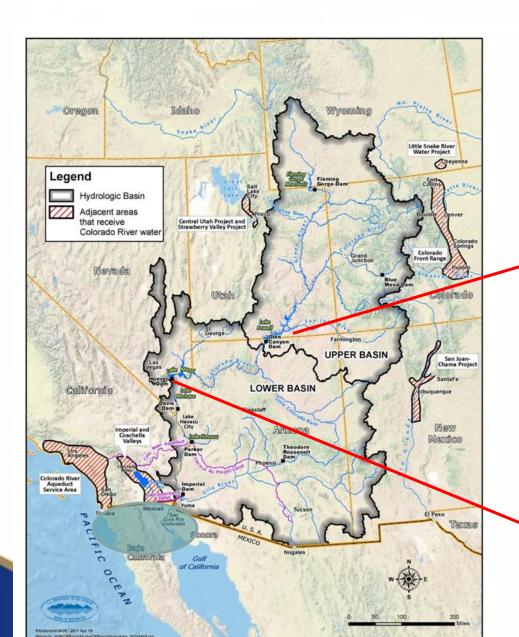
Wicked Water Problems

- Incomplete or contradictory knowledge
- Large number of differing agencies/people/opinions in play
- Significant magnitude of economic risk/burdens
- Large-scale interconnectedness
- Wicked Water Problems seem to defy "normal solutions"



Colorado River System





Lake Powell



Lake Mead



Goals of Interstate & International Water Management

- Reduce Uncertainty, Increase Resiliency
- Develop Stable Operations
- Provide Opportunities for Collaboration
- Balance Upstream and Downstream Risks
- Acknowledge Shared Resources/Responsibilities
- Cooperatively Respond to Changes & Crises

To Build Trust – Use consistent and verifiable interstate and international data with shared models/analytical tools



Colorado River Basin- "The Law of the River"

- US Mexico Relations
- US States Water Users Relations
- Water allocations and water deliveries, and flood control
- Reservoir operating requirements and criteria,
- Environmental regulations, mitigation, and restoration
- Power production and distribution
- Water quality considerations



"Law of the River" Summary (abbreviated)

- 1922 Colorado River Compact
- 1928 Boulder Canyon Project Act
- 1944 US Mexico Water Treaty
- 1948 Upper Basin Compact
- 1956 Colorado River Storage Project Act
- 1964 Arizona v. California
- 1968 Colorado River Basin Project Act
- 1973 US Mexico Minute 242
- 1974 Colorado River Basin Salinity Control Act
- 1992 Grand Canyon Protection Act
- 2007 Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operation of Lake Powell and Lake Mead
- 2010 2012 US Mexico Minute 316, 317, 318, and 319



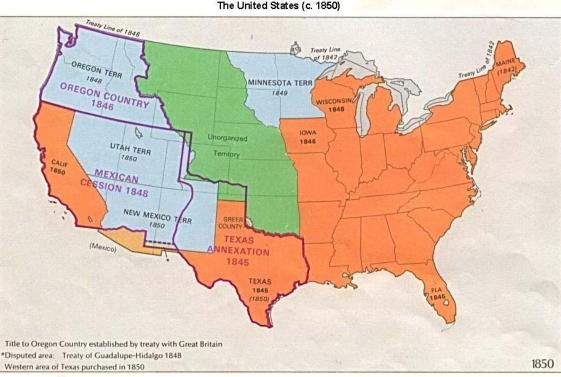
Binational Issues

- Water Delivery
 - Mexico receives 1.5 MAF/YR
- Water Quality
 - Minute 242 governs water quality for deliveries to Mexico
- Low and High Reservoir Operations
 - Minute 319 provides for shortage and surplus
- Water Storage
 - Minute 318 & 319 provide for storage of Mexico's water within US reservoirs
- Environmental Concerns
 - Minute 316, 317, & 319 provide for environmental issues



Binational Issues

- Changing Map/Boundary Colonial Period to Modern Period
 - France & Spain
 - Mexico American War (Treaty of Guadalupe Hidalgo 1848)
 - Gadsden Purchase
 - Development



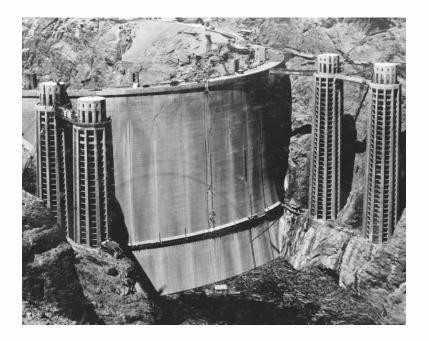


Early Stressors Lead to Water Treaty

- Water Development in the US (Upstream)
 - Gold rush 1840s
 - Exploration and pioneer irrigation 1860 1900
 - Federal land grants and Reclamation Act 1906 pave way for large-scale water development
- US 1922 Compact Divide ALL Colorado River Water
 - Mentions future water allocation to Mexico
 - Mexico requests participation in discussions but rebuffed
- US 1929 Authorizes Construction of Hoover Dam,
 - Project to provide water storage Only for US
 - Flood protection for all (US-Mexico)
 - Additional diversion system for All American Canal
 - Leads to US development

Construction of Hoover Dam 1936

- 1929 1936 Triggers International Concern
- 1944 Complete Treaty





Signing of 1944 Treaty



Why Did US Negotiate 1944 US – Mexico Water Treaty

- US enacted "Good Neighbor Policy" to reduce tensions in the region (US intervention concerns)
- US entered into the 1929 Inter-American Arbitration Treaty, ratified in 1935
 - International arbitration for treaty or other asserted rights,
 - Creates leverage for Mexico's assertion of rights to the Colorado River in an international context
- US sought to resolve conflict PRIOR TO Mexico development of FULL water projects on the Colorado River
- Mexico successfully links Colorado River to Rio Grande River issues



1944 US – Mexico Water Treaty

- Mexico Water deliveries 1.5 MAF per year,
- Monthly Maximum and Minimum water deliveries to Mexico,
- Identify delivery points to Mexico, with water ordering procedures and points of measurement
- Balance conditions in the US-Mexico, droughts & surplus, with sharing of reductions/increases in proportion to use
- Creates International Boundary and Water Commission (IBWC, US & Mexico Sections) to administer treaty provisions and create Minute agreements

Note: California opposed Treaty asserting that Mexico's right will contribute to "overallocation"



Salinity Dispute Leads to Minute 242

- Impacts of Glen Canyon Dam
- 1973 Minute #242 Established salinity management goals for the US and Mexico



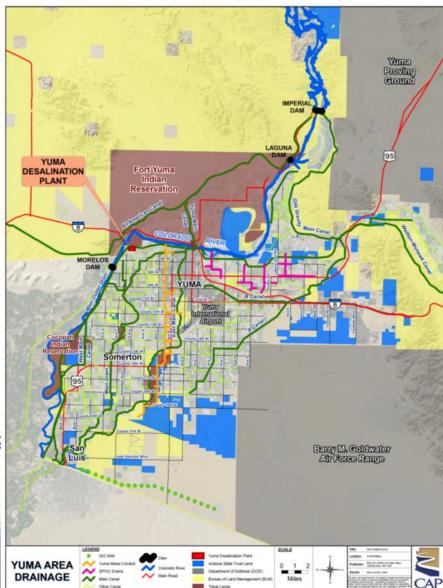




Points of Delivery & Salinity Management



- Northerly International Boundary (Morelos Dam)
 - 1,360,000 af
- Southerly International Boundary
 - 140,000 af
- Salinity Differential
 - 115ppm (+-30)<NIB-Imp. Dam
- Mexico receives more than 1.5 MAF
 - 1.5 MAF per Treaty
 - 0.200 MAF "Other"
 - 0.114 MAF via MODE
 - 0.086 MAF via over-deliveries



YOUR WATER. YOUR FUTURE.

Why Did US Negotiate Minute 218 242 to US – Mexico Water Treaty

- 1944 Treaty allows delivery from "any and all sources" and intended to share salinity with Mexico due to the plumbing (Imperial Dam & All American Canal)
- US developed a new irrigation project in Arizona (Wellton-Mohawk Project) delivering saline drainage water to the River, increasing salinity ONLY to Mexico.
- US evaluates Mexico's options and concludes Mexico could bring a claim:
 - International Court of Justice
 - Through arbitration under the 1929 Inter-American Arbitration Treaty, (now through the OAS)

Minute 316, 317, 318 & 319 Shortage & Drought + Environment:

- Shortage & Surplus Sharing, Conservation Investments, and Environmental Values
 - Mexico shares shortage with junior priority US users in Arizona and Nevada
 - Allows Mexico to store conserved water in US reservoirs and supports binational conservation/infrastructure investments
 - Mexico shares surplus supplies with junior priority US users in Arizona, California, and Nevada
 - Provided water to protect environmental values in Mexico
- Negotiations on-going for Next Agreement 32x



Consideration of Equitable Doctrine

- Rivers are a shared resource and include the commodity value of water AND non-economic and environmental benefits
- Balance harms and benefits
- Links to approaches developed in Western States Doctrine of Equitable Apportionment
- Considerations include: geography (upstream/downstream), hydrology, climate, past uses (prior appropriation), economic and social needs, efficiency, available alternatives, and environmental values
- Example: 1997 ICJ Gabziovo-Nagymoros Dam Decision

Convention on Non-Navigational Uses on International Watercourses 1997



US-Mexico Water Treaty & Minutes Components of Equitable Doctrine

- Rivers are a shared resource and include the commodity value of water AND non-economic and environmental benefits (Minute 306, 316, 317, 318, 319)
- Balance harms and benefits (Minute 218, 242)
- Links to approaches developed in Western States Doctrine of Equitable Apportionment
- Considerations include: geography (upstream/downstream), hydrology, climate, risks and shortage, economic and social needs, efficiency, available alternatives, and environmental values
- Ability to seek arbitration or claims through ICJ provide leverage for continued cooperation, IBWC provides vehicle for such efforts

Binational Wicked Water Problems Going Forward

- Maintain shared perspectives
 - We have largely addressed data and tools
- The current conflict is between water management Conservation vs Water Quality
 - The more we save the more ag drainage blends so water quality decreases
- Solutions will be complex and require new investments
 - Binational Desalination is a potential tool
- Wicked linkages
- Economic impacts
- Shift to Opportunistic management
 - Trade certainty for resiliency and flexibility

