

Alert | Water Law



May 2023

Lower Colorado Basin States' Compromise on Water Conservation

On May 22, 2023, the Lower Colorado Basin States comprised of California, Arizona, and Nevada **agreed** to voluntarily conserve three million acre-feet¹ of water over the next three years. This compromise is a result of pressure from the federal government for these states to voluntarily reduce their water allocations from the Colorado River due to the 20-year “megadrought” in the western United States causing Lakes Powell and Mead to approach critically low levels and preventing hydropower generation. *See **November 2022 GT Alert**.*

In 2022, the Bureau of Reclamation (BOR) took emergency measures to reduce releases from Lake Powell’s Glen Canyon Dam and Lake Mead’s Hoover Dam to conserve water levels. The federal government also allocated funding to support conservation of Colorado River Basin water. *See **April 2023 GT Alert**.* On April 12, 2023, BOR issued a Draft Supplemental Environmental Impact Statement (Draft SEIS) relating to proposed federal intervention to reduce Colorado River allotments in the event that California, Arizona, and Nevada were unable to reach an agreement by May 30, 2023.

To avoid federal government action, California, Arizona, and Nevada created a “Lower Basin Plan,” (Plan) which would include tier-based water use reductions. While the states have yet to finalize where the water savings will come from, the Plan requests federal compensation from the Inflation Reduction Act for three quarters of the water savings, or 2.3 million acre-feet, which **could amount** to as much as \$1 to \$1.2 billion

¹ One “acre-foot” of water is equivalent to approximately 326,000 gallons.

in federal funds to support the irrigation districts, cities, and tribes that voluntarily cut their water usage. The states' agreed-upon reduction, when combined with cuts tied to federal payments, would amount to a 13% reduction of the states' total water use in the Lower Colorado River Basin.

Although the Plan would result in less water saved than the Draft SEIS proposes, it is a step toward cooperatively modernizing certain aspects of the Colorado River Compact of 1922, at least in the short term.

Authors

This GT Alert was prepared by the following members of the firm's **Water Law Practice**:

- **Christopher Thorne** | +1 303.572.6519 | Chris.Thorne@gtlaw.com
- **Casey A. Shpall** | +1 303.572.6511 | shpallc@gtlaw.com
- **Mary Katherine Andrews** | +1 303.685.7451 | MaryKatherine.Andrews@gtlaw.com

Albany. Amsterdam. Atlanta. Austin. Berlin.⁷ Boston. Charlotte. Chicago. Dallas. Delaware. Denver. Fort Lauderdale. Houston. Las Vegas. London.⁸ Long Island. Los Angeles. Mexico City.⁹ Miami. Milan.⁹ Minneapolis. New Jersey. New York. Northern Virginia. Orange County. Orlando. Philadelphia. Phoenix. Portland. Sacramento. Salt Lake City. San Diego. San Francisco. Seoul.¹⁰ Shanghai. Silicon Valley. Singapore.¹¹ Tallahassee. Tampa. Tel Aviv.¹² Tokyo.¹³ Warsaw.¹⁴ Washington, D.C.. West Palm Beach. Westchester County.

This Greenberg Traurig Alert is issued for informational purposes only and is not intended to be construed or used as general legal advice nor as a solicitation of any type. Please contact the author(s) or your Greenberg Traurig contact if you have questions regarding the currency of this information. The hiring of a lawyer is an important decision. Before you decide, ask for written information about the lawyer's legal qualifications and experience. Greenberg Traurig is a service mark and trade name of Greenberg Traurig, LLP and Greenberg Traurig, P.A. ⁷Greenberg Traurig's Berlin office is operated by Greenberg Traurig Germany, an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. ⁸Operates as a separate UK registered legal entity. ⁹Greenberg Traurig's Mexico City office is operated by Greenberg Traurig, S.C., an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. ¹⁰Greenberg Traurig's Milan office is operated by Greenberg Traurig Santa Maria, an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. ¹¹Operates as Greenberg Traurig LLP Foreign Legal Consultant Office. ¹²Greenberg Traurig's Singapore office is operated by Greenberg Traurig Singapore LLP which is licensed as a foreign law practice in Singapore. ¹³Greenberg Traurig's Tel Aviv office is a branch of Greenberg Traurig, P.A., Florida, USA. ¹⁴Greenberg Traurig's Tokyo Office is operated by GT Tokyo Horitsu Jimusho and Greenberg Traurig Gaikokuhojimubengoshi Jimusho, affiliates of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. ¹⁵Greenberg Traurig's Warsaw office is operated by GREENBERG TRAUIG Nowakowska-Zimoch Wysokiński sp.k., an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. Certain partners in GREENBERG TRAUIG Nowakowska-Zimoch Wysokiński sp.k. are also shareholders in Greenberg Traurig, P.A. Images in this advertisement do not depict Greenberg Traurig attorneys, clients, staff or facilities. No aspect of this advertisement has been approved by the Supreme Court of New Jersey. ©2023 Greenberg Traurig, LLP. All rights reserved.