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WTR-4.03 (BCP)

# United States Department of the Interior

## BUREAU OF RECLAMATION

Lower Colorado Regional Office

P.O. Box 61470

Boulder City, NV 89006-1470

DEC 09 2008



CERTIFIED – RETURN RECEIPT REQUESTED

Ms. Kay Brothers  
Deputy General Manager  
Engineering and Operations  
Southern Nevada Water Authority  
P.O. Box 99956  
Las Vegas, NV 89193-9956

Subject: Southern Nevada Water Authority (SNWA) Plans of Creation for Muddy and Virgin River Tributary Conservation Intentionally Created Surplus (ICS), Calendar Years 2008 and 2009 (Your Letter Dated September 10, 2008)

Dear Ms. Brothers:

The Secretary of the Interior issued a Record of Decision (ROD) on December 13, 2007, for the Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead (Interim Guidelines). Among other things, the Interim Guidelines establish criteria for the development and delivery of ICS. Prior to creating ICS, the Interim Guidelines require a contract holder to enter into a Delivery Agreement and a Forbearance Agreement.

On December 13, 2007, SNWA and the Colorado River Commission of Nevada entered into a Delivery Agreement with the United States and a Forbearance Agreement with the Lower Basin Contract holders. Section 3.B.1 of the Interim Guidelines requires that a plan for the creation of ICS be submitted for the Secretary's approval demonstrating how the requirements of the Interim Guidelines will be met in the contractor's creation of ICS. SNWA is proposing the creation of up to 16,000 and 30,000 acre-feet of tributary conservation ICS credits in 2008 and 2009, respectively, on the Muddy and Virgin Rivers.

We have reviewed the ICS plan submitted by SNWA and confirm that it contains the following information required by the Interim Guidelines:

- a. Project description, including what extraordinary measures will be taken to conserve or import water.
- b. Term of the activity.
- c. Estimate of the amount of water that will be conserved or imported.
- d. Proposed methodology for verification of the amount of water conserved or imported.

- e. Documentation regarding any state or Federal permits or other regulatory approvals that have already been obtained by the Contractor or that need to be obtained prior to creation of ICS.

Pursuant to Section 7.B.5 of the Interim Guidelines, the Secretary is required to consult with the Basin States regarding administration of ICS. We have conducted appropriate consultation with both the Upper and Lower Division States on SNWA's ICS plans.

Based upon our review of SNWA's proposed ICS plans and completion of the consultation process, we hereby approve SNWA's plan for the creation of Muddy and Virgin River tributary conservation ICS for 2008 and 2009 in accordance with Section 3.B.1 of the Interim Guidelines and Article VI of the Delivery Agreement.

The Interim Guidelines provide for the submittal of a certification report by SNWA to the Bureau of Reclamation, in the year following creation of ICS, to demonstrate the amount of ICS created and that the method of creation was consistent with the approved ICS plan. Any technical issues associated with the actual creation of ICS will be dealt with in this verification process.

If you have questions, please contact Ms. Ruth Thayer at 702-293-8426.

Sincerely,



Lorri Gray  
Regional Director

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