

May 28, 2020

Ms. Carly Jerla
Mr. Malcolm Wilson
7.D. Review Managers
Boulder Canyon Operations Office
United States Bureau of Reclamation
PO Box 61470
Boulder City, NV 89006

Via email: 7DReview@usbr.gov

Re: Comments on U.S. Bureau of Reclamation's "7D" Report Scope and Approach

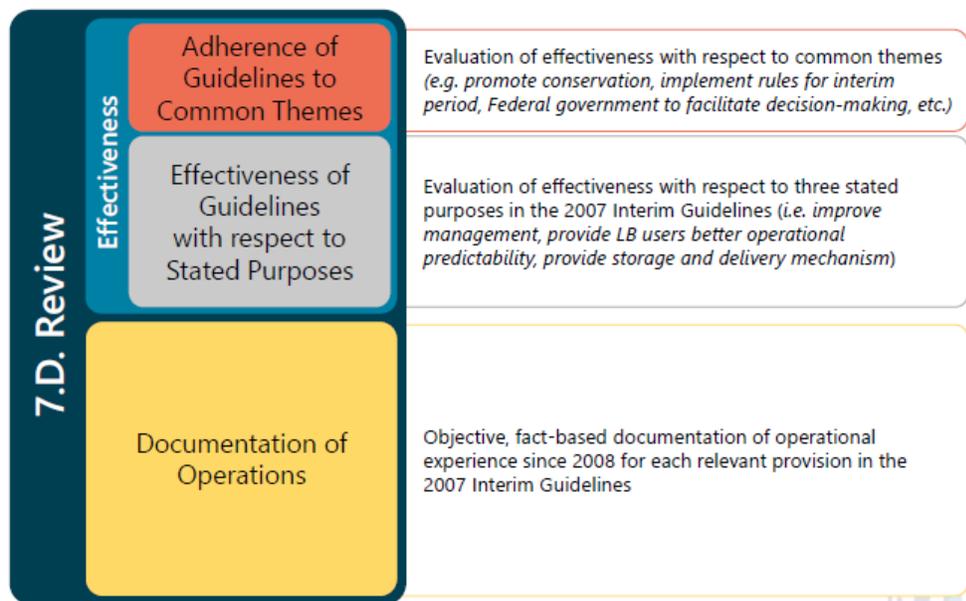
Dear Ms. Jerla and Mr. Wilson:

Pursuant to Reclamation's March 31, 2020, kickoff webinar on the "Review ["7.D. Review"] of the Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead," I write to submit comments on behalf of the Pacific Institute. The Institute participated actively in the development of the Interim Guidelines and maintains a strong and continuing interest in the effective management of the Colorado River, particularly in the face of the Lake Mead's structural deficit and diminishing basin runoff due to climate change.

We commend the Secretary of the Interior's remarks at CRWUA last year, initiating the review process prior to the December 2020 deadline and providing for an open and meaningful review of the Interim Guidelines. We also appreciate Reclamation's April 23rd email extension of the initial comment deadline and your commitment to transparency, as evidenced by the posting of comments received to date.

We support Reclamation's proposed approach as shown in slide 15 of the webinar presentation (pasted below), with respect to the evaluation of effectiveness and the documentation of operational experience. To avoid repetition of comments already received and posted online, we limit our comments to three key topics:

- Evaluation of effectiveness with respect to promoting conservation,
- Federal government to facilitate decision-making, and
- Documentation of operational experience.



Source: [March 2020 – 7.D. Review webinar presentation](#), Slide 15.

Evaluation of effectiveness with respect to promoting conservation

According to Reclamation’s recently released [2019 Water Accounting Report](#), the Lower Basin states had created and stored more than 2.3 million acre-feet (MAF) of “Intentionally-Created Surplus” (ICS) in Lake Mead by the end of last year, including a net addition of almost 0.6 MAF last year alone. This remarkable achievement, made possible by the Interim Guidelines, avoided a near-certain declaration of shortage conditions for the Lower Basin states and the economic and social hardship a shortage would have caused. Mexico’s Water Reserve in Lake Mead grew to more than 0.13 MAF by the end of 2019, an unprecedented display of binational collaboration, cooperation, and conservation benefiting both nations. The Interim Guidelines, and the subsequent treaty minutes with Mexico, clearly and effectively promoted conservation, provided a mechanism for storing conserved water, and postponed the declaration of a Lower Basin shortage.

Yet evaluating the effectiveness of the Interim Guidelines with respect to promoting conservation would also benefit from a review of additional ICS creation and storage that could have occurred absent existing ICS constraints and limitations. For example, in how many years did California approach its annual ICS storage limit? In how many years, if any, did California approach its aggregate extraordinary conservation ICS storage limit? Did Reclamation track total requests for ICS creation versus the total volume approved? Including a summary of total annual ICS requests versus total granted would provide additional information on opportunities for promoting additional conservation. How much additional conservation could have occurred had the storage limits in Sections 3.B.4. and 3.B.5. of the Guidelines been higher? Did Reclamation track inquiries or requests for ICS creation from contractors serving water agencies interested in creating and storing water conserved by methods not explicitly contemplated by Section 3.A., such as other methods of domestic conservation?

Meaningful review of the Interim Guidelines’ effectiveness requires a clear basis for evaluation. The best such metric is the performance of the guidelines relative to river operations had the Interim Guidelines not been in effect. Slide 18 of the [March 2020 – 7.D. Review webinar presentation](#) is an excellent

example of this, comparing the observed elevation of Lake Mead at the end of 2019 with the elevation that likely would have occurred without the Guidelines. We recommend that Reclamation incorporate such a comparison for each of the operational elements under review.

Federal Government to Facilitate Decision-Making

Many of the comment letters posted on the webpage note the importance of collaboration among Reclamation and the broad array of Colorado River basin stakeholders, as well as between Reclamation and IBWC, CILA, and water agencies and stakeholders in the Republic of Mexico. We agree. As part of the 7.D. review of federal facilitation, we recommend that Reclamation compare the process used to develop the Interim Guidelines with the process used to develop the Drought Contingency Plan, including the total time required to complete each process and the level of stakeholder acceptance of each document upon completion.

Documentation of Operational Experience

Reclamation's annual Water Accounting Report provides invaluable documentation of Lower Basin operational experience. We recommend summarizing and compiling the annual data into a series of tables, included as an online appendix and summarized in the 7.D. review report itself, to allow for a review of trends, such as annual system conservation volumes documented in Table 20 of the annual reports and annual ICS creation by type and by user over time.

We look forward to Reclamation applying the rigor it commits to the publication of the annual Water Accounting Report to basin accounting as a whole. There continue to be very significant gaps in our understanding of water use in the Colorado River basin, as well as total volumes exported from the basin. The most recent, finalized [Consumptive Uses & Losses report](#) for the basin is through the year 2005, more than a decade out of date. As Reclamation documents its operational experience under the Interim Guidelines, total annual water use by sector, as well as annual system losses for the basin as a whole, should be tabulated and reported in the 7.D. Review. While the Water Accounting Reports provide clear information on Lower Basin mainstream uses, non-mainstream depletions in the Lower Basin remain a mystery. In addition to including such information in the 7.D. Review, we strongly urge Reclamation to update and post on its website the Consumptive Uses & Losses reports for the Colorado River basin as a whole, at least through the year 2015.

The Water Accounting Reports indicate that the Warren H. Brock Reservoir provides the single greatest source of Section 3.A.3. ("System Efficiency") ICS. Yet our understanding of the operational effectiveness of Brock Reservoir is limited. Despite periodic requests for the Brock Reservoir Summary Report – due at the end of 2017 – our understanding is that the Summary Report still has not been completed. The Summary Report, referenced in Section 10 of the Drop 2 Funding Agreement (included below for your reference), should be finalized and posted on the 7.D. Review webpage as soon as possible. The Summary Report should be an important element of the 7.D. review, detailing operational experience on managing system improvements and the balance between increasing efficiency and meeting downstream water orders.

10. PROJECT OPERATIONS AND CONSERVATION ACCOUNTING.

Reclamation will annually determine the quantity of water conserved by the Project and include such determination in Reclamation's Decree Accounting Report. In the year 2017 after six years of anticipated operation of the Project, Reclamation shall prepare a summary report of the Project ("Summary Report").

Such Summary Report will include, but is not limited to, a summary of the Project's total capital and operation, maintenance, repair and replacement costs, projected operation, maintenance, repair and replacement costs for the remaining life of the Project, the total quantity of water conserved by the Project and the projected quantity of water that will be conserved over the remaining useful life of the Project as of the date of the Summary Report. ... [Source: Drop 2 Funding Agreement]

Thank you for the opportunity to comment on the proposed scope for the 7.D. Review. We look forward to continuing to work with Reclamation on promoting conservation and efficiency and stakeholder collaboration, and look forward to reviewing Reclamation's documentation of its operational experience under the Interim Guidelines, including the operation of Brock Reservoir.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Cohen", with a stylized flourish extending to the right.

Michael Cohen
Senior Associate
Pacific Institute