

**THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, and
SOUTHERN NEVADA WATER AUTHORITY**

October 13, 2011

Ms. Lorri Gray-Lee
Regional Director
Bureau of Reclamation
Lower Colorado River Region
P.O. Box 61470
Boulder City, Nevada 89006

Dear Ms. Gray-Lee:

On behalf of the Central Arizona Water Conservation District (CAWCD), the Metropolitan Water District of Southern California (MWD), and the Southern Nevada Water Authority (SNWA), we are writing to express our commitment to implement actions to enhance storage in Lake Mead this year. As you are keenly aware, the Colorado River has experienced drought conditions for much of the last decade that resulted in significant depletions of water stored in both Lake Mead and Lake Powell. While water year 2011, with record snowpack in the Upper Colorado River Basin, will help Lake Mead recover somewhat from its lowest water elevation since the 1930s, Lake Mead is still projected to be at just 54% of active capacity at the end of 2011, and Colorado River system storage is projected to be just 66% of capacity. In addition, the Bureau of Reclamation's August 24-month study under the 'minimum probable inflow' scenario projects Lake Mead's elevation has a potential to be below elevation 1,125 ft at the end of 2012. At the same time, ongoing conservation efforts and reduced demands in the Lower Colorado River Basin may result in unused Colorado River water being available this year pursuant to Article II(B)(6) of the Consolidated Decree. As our agencies did last year, we see 2011 as presenting an opportunity to retain unused state apportioned water in Lake Mead to alleviate low reservoir storage conditions and further ensure 'normal' water deliveries for the near future.

Over the last several years we have worked diligently with the Bureau of Reclamation and other entitlement holders on the Colorado River to stretch available water supplies. These efforts have included partnering in interstate water banking programs, financing the pilot run of the Yuma Desalting Plant, the construction of the Warren H. Brock Reservoir, and aggressive conservation programs in our service territories. CAWCD, MWD, and SNWA have implemented these and other programs to create Intentionally Created Surplus (ICS). These actions resulted in approximately 250,000 acre-feet of ICS stored in Lake Mead by the end of 2010, with more being created and stored this year.

While these efforts have preserved and enhanced water supplies within the Lower Basin, we believe that additional measures to conserve water supplies are necessary and available. At this time it appears that not all the water apportioned for use within Nevada will be consumed this year. If that is the case, Nevada's water would be available for release to another state pursuant to Article II(B)(6) of the Consolidated Decree. The availability of any unused water is still

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dependent upon a number of factors, including decisions by our agencies regarding interstate water banking programs and mutual Intentionally Created Unused Apportionment (ICUA) arrangements.

If, in fact, any state does not use its full entitlement this year, CAWCD, MWD, and SNWA urge you not to reallocate the water to another state but rather to leave the water in Lake Mead for the overall benefit of the Colorado River system and the millions of people who are reliant upon the system.

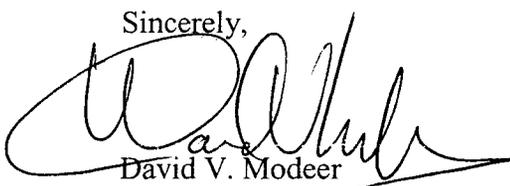
As you are aware, the *Lower Colorado Region Policy for Apportioned but Unused Water* provides that during an operating year:

In making the determination that unused water is available and will be reallocated, the Secretary will consider all relevant factors including but not limited to, the current storage conditions in Lake Mead and Lake Powell, the projected depletions in the Upper Basin, the Lower Basin, and Mexico for the operating year, the projected inflows into the Upper Basin and Lower Basin for the operating year, the water supplies available to the entitlement holders, and the likelihood of future determinations of a Shortage Condition.

We believe that the clear balance of these factors, particularly the storage conditions in Lakes Mead and Powell, weighs heavily in favor of retaining any unused water in Lake Mead this year for the overall benefit of the river system.

Thank you for your time and attention in this matter. Please contact us directly with any questions or concerns.

Sincerely,



David V. Modeer
General Manager
Central Arizona Water
Conservation District



Jeffrey Kighlinger
General Manager
Metropolitan Water District
of Southern California



Patricia Mulroy
General Manager
Southern Nevada
Water Authority

cc: John Entsminger, Senior Deputy General Manager – Southern Nevada Water Authority
Sandra Fabritz-Whitney, Director – Arizona Department of Water Resources
Jayne Harkins, Director – Colorado River Commission of Nevada
Chris Harris, Acting Executive Director – Colorado River Board of California
William Hasencamp, Manager, Colorado River Resources – Metropolitan Water District of Southern California
Tom McCann, Assistant General Manager – Central Arizona Project
Bruce Moore, Acting Director – Surface Water Resources, Southern Nevada Water Authority