

DATE: June 22, 2022

TO: Salton Sea Authority Board of Directors

FROM: G. Patrick O'Dowd, Executive Director/GM

SUBJECT: Proposed Draconian Cuts to Colorado River Water and the Salton Sea

This memo describes recent testimony by Bureau of Reclamation Commissioner Touton, the lead Interior Department official charged with Colorado River management, which has very serious implications for the Salton Sea and the vitality of our region. Staff urgently propose several actions in response below, including: meeting with Secretary Crowfoot; issuing a public statement; convening a public workshop to further identify the economic, social, cultural and environmental impacts of the Interior Department's proposed actions; and engagement with our congressional delegation. Staff plan to focus our coming board meeting on these issues.

In summary, in her testimony (attached) and in response to questions from Senators, Commissioner Touton called for Colorado River Basin (CRB) states to conserve 2-4 million acre feet (MAF) of water to support elevation building in Lakes Powell and Mead next year. It is our staff's understanding that Reclamation may be seeking as much as 1 MAF of these cuts from our region. Staff project the impact of such a significant cut to water deliveries to our region below. Commissioner Touton explained that she is currently negotiating these cuts to water deliveries with each CRB state. Touton further stated that should states not agree to cuts by August 16, 2022, the Interior Department would consider unilateral action to cut water deliveries.

As a (very) significant federal action, Interior is legally required to consider the environmental, economic, social and cultural impacts of this action on the affected environment – including the Salton Sea and our region. Touton did not discuss how Interior planned to evaluate and mitigate those impacts.

June 14 Senate Hearing

The Senate hearing before the Committee on Energy and Natural Resources was framed to broadly discuss western drought but was principally orchestrated to allow Commissioner Touton to socialize the Interior Department's desire to secure major water cuts to stabilize Lakes Powell and Mead, which are at a combined storage capacity of 28 percent. Touton used the hearing to pressure CRB states and water users to agree to cuts, issuing the statement that should they not do so by August 16, the Interior Department would attempt to act unilaterally to secure them. This is the

same tactic deployed by the Interior Department to force water cuts during the QSA negotiations in 2002 and during the Drought Contingency Plan (DCP) negotiations in 2019. In those DCP negotiations, IID did not agree to cuts because the federal government did not agree to provide assured funds to mitigate the impacts of DCP on the Salton Sea. Rather, the federal government, environmentalists and other water users proposed federal legislation to void federal environmental requirements to mitigate those environmental impacts. IID and the Authority successfully defeated that anti-environmental rider to the DCP legislation.

Touton's remarks were supported by Arizona and Nevada Senators on the panel. Californians do not serve on the panel, and the Arizonans and Nevadans drove the argument that the lion's share of Touton's sought cuts from the lower basin should come from California. Of positive note, Senators did question Touton on how the federal government would address the impacts of these cuts, particularly homing in on the substantial funding Congress provided to Reclamation to address drought in the Infrastructure Investment and Jobs Act legislation, enacted last year. Touton did not have any specifics to offer concerning how the federal government plans to mitigate the impacts of this proposed federal action on the environment or economy of the region.

Touton's call for cuts was supported by testimony by Southern Nevada Water Authority (SNWA) GM Entsminger, who focused his remarks on criticizing alfalfa production in the basin, and the Environmental Defense Fund (EDF) staff, who called for "multi-benefit land repurposing" – in other words, taking land out of agricultural production. EDF's testimony did not reference the Salton Sea, nor the impacts of Touton's proposed action on our region. These impacts were discussed in the testimony of Pat O'Toole, President of the Family Farm Alliance, who stated that addressing the crisis at the Salton Sea would be critical to addressing broader Colorado River drought issues.

Salton Sea/Regional Impacts

Touton did not specifically discuss how Reclamation aims to secure 2-4 MAF in water cuts. Nor did she discuss the impacts on our region and how the federal government planned to address them. To begin to frame these impacts, we provide a rough estimate below. For the estimate below, we assume a 3 MAF cut and that this cut is divided equally between the lower and upper basins. In the lower basin, it was clear from the testimony and because California is the most significant lower basin water user, that Reclamation will look to California for significant cuts.

To estimate impacts on the Salton Sea region, we assume 1 MAF is sought from California, with two thirds of that amount sought from the Imperial and Coachella Valleys, or roughly 700,000 AF. If IID is the principal target for these cuts, achieving them would necessitate some combination of fallowing and on farm conservation. What could this look like?

To secure 510,000 AF of water, IID would need to fallow roughly 20% of their 425,000 acres of productive farmland, or 85,000 acres (assuming 6AF/acre water use). On farm water conservation could secure potentially an additional 200,000 AF of conserved water. Generally applying numbers developed by the State in its formulation of a long-range plan, this is what the landscape-level impacts of such a program might look like:

Salton Basin

Conservation Impact Assessment

Fallowing

Irrigated Acres		425,000
Acres Fallowed	20%	85,000
Conserved Water	6 acre feet/acre	510,000
Loss of Water to the Sea		170,000
Additional Acreage Exposed		28,333
Square Miles		44

On Farm Conservation

Acre-Feet Conserved	200,000
Loss of Water to the Sea	200,000
Additional Acreage Exposed	33,333
Square Miles	52

^{*} Assumes 100% of conserved water would have otherwise flowed to the Sea.

61,667

Total Square Miles of 96
Additional Exposed Playa

Based on these estimates, the additional exposed acreage from this proposed federal action would be more than double that which the State has already committed to mitigate under the 10-year plan. This raises very serious questions and concerns regarding the implementation of such a program, including:

- What are the environmental, economic, social and cultural impacts of this proposed federal action on our region?
- How can impacts to the Salton Sea be managed and how will the federal government provide assured mitigation funding?
- To what extent will fallowing and on farm conservation be deployed?
- What is the negative economic multiplier effect to the local and regional economies?

- How are the water purveyors' water (and power?) revenues impacted?
- How will the impacts at the Sea affect the health and wellbeing of local and regional stakeholders?

Once these answers are understood, additional questions arise, including:

- How will these impacts be mitigated?
- How will the federal government provide assured funds to pay for the mitigation?
- How long will mitigation support last?

Next Steps

We understand that IID has discussed with the State that they should be held harmless from impacts associated with any increased conservation efforts, and that Metropolitan Water District of Southern California is actively engaged in these discussions regarding increased conservation. We also understand that, under the QSA any program of this nature will require a formal consultation with Imperial County prior to its implementation.

However, other than the Colorado River contractor members (IID and CVWD) and the QSA consultation with Imperial County, the balance of the Authority members are excluded from the process, with no assurance that these concerns will be satisfactorily addressed. Each Authority member will no doubt have their own discreet local impacts and concerns and working with their constituents should flush these out and advocate for responsible redress. But collectively, the Authority, its members and stakeholders should come together to ensure Colorado River water management does not compromise the health, safety, livelihoods, or security of the people of the region.

We recommend as initial next steps:

- 1. Meet with Secretary Crowfoot next week to inform him and the State of our collective concerns, the need for transparency, and to ensure that the Authority has a seat at the table of these important discussions going forward.
- 2. Organize a letter to the Interior Department to urgently register our concerns, convey our expectation that the Interior Department/federal government will evaluate and mitigate the impacts to our region of its proposed action, and work with our congressional delegation to do the same.
- 3. Convene an Authority workshop to identify concerns, vet those concerns and ensure they are addressed by the federal government. It is vital to every resident of the Imperial and Coachella valleys that whatever plan the state and federal governments devise does not leave the region less healthy, less safe, less prosperous, less secure, and less desirable.