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Roy Romer
Governor
Stewart A. Sells
Chief of Staff

CWCB

APR 1 8 1991

DRAFT PROPOSAL FOR THE RESOLUTION OF SELECTED LONG-TERM
ISSUES ON THE COLORADO RIVER

STATEMENT
BY
GOVERNOR ROY ROMER
COLORADO RIVER

March 19, 1991

- I. California will agree to reduce its current use of water from the Colorado River to its basic apportionment of 4.4 maf, over a reasonable period of time.
- II. During the above period, deliveries of water will be made from the Colorado River so as to satisfy beneficial consumptive uses within California in an amount which will allow the Metropolitan Water District of Southern California to take up to 1.3 maf/yr.
- III. During the above period, beneficial consumptive uses presently existing or developed in the Upper Basin will not be curtailed.
- IV. A mechanism will be established for the other Colorado River Basin states to receive appropriate consideration in exchange for the agreement of the other States to allow the delivery of Colorado River water to California as stated in II. above.
 - A. Monetary consideration.
 - B. Non-monetary consideration.
- V. Confirmation of the entitlements of all the Colorado River Basin states pursuant to the Law of the River will be established, and the states will discuss ways to assure that each state retains the right to develop its entitlement as that state may determine.
- VI. There will be agreement among the seven Colorado River Basin states not to deal with private interests in the marketing of water interstate on the Colorado River.

Attached are copies of letters to me from Dennis Underwood, commissioner of the U.S. Bureau of Reclamation, and Governor Pete Wilson of California.

As noted in Commissioner Underwood's letter, the Bureau of Reclamation has resolved the Colorado River water allocation issue for 1991. The bureau has determined that water will be available for the Metropolitan Water District of Southern California to divert at its full capacity for this calendar year. However, repayment of any overuse will be required by 1994, if the lower basin states consume more than 7.5 million acre feet.

The letter from Governor Wilson confirms that California is committed to formal discussions among the Colorado River Basin states to resolve the long-term issues on the Colorado River.

To engage in fruitful discussions about these issues, I will be calling the governors of California, Nevada, Arizona, Wyoming, Utah and New Mexico and asking them to identify representatives with authority to speak on behalf of each of the governors.

I also will invite these governors to meet in mid-November to discuss the issues on the Colorado River. In the past 70 years, some of the issues on the Colorado River have resulted in decade-long litigation between states. I am hopeful that a dialogue between the governors of the several states concerning the Colorado River will allow us to resolve these issues in an equitable and expeditious manner.

I have designated Ken Salazar, who is on my cabinet and the executive director of the Colorado Department of Natural Resources, to coordinate this effort for Colorado. In addition, the State of Colorado will be represented in

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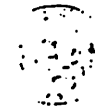
COLORADO DEPT OF NAT R TEL NO. 303-866-2115

Colorado River
March 19, 1991
Page Two

these discussions by three state officials. They are: David Walker, Director of the Water Conservation Board, Jeris Danielson, State Engineer, and Jim Lochhead, Colorado's representative on the Upper Colorado River Commission.

I also understand the importance of making sure that all those in Colorado who might be affected by these discussions have an opportunity to provide input on Colorado's position. I have asked that Colorado's team schedule meetings with interested parties from throughout the State of Colorado.

APR 12 1991 8:23 FROM GOVERNOR'S OFFICE



JOHN WILSON
SECRETARY

State of California
GOVERNOR'S OFFICE
SACRAMENTO 95834

March 11, 1991

The Honorable Roy Romer
Governor
State of Colorado
136 State Capitol
Denver, Colorado 80203-1732

Dear Governor Romer:

Thank you for your recent letter concerning your desire to cooperate with California and the other Colorado River Basin states on California's request for water from the Colorado River in 1991, as well as your desire to resolve long-term water allocation issues.

As you are aware, I have formed a Drought Action Team to deal with the extreme drought conditions in California. Special steps are being taken by the Team to mitigate the effects of the drought, local water districts are implementing stringent drought action plans, and coordinated Federal, State, and local efforts are combatting the drought impacts.

A vital element of the drought emergency action being taken by the State of California is the availability of Colorado River water. Expeditionary action by the Basin states and the Department of the Interior to assure the Metropolitan Water District of Southern California that it will receive the requested 1.3 billion acre-feet of water from the Colorado River in 1991 will greatly assist our effort, and then allow us and the designated representatives of the Basin states to focus on resolving the long-term issues in an orderly and equitable manner.

I am committed to formal discussions among the Colorado River Basin states to resolve the long-term issues on the Colorado River. The Executive Director of the Colorado River Board of California, Gerald R. Zimmerman, will continue to represent me in discussions concerning California's request for water in 1991 and in addressing the long-term issues.

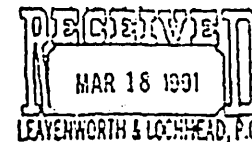
Your letter properly recognizes that this dialogue should be conducted at the State level among representatives of the seven Colorado River Basin states. California is prepared to fully discuss the issues raised in your letter, as well as any other of interest to the Basin states.



United States Department of the Interior

BUREAU OF RECLAMATION
WASHINGTON, D.C. 20240The Honorable Roy Romer
Page TwoIN REPLY
REFER TO

MAR 18 1991



I look forward to working with you and the other Basin states
on the expeditious resolution of these important issues.

Sincerely,

PETE WILSON

PW:lg

cc: Honorable Manuel Lujan
Colorado River Basin GovernorsHonorable Roy Romer
Governor of Colorado
Denver, Colorado 80203

Dear Governor Romer:

By letter dated October 23, 1990, the Secretary of the Interior sent you a copy of the "Annual Operating Plan for Colorado River Reservoirs--Water Year 1991." The letter stated that: ". . . 7,500,000 acre-feet of reasonable beneficial consumptive use by mainstream users in the Lower Division States will be satisfied during calendar year 1991." The Annual Operating Plan further notes that California will be allowed to utilize apportioned but unused water from the States of Arizona and Nevada in accordance with Article II(B)(6) of the U.S. Supreme Court decree in Arizona v. California provided that the calendar year 1991 consumptive use by mainstream Lower Division users does not exceed 7,500,000 acre-feet. Notwithstanding this fact, California has, as the Secretary's letter notes, ". . . requested up to an additional 400,000 acre-feet of Colorado River water for beneficial consumptive use in water year 1991."

As you know, the extensive and continuing drought conditions in California are severely restricting the non-Colorado River water supplies of the Metropolitan Water District of Southern California (MWD), for whose benefit the additional water was requested. Other States within the Colorado River Basin are also being adversely impacted by continued drought conditions. In light of these conditions, I am writing to inform you of the Bureau of Reclamation's plans for river operations for the remainder of the year.

As the water year has progressed, we have been reevaluating the projected consumption of Colorado River water by Arizona and Nevada users. Efforts are also being taken to obtain the assistance of Colorado River water users in California with a higher priority to river water than MWD to reduce their projected use.

The most recent data available leads us to conclude that there is a reasonable probability that Lower Division uses will be such that MWD can divert at the full capacity of its aqueduct for the entirety of calendar year 1991 without causing reasonable beneficial consumptive use by mainstream users to exceed 7,500,000 acre-feet. In light of these conditions, and in light of the extraordinarily severe drought which is being experienced

Department of Natural Resources
Colorado Water Conservation Board

Colorado River Basin
Basic Facts

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by California, we have concluded that we will permit MWD to divert at the full capacity of its aqueduct for the remainder of calendar year 1991.

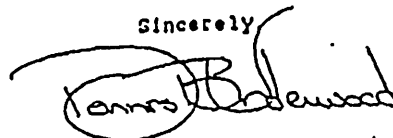
While we will satisfy MWD's needs, it is our intention to do all that we can to remain within 7,500,000 acre-feet of reasonable beneficial consumptive use by mainstream users during calendar year 1991. To this end, we will closely monitor all river water contract diversions and uses. In cases where we find that diversions are not in compliance with water entitlements or water use and conservation requirements contained in 13 CFR 417, we will take appropriate action.

If the final Supreme Court decree accounting data for calendar year 1991 indicate that more than 7,500,000 acre-feet were consumed, then we will, by virtue of the legal authorities vested in the Secretary, require MWD and any other California contractors exceeding their contractual entitlement to compensate for their overuse by the end of calendar year 1994 or by a later date if such is provided for in rules and regulations which are being developed to address such overuse. The manner in which the necessary "repayment" is accomplished will be at MWD's or a contractor's discretion so long as the overuse is fully compensated for.

In reaching this decision for the present year, we are not establishing a precedent for future river operations or for future decree accounting. This is only the second year in which Lower Division consumptive uses have been limited to 7,500,000 acre-feet. Thus, we are now in the process of developing rules and regulations to address these and other river administration matters. A draft of these will be made available for comment in the near future.

We will keep you advised of river operations as the water year progresses.

Sincerely



Dennis B. Underwood
Commissioner

cc: Mr. James Lochhead
Leavenworth and Lochhead, P.C.
P.O. Drawer 2030
Glenwood Springs, Colorado 81601

The following information reflects a very simplified presentation of Colorado River Basin data and facts and does not necessarily reflect the final position of the State of Colorado regarding these matters.

This presentation does not waive any position Colorado may take in the future concerning any aspect on the interpretation of the Law of the River.

Law of the River:

- 1922 - Colorado River Compact
- 1928 - Boulder Canyon Project Act
- 1929 - California Limitation Act
- 1931 - California Seven Party Water Agreement
- 1940 - Boulder Canyon Project Adjustment Act
- 1944 - Mexican Water Treaty
- 1948 - Upper Colorado River Basin Compact
- 1956 - Colorado River Storage Project Act
- 1964 - Arizona v California - U.S. Supreme Court
- 1968 - Colorado River Basin Project Act
- 1970 - Long-Range Operating Criteria

Compact Apportionment

Lower Colorado River Basin States: 7,500,000 af per annum
or 75,000,000 af per 10 year of consumptive use

California	4,400,000 af
Arizona	2,800,000 af
Nevada	<u>300,000 af</u>
	7,500,000 af

Upper Colorado River Basin States: 7,500,000 af* of consumptive use per annum; additionally the Upper Basin States will not deplete the flow of the Colorado River at Lee Ferry below 75 million af in any 10 year period.

Arizona		50,000 af
Colorado	51.75%	- 3,079,000 af
New Mexico	11.25%	- 669,000 af
Utah	23.00%	- 1,368,000 af
Wyoming	14.00%	- <u>833,000 af</u>
		6,000,000 af

* 1988 Bureau of Reclamation Hydrologic Determination: Physical water supply available to Upper Basin States is only 6,000,000 af and this assumes that the Upper Basin is responsible for one-half of the Mexican Treaty obligation. The Upper Basin States do not agree with this assumption

Mexican Treaty Obligation

Mexico 1,500,000 af

Historic Consumptive Uses

Lower Basin States^{1/} (1,000 a.f.)

	1987	1988	1989	1990
California	4,892	5,040	5,145	5,279
Arizona	1,755	1,923	2,230	2,316
Nevada	<u>109</u>	<u>129</u>	<u>156</u>	<u>177</u>
	6,756	7,092	7,531	7,772

Upper Basin States^{2/} (1,000 a.f.)

Arizona	42
Colorado	2,300
New Mexico	443
Utah	793
Wyoming	<u>415</u>
	3,993

California Priorities (1,000 af)

Agricultural Users (1-2-3)	3,850
Metropolitan Water District (4)	<u>550</u>
	4,400

Diversion Capacity (1,000 a.f.) Max. Aver. 1990

Metropolitan Water District	1,339	1,243	1,217
Central Arizona Project	2,171	1,500	779

1/ Most recent preliminary consumptive use values for the Colorado River Mainstem by the Bureau of Reclamation.

2/ Most recent preliminary consumptive use values by the Bureau of Reclamation for WY 1981-85. Average

EIJ/gl

