



United States Department of the Interior



BUREAU OF RECLAMATION
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Boulder City, NV 89006-1470

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VIA ELECTRONIC MAIL ONLY

Robert Dunn
Manager
Gila Monster Farms, Inc.
3720 South Avenue 17E
Yuma, AZ 85365

Subject: Approval of Calendar Year (CY) 2024 Colorado River Water Diversion – Gila Monster Farms (GMF)

Dear Mr. Dunn:

The Bureau of Reclamation received GMF's CY 2024 Colorado River water diversion estimate in which GMF requests approval to divert up to 8,500 acre-feet (AF) in CY 2024. In accordance with Title 43, Code of Federal Regulations Part 417 (Part 417), this letter provides GMF with notice of my determination regarding GMF's proposed diversion and beneficial use of Colorado River water for CY 2024.

Pursuant to Contract No. 6-07-30-W0337, GMF is entitled to divert up to 9,156 AF per year of Colorado River water for use on GMF's deeded land. Specifically, GMF is entitled to divert:

1. 780 AF of Arizona first priority Colorado River water (Present Perfected Right No. 16).
2. 6,285 AF of Arizona third priority Colorado River water.
3. 1,435 AF of Arizona fourth priority Colorado River water.
4. 656 AF of Arizona fifth priority Colorado River water.

On August 15, 2023, Reclamation released its Colorado River Basin August 2023 24-Month Study,¹ which projects Lake Mead's most probable elevation on January 1, 2024 to be 1,065.27 feet. In its letter dated August 24, 2023, Reclamation announced that, in accordance with the 2007 Interim Guidelines,² Lake Mead and the lower Colorado River will operate in a Tier 1 Shortage Condition in CY 2024. In addition, the 2019 *Lower Basin Drought Contingency Plan Agreement* (LB DCP Agreement) will also govern the operation of Lake Mead for CY 2024. In accordance with Section XI.G.2.D.1.a of the 2007 Interim Guidelines, 2.48 million AF is apportioned for consumptive use in the state of Arizona in CY 2024 (a reduction of 320,000 AF from its 2.8 million AF basic apportionment). Additionally, in

¹ Available at <https://www.usbr.gov/lc/region/g4000/24mo/>.

² Referring to *Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead* dated December 13, 2007.

accordance with Section III.B.1.a of Exhibit 1 to the LB DCP Agreement,³ the state of Arizona will be required to make DCP Contributions in the total amount of 192,000 AF in CY 2024.

Consistent with the Arizona mainstream Colorado River water priority system, there are no reductions to the water supply available to first, second and third priority entitlement holders for CY 2024. As noted in Reclamation's August 24th letter, the Arizona fourth priority Colorado River water available supply for CY 2024 is 1,149,934 AF on a consumptive use basis. Of this amount, 113,927,⁴ on a diversion basis, is available for distribution among mainstream fourth priority entitlement holders for use in CY 2024 in accordance with the state of Arizona's August 6, 2009, Arizona Shortage Sharing Recommendation⁵ and the "pool" approach described by letter dated January 25, 2021.⁶ Reclamation has determined that the available Arizona mainstream fourth priority water supply is sufficient to satisfy all initial on-river mainstream water orders for CY 2024. However, given the limited available supply, requests for modifications to increase approved water order amounts will be evaluated on a case-by-case basis to ensure approved volumes do not collectively exceed the 113,927 AF of available supply. Arizona fifth priority and/or sixth priority entitlements will not be available for diversion in CY 2024.

Based upon the Shortage Condition determination, a review of the CY 2024 diversion estimate provided by GMF, and the information gathered during Reclamation's Part 417 consultation, I approve the diversion of up to 8,500 AF of Colorado River water during CY 2024 for use within GMF's service area. This approved diversion results in an estimated consumptive use of 4,812 AF.

Reclamation would like to highlight that, in accordance with the *Inadvertent Overrun and Payback Policy*,⁷ **accumulations of inadvertent overruns are not permitted in CY 2024 and are suspended as long as a Shortage Condition is in effect.** To assist entitlement holders in monitoring their Colorado River water use to ensure they remain within available quantities, Reclamation will project CY 2024 diversions and consumptive use of Colorado River water during CY 2024 and will make these projections available daily on Reclamation's website⁸ beginning in January 2024. Reclamation encourages Colorado River water entitlement holders to use the projections to adjust diversions to remain within their Reclamation-approved annual Colorado River water order.

³ Referring to *Lower Basin Drought Contingency Operations*. Available at: <https://www.usbr.gov/lc/region/g4000/dcpdocs/Attachment-B-Exhibit-1-LB-Drought-Operations.pdf>.

⁴ The mainstream pool will receive 9.91% of the Arizona fourth priority Colorado River water available for CY 2024, calculated as 164,652 AF divided by the difference between Arizona's 2,800,000 AF basic apportionment and the average historical consumptive use by Arizona first, second, and third priority users (1,149,934 AF). The average historical consumptive use by Arizona first, second, and third priority users is based on the four highest years of consumptive use during the five-year period from 2018-2022.

⁵ Available at: https://new.azwater.gov/sites/default/files/8-6-2009_ADWR_Shortage_%20ecommendation.pdf

⁶ Available at: https://new.azwater.gov/sites/default/files/01.25.21_ADWR_CAWCD_shortage_recommendationLetter.pdf.

⁷ Available at: <https://www.usbr.gov/lc/region/g4000/IOPP.pdf>.

⁸ Available at: <https://www.usbr.gov/lc/region/g4000/hourly/forecast.pdf>.

Thank you for submitting GMF's diversion estimate for CY 2024. Should you have questions, please contact Jeremy Dodds, Water Accounting and Verification Group Manager, at (702) 293-8164 or jdodds@usbr.gov. Individuals who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunication relay services.

Sincerely,

**JACKLYNN
GOULD** Digitally signed by
JACKLYNN GOULD
Date: 2023.12.22
09:50:14 -08'00'
Jacklynn L. Gould, P.E.
Regional Director

cc: Christopher S. Harris
Executive Director
Colorado River Board of California
700 Fairmont Avenue, Suite 100
Glendale, CA 91203

Thomas Buschatzke
Director
Arizona Department of Water Resources
1802 W. Jackson Street, Box 79
Phoenix, AZ 85007

Jake Dunn
2500 East 16th Street
Yuma, AZ 85365

Eric P. Witkoski
Executive Director
Colorado River Commission of Nevada
555 East Washington Avenue, Suite 3100
Las Vegas, NV 89101

John Entsminger
General Manager
Southern Nevada Water Authority
1000 South Valley View Boulevard, MS480
Las Vegas, NV 89153