorado Water Conservation Board's policy to:

- (1) 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. Furthermore, in formulating the state's demand management position, it will be the Board's strategy to:
- (2) Convene a process to identify and evaluate the issues the state must address as part of any potential demand management program to be considered in Colorado and the Upper Basin.
- (3) Operate within, and subject to, the terms and conditions of the interstate Upper Basin Demand Management Storage Agreement (Agreement Regarding Storage at Colorado River Storage Project Act Reservoirs Under an Upper Basin Demand Management Program), including, but not limited to, the express understandings that:

a. Any water conserved under an Upper Basin Demand Management Program will be stored at the Initial Units without charge;

b. Any water conserved and stored under an Upper Basin Demand Management Program will be solely for the purpose of helping assure compliance with the Colorado River Compact;

CWCB: DEMAND MANAGEMENT POLICY STATEMENT (continued)

c. Any water conserved and stored under an Upper Basin Demand Management Program shall not be released from Lake Powell except at the request of the Upper Colorado River Commission for the exclusive purpose of helping assure compact compliance; and

d. Any water conserved and stored under an Upper Basin Demand Management Program will be subject to evaporation assessments and volumetric limitations.

(4) Engage in activities that further the goals expressed in Colorado's Water Plan, with specific consideration given to the principles and collaborative efforts set forth in Chapter 9.1 and Principle 4 of the Conceptual Framework in Chapter 8.

(5) Investigate voluntary, temporary, and compensated reductions in consumptive use of waters that otherwise would deplete the flow of the Upper Colorado River System for the specific purpose of helping assure compact compliance. Consistent with the Upper Basin Demand Management Storage agreement, the Board may also join the UCRC and other Upper Basin States in any evaluation of importing of waters from outside the natural Colorado River watershed to augment the Upper Colorado River System for compact compliance purposes.

WCB: DEMAND MANAGEMENT POLICY STATEMENT (continued)

(6) Prioritize avoidance of disproportionate, negative economic or environmental impacts to any single sub-basin or region within Colorado while protecting the legal rights of water rights holders. The Board will work with water rights holders and stakeholders to assess the feasibility of and promote mechanisms for obtaining roughly proportionate contributions of water consumptively used from the Colorado River System to a Demand Management program over a given timeframe from participants on each side of the Continental Divide.

(7) Comply with applicable state law, including, but not limited to, the requirement that no action related to demand management cause material injury to other water rights holders.

(8) Consider and be fully informed by the input and considerations of water rights holders and stakeholders potentially impacted by application of demand management strategies within Colorado, and institute a public review process for any such proposed demand management program.

(9) Work with Colorado's Commissioner to the Upper Colorado River Commission to cooperate with the other Upper Division States of Wyoming, Utah, and New Mexico, as well as the Department of the Interior, to investigate and potentially develop a regional demand management program that considers and incorporates Colorado's demand management approach, and to ensure that water conserved within Colorado under any demand management program is not diverted and consumptively used by any other state.

Pie of Pain



Demand Management



Land Use is Connected to Water Consumption

More suburban development requires more lawns & more water - broader infrastructure taking water farther from the source.



How we grow in the coming years will have tremendous impacts on water quantity & quality.