

Nov-30-2007 03:28pm From=SDCWA

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T-168 P.002/003 F-631



## San Diego County Water Authority

4677 Overland Avenue • San Diego, California 92123-1233  
(858) 522-6600 FAX (858) 522-6568 www.sdcwa.org

November 30, 2007

Ms. Lorri Gray, Regional Director  
Lower Colorado River Region  
Bureau of Reclamation  
Attention: BCOO-1000, P.O. Box 61470  
Boulder City, NV 89006-1470

#### MEMBER AGENCIES

Carlsbad  
Municipal Water District

City of Del Mar

City of Escondido

City of National City

City of Oceanside

City of Poway

City of San Diego

Fallbrook  
Public Utility District

Helix Water District

Olivewood  
Municipal Water District

Gray Water District

Padre Dam  
Municipal Water District

Camp Pendleton  
Marine Corps Base

Rainbow  
Municipal Water District

Ramona  
Municipal Water District

Rincon del Diablo  
Municipal Water District

San Diego Water District

Santa Fe Irrigation District

South Bay Irrigation District

Vallecitos Water District

Valley Centre  
Municipal Water District

Yuma Irrigation District

Yuma  
Municipal Water District

#### OTHER REPRESENTATIVE

County of San Diego

Re: *Comments on Final Environmental Impact Statement, Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead*

Dear Ms. Gray:

This letter provides comments on the *Final Environmental Impact Statement, Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead* (72 Fed. Reg. 62,272) (November 2, 2007) (FEIS). The San Diego County Water Authority appreciates the monumental effort undertaken by Reclamation to achieve Guidelines that increase the efficiency of River operations in the face of increasing demands, and its outreach to stakeholders throughout the process. Additionally, we fully support the comments on the FEIS contained in the joint letter from the Seven Basin States.

The San Diego region has been highly dependent on Colorado River water supplies since the 1940's. The River's importance to the Water Authority increased with the execution of the Quantification Settlement Agreement in 2003, which included the Water Authority's water transfer with the Imperial Irrigation District and the long term use of water conserved from the All-American and Coachella Canal lining projects. These projects will supply about 30 percent of the region's total water supply by 2020.

A key element of the Guidelines is the procedure for creation and release of Intentionally Created Surplus (ICS). Under the Draft Interim Guidelines, the Water Authority falls within the definition of "Contractor" eligible to participate in the ICS program because it holds an entitlement to Mainstream water under the Colorado River Water Delivery Agreement, dated October 10, 2003. While the Water Authority is working with the Metropolitan Water District of Southern California to access ICS through a subaccount with that agency, we may in the future pursue ICS on our own account.

*A public agency providing a safe and reliable water supply to the San Diego region*

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The Water Authority supports the ICS program goal providing necessary water supplies when surplus would otherwise be unavailable. However, it is important that the program not inadvertently create any impacts contrary to the overall goal of ensuring reliable water supplies. In this vein, Reclamation needs to address a potential unintended consequence of the ICS program that could jeopardize water supplies for the Southern California urban coast. A major component of the Quantification Settlement Agreement (QSA) package in 2003 was the Allocation Agreement, a 110-year agreement that distributes approximately 93,700 acre-feet of water conserved each year from the All American and Coachella Canal Lining Projects. Normally, 77,700 acre-feet per year of that amount will go to the Water Authority to help make up for about 700,000 acre-feet in Colorado River surplus supplies that are no longer available to Southern California. However, if certain conditions are met, the Imperial Irrigation District may exercise call rights and take all or a portion of that 77,700 acre-feet in any given year. One of those conditions is that the Secretary of the Interior must have determined the existence of surplus Colorado River water for that Calendar Year (Allocation Agreement, Section 9.2).

At the time the Allocation Agreement was executed, we do not believe that anyone foresaw a situation like ICS, in which a special-status limited surplus would be declared so that participating entities could, within the strictures of the Law of the River, recover previously conserved water. ICS is not a surplus based on hydrology. In fact, ICS could be released when the Lake Mead reservoir level is at or near shortage conditions of 1075', and far below the elevation under which a surplus would be declared based on system hydrology. The Water Authority believes that the intent of the parties to the Allocation Agreement was that the surplus declaration referenced in Section 9.2.2 is a hydrologic surplus and not ICS. Therefore, to avoid a situation in which the vital purposes of the QSA might be inadvertently thwarted by the ICS program, we request that in an appropriate document associated with the current process, the Secretary state that ICS does not constitute a declaration of surplus under Section 9.2.2 of the Allocation Agreement.

Thank you for considering the Water Authority's comments.

Sincerely,



Maureen A. Stapleton  
General Manager