

## **Potential Upper Basin Demand Management Program Summary Background**

The Colorado River Basin has been experiencing persistently dry hydrology since the turn of the 21st Century. Given these conditions, the Upper Division States of Colorado, New Mexico, Utah and Wyoming have coordinated with the Department of the Interior and stakeholders throughout the Basin to evaluate proactive options for protecting critical elevations at Lake Powell. Lake Powell is the Upper Basin's primary storage facility to help assure continued compliance with the Colorado River and Upper Colorado River Basin Compacts, and the reservoir assists the continued use and development of Colorado River water by the Upper Division States. One element of the Upper Basin's Drought Contingency Plan is the Demand Management Storage Agreement (DMSA).

The DMSA authorizes the Bureau of Reclamation to make available unfilled storage capacity at the Initial Units of the Colorado River Storage Project Act (Powell, Navajo, the Aspinall Unit and Flaming Gorge). Storage will become available only if the States are able to design and implement a Demand Management (DM) program in the Upper Basin. The DMSA neither establishes nor mandates the development of a DM program. Through investigating aspects of demand management, the States have learned that no DM program is likely to conserve enough water in any single year to help assure continued compliance with the 1922 Compact during extended drought conditions. Therefore, an Upper Basin DM program will require the ability to store conserved water over multiple years. If the States do establish a DM program, the DMSA allows for storage of up to 500,000 acre-feet of conserved water.

The purpose of an Upper Basin DM program will be to temporarily reduce consumptive uses in the Upper Basin or augment supplies with imported water, if needed in times of drought, to help assure continued compliance with Article III of the 1922 Compact and without impairing existing Upper Basin water rights. Like mandatory curtailment, any DM program will be a state-based effort implemented under state law. To begin assessing the feasibility of a DM program, the States are focused on evaluating whether a mechanism can be established to allow for the temporary, voluntary, and compensated reduction in consumptive uses of Upper Basin Colorado River system water under certain circumstances.

No DM program can be created and implemented unless and until the States and Upper Colorado River Commission determine it is feasible consistent with the terms of the DMSA. If, after study, the States collectively agree that a DM program is feasible consistent with the terms of the DMSA, they may then finalize and implement a program. A DM program can only be implemented if approved independently by each State's Commissioner to the Upper Colorado River Commission and the Commission as a whole.

Beginning in the summer of 2019, the State of Wyoming, with the assistance of the University of Wyoming Extension, will investigate the feasibility of an Upper Basin DM program in Wyoming. The investigation will require consideration of many outstanding issues before a DM program can be established, and will include outreach to gather input from interested Wyoming stakeholders. Ultimately, any program must work within Wyoming as well as the other three Upper Basin States.