

Discussion of Colorado River Basin Supply and Demand Study with Commissioner Michael Connor and Assistant Secretary Anne Castle.

Dan DuBray: Tuesday, May 28th is a big day for the Colorado River Basin. It's the day that we actually start looking at the Colorado River Basin Supply and Demand Study. Commissioner Mike Connor, what exactly is this study and what does it mean to the Basin?

Commissioner Connor: Well the basin study is basically – we rolled it out in December of 2012 – and it's a report that lays the foundation for future actions. It identifies some major challenges that we have ahead of us and it's a call to action, basically, that we cannot continue along with the status quo. For instance, some of the things that the basin study identified is, on average, a 3-point-2 million acre-feet imbalance between supply and demand as projected out through the next 50 years. Also it identified a potential average reduction of 12-percent of our hydropower capacity generating output over that same period because of the water supply challenges and the effect on our facilities. And there's a lot of other ecological and environmental challenges that are identified so we need to take action and the basin study lays the foundation for that action.

Dan DuBray: Assistant Secretary(for Water and Science) Anne Castle is with us and...you have one document but you have myriad stakeholders and sometimes competing interests in the basin. How do you crack that egg – how do you bring that all together?

Assistant Secretary Anne Castle: Well, the beauty of the basin study has been that it's brought all sorts of different types of stakeholders together. And that's really what Reclamation's Basin Study program is designed to do. It's part of Interior's WaterSMART initiative, which is really focused on facilitating sustainable water supplies. So the format is to bring together the interested stakeholders and the Department of the Interior to try to figure out what the viable solutions are. As Mike said, this is a call to action. This can't be – given what this study reveals – it can't sit on the shelf. We now have to continue that collaboration and bring the people together to drill down on solutions. There were over 150 different options and strategies that were identified in the basin study and now is the time to take a very critical look at each of those to determine what's practical and then to develop those solutions so that we can address that significant imbalance.

Dan DuBray: We don't want to leave the impression that we have a report from December and now we're starting to do work. There's been a lot of activity impacting the Colorado River Basin, Commissioner Connor, isn't that right?

Commissioner Connor: Yes, exactly. People, I think, have, over the last 10 to 15 years, understood the challenges ahead of us and, as Anne mentioned, we've got the WaterSMART program, and for several years now we've been investing a lot of money into projects that will increase water conservation in the basin that will increase water reuse activity within the basin. So, we've got a lot of on the ground activity going on and also we've done a lot over the last 10 to 15 years to ensure that people are using water within their legal entitlements, the quantification settlement agreement back in 2003. In 2007 we did a Record of Decision through Reclamation and allocated potential shortages through the coordinated operations and shortage sharing Record of Decision that was a huge accomplishment for

the basin states at that point in time. It incentivized a lot of conservation in the basin. And this last year, in 2012, we had an historic agreement with Mexico known as Minute 319, which will hopefully conserve storage in Lake Mead and incentivize more conservation and partnership with Mexico and address environmental needs in the Colorado River basin. So, we've taken action, but as Anne points out we've got a lot of work to do. The challenge is so great that those actions we've already taken won't sustain us, we need additional activity.

Dan DuBray: So, you're getting together today, in San Diego with all of these myriad stakeholders and their representatives as a way to move this forward. What kind of next steps do you think you will be identifying?

Assistant Secretary Anne Castle: Well, there were common elements to a lot of the different options that were identified in the basin study. And some of those common elements were more municipal conservation, more agricultural conservation. So we're going to take a closer look at both of those issues in concert with the seven Colorado River basin states who have been our partners from the beginning of this basin study in 2010, up until now and into the future. So we're forming groups with expertise around municipal supply and conservation, a separate group around agricultural supply and conservation, yet another group that's going to take a hard look at the need for water for ecosystem function – the ecological flow component of the demand for river water. And then there will be a fourth effort going on between the Department of the Interior and the Ten Tribes Partnership to look specifically at the role that Indian Reserved Water Rights will play in the Colorado Rivers' future.

Dan DuBray: Collaboration is all about the future of the basin. Thanks very much for joining us today.

Guests: Thank you.