**Give Lake Mead managers more flexibility to conserve to stop draw down**

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June 20, 2021

This post is the third in a series titled **Encouraging more Water Conservation in the Colorado River Basin**.

* Part I is “[Invest in Farm Water Conservation to Curtail *Buy and Dry*](http://www.inkstain.net/fleck/2021/06/invest-in-farm-water-conservation-to-curtail-buy-and-dry/)*”* (on Inkstain).
* Part II is “[Add reservoir inflow as new criteria to recover Lake Mead from shortage](https://github.com/dzeke/ColoradoRiverCoding/blob/master/BlogDrafts/2-AddReservoirInflowAsNewCriteriaToRecoverLakeMead.docx)”

**I**ntroduction

Through two decades of drought, Lake Mead’s storage has dropped from 25 to 10 million acre-feet (maf). The Lower Colorado River Basin drought operations seek to protect Lake Mead from declining below 5.7 maf of active storage (1,020 feet) (USBR, 2019). For many inflow scenarios, protecting Lake Mead will require the parties to conserve above their mandatory conservation targets (Rosenberg, 2021a). As Lake Mead draws down to 5.7 maf, will the parties expand their conservation efforts or will they lower the protection level and delay additional conservation efforts?

This blog post reviews the existing voluntary and mandatory water conservation programs for Lake Mead. The review describes how the programs divide reservoir storage between a public shared pool and private conservation accounts and how the division encourages reservoir draw down towards the dead pool (0 acre-feet storage). To stop draw down, the post proposes individualized flex accounts to track available water – each party’s share of reservoir storage plus inflow. Parties release from their flex accounts before the public pool. Accounting based on available water gives each party a larger account balance than a conservation account and more flexibility to make individual decisions on release and conservation independent of other parties. With flex accounts, the parties can lower the stabilization level below 5.7 maf and still protect Lake Mead from draw down to the dead pool.

# Existing Conservation Programs

A voluntary water conservation program allows Lower Basin states and contractors to store water they conserve in Lake Mead, get credit, and later withdraw the conserved water subject to restrictions on lake elevation and maximum annual withdrawal amounts (USBR, 2007). Presently, the conservation accounts hold 2.8 maf of water—23% of current Lake Mead active storage—and have exceeded the 2.7 maf program cap (Figure 1; USBR, 2020). In recent years, annual conservation efforts are close to 0.625 maf per year program cap on annual deposits (Figure 2).

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| **Figure 1. Conservation account balances (USBR, 2021)** | **Figure 2. Deposits (+) and withdrawals (-) from conservation accounts (USBR, 2021)** |

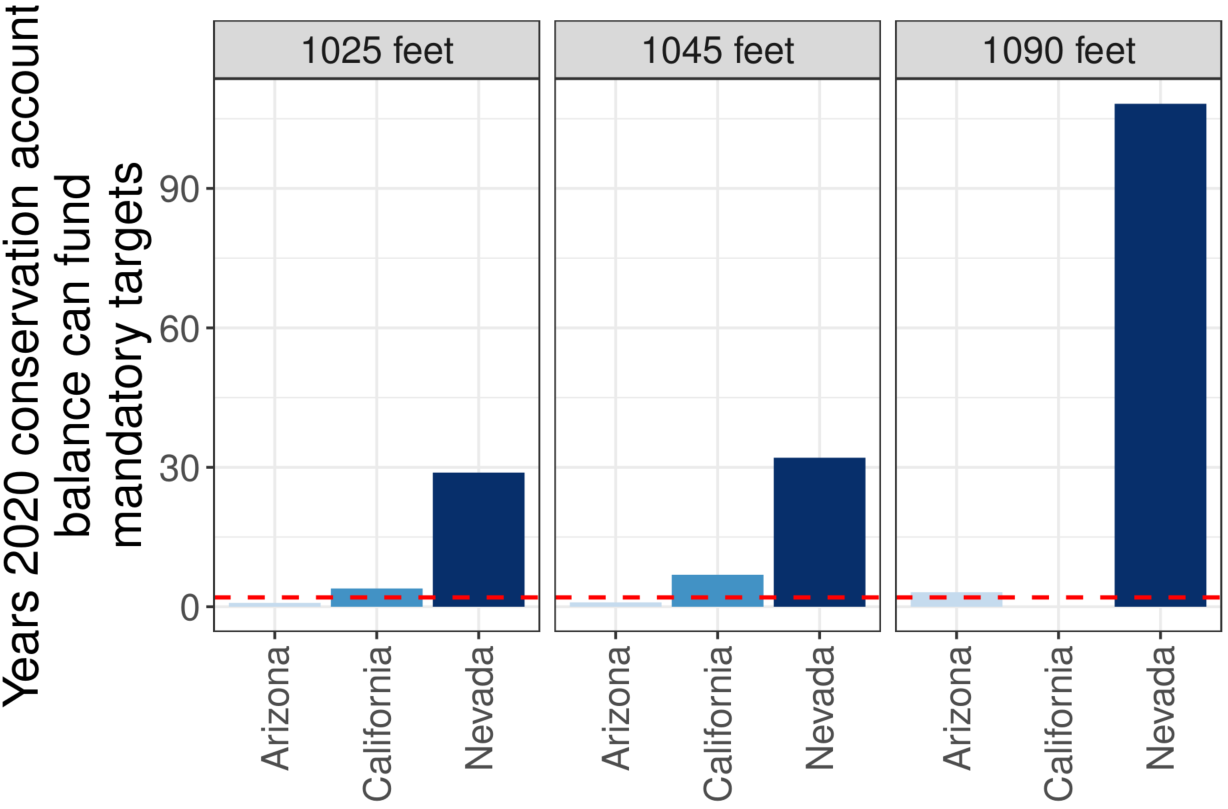
As Lake Mead falls from 9.9 to 6.0 maf of storage (1,090 to 1,025 feet), the Lower Basin states, their contractors, and Mexico must meet mandatory water conservation targets that grow from 0.24 to 1.38 maf per year USBR (2019). Any party can still withdraw water from a conservation account or convert and use conservation account water to meet a mandatory conservation target. Withdraws and conversions from a conservation account increase reservoir releases and draw down Lake Mead faster than if a party met their mandatory target by new conservation efforts that year. In 2020, California withdrew from its conservation account to substitute for low water availability in the Sierras while Arizona and Nevada converted. Together, the states conserved 43,000 acre-feet less in 2020 than in 2019. As a result, Lake Mead is 43,000 acre-feet lower than had the states sustained their prior conservation efforts.

Comparing each Lower Basin state’s 2020 conservation account balance to its mandatory conservation target shows the states have differing abilities to delay new conservation efforts (Figure 3). These differing abilities suggest the states may also have differing desires to lower the Lake Mead level and delay additional conservation efforts to stabilize the reservoir.

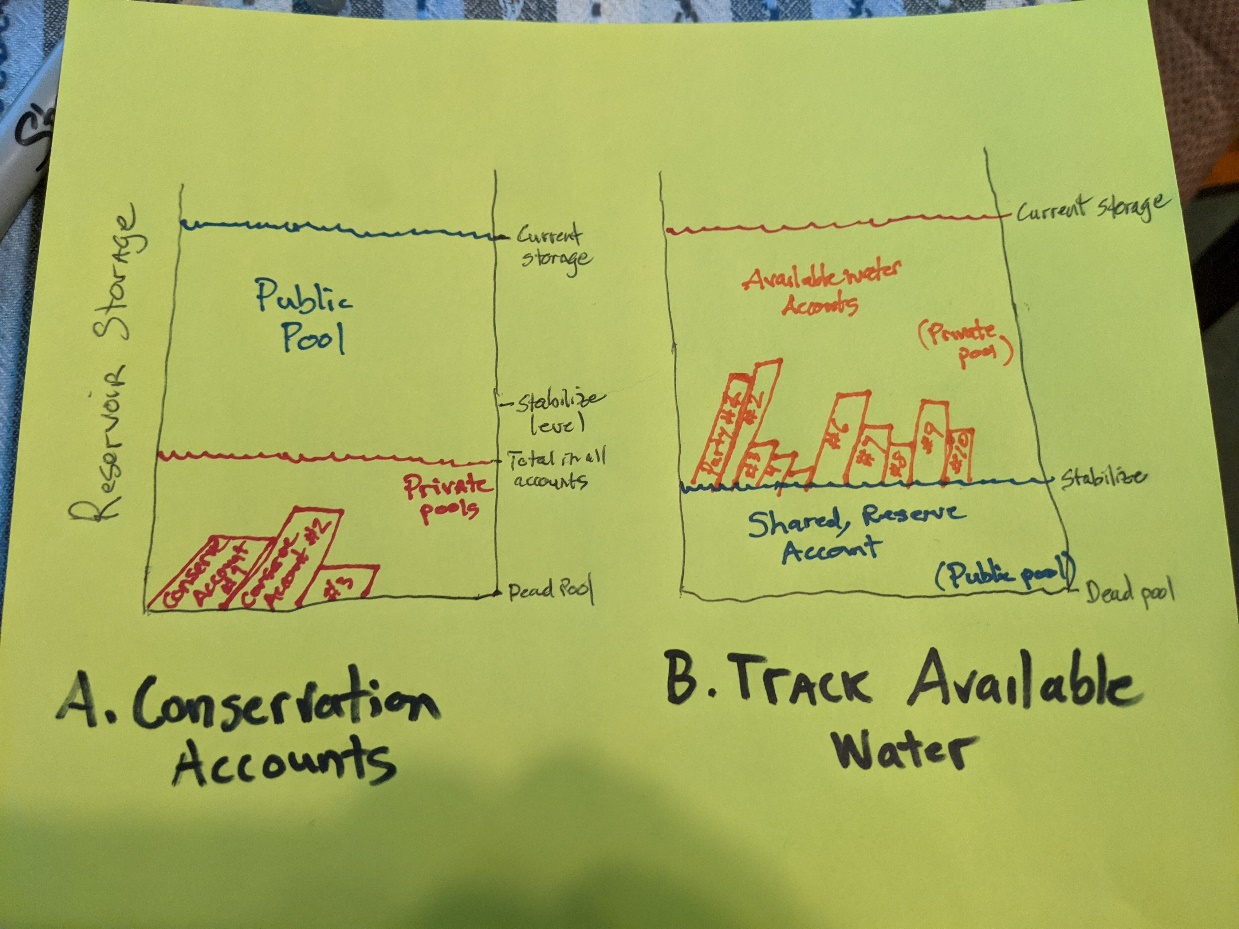
# Division of Reservoir Storage

The Lake Mead conservation accounts are private pools of stored water while the remaining active storage is a shared, public pool (Figure 4A). A party draws on the public pool first as other parties do. As reservoir storage draws down, parties withdraw from their private water conservation account to supplement limited withdraws allowed by the mandatory conservation targets. The withdraws from conservation accounts trigger a negative feedback that accelerates reservoir withdraw and further withdraws from conservation accounts.

As reservoir storage draws down towards the total balance in all conservation accounts, the parties face increased pressure to withdraw from their conservation accounts. They face increased pressure because once physical reservoir storage falls *below* the total balance of all conservation accounts, the conservation credits become unredeemable. Bill Hasencamp from the Metropolitan



**Figure 3. Years 2020 conservation account balance can convert to meet mandatory targets and delay new conservation efforts. Dashed red line indicates 2 years.**



**Figure 4. Division of reservoir storage with current Lake Mead conservation accounts (A) and proposed accounts that track available water (B).**

Water District (MWD) of Southern California recently floated the idea that MWD might be ok to conserve a large volume and only recover a portion (Walton, 2021). That strategy works when all parties are on board. If not, there will be a conflict about who recovers their conserved water and who does not.

Similarly, once Lake Mead draws down towards 5.7 maf of storage, one party can persuade the other parties to lower the level rather than enact additional conservation efforts to stabilize the reservoir. Parties that were ok to undertake large additional conservation efforts will not increase their conservation efforts if one party continues their use. And if one or more parties continue their use, the remaining parties must conserve more than if all parties shared in the additional conservation. These disincentives encourage continued reservoir draw down.

Ironically and paradoxically, draw-down will accelerate as parties empty their conservation accounts. This situation is a tragedy of the commons (Hardin, 1968) with a twist and complication of private water conservation accounts that comprise a small portion of the total reservoir storage.

How to maneuver out of this mess?

# Proposal: Give managers more flexibility to conserve

This section proposes new flex accounts to track available water – reservoir storage plus each year’s inflow – as a fix to continued reservoir draw down. Setting up and using the accounts will require the parties to make some political choices. The reward for those choices is a reservoir that never draws down to dead pool, each party gets flexibility to manage their withdraw and conservation decisions independent of other users, an opportunity to manage all water rather than only prior conserved water, plus the opportunity to include some more stakeholders in Colorado River management. The steps to set up and use available water accounts are:

1. **Give an account to each party**. Who gets an account is a first set of political decisions. Obviously give each Lower Basin state contractor an individual account. Then there is an opportunity to follow through on recent pledges to include more stakeholders in management. For example, give an account to the U.S. and Mexican groups that secure water for the Colorado River Delta. Give our First Nations one or multiple accounts. Give the Salton Sea managers an account. Maybe others too. And to these accounts add two more. Create a “Havasu/Parker Evaporation and Evapotranspiration” account to ensure the instream uses downstream of Lake Mead are provided for. And create a “shared, reserve” account that is jointly managed *by consensus* by all parties.
2. **Assign the existing storage in Lake Mead to the accounts**. This assignment is a another set of political decisions. An easy assignment: give each Lower Basin contractor and Mexico their current balance in their Lake Mead water conservation and conversion accounts. Then retire the pilot water conservation accounting program. Scale up the popular, well used, and successful program to manage all water in Lake Mead. Next, assign some of the remaining storage to the “shared, reserve” account. This volume might be the current protect volume of 5.3 maf or lower. How low? I do not know. But the value could go lower than 2.0 maf (minimum power pool at elevation 950 feet) or lower if the parties compensate Reclamation for the cost to purchase lost energy on the open energy market. The “shared, reserve” account volume will be lowest volume Lake Mead draws down to because the assumption is all the parties will never consent to a release and thus the water will stay parked in the account and in the reservoir. Finally, assign the remaining active storage (current storage minus conservation account balances minus “shared, reserve” volume) among the users. I can only offer suggestions. Maybe the Lower Basin contractors get all the remaining storage and new users have the opportunity to conserve and build their account balances over time. Maybe there is a formula to assign the remaining storage among the parties. Regardless, I expect it will be easier to assign the remaining reservoir storage among parties (expanding pie) than negotiate ever larger cutbacks and mandatory conservation targets (shrinking pie).
3. **Assign each year’s reservoir inflow among the accounts**. This division is another set of political decisions and there are many possibilities. Easier choices here are 0.6 and 0.016 maf per year to Havasu/Parker and the Colorado River Delta per existing operations and the environmental section of Minute 323. By giving the “shared, reserve” account a share of inflow that offsets the account’s prorated share of reservoir evaporation, the account balance will stay steady from year to year. More difficult will be to assign each year’s remaining reservoir inflow among the Lower Basin states and remaining parties. These inflows vary year to year and require a dynamic assignment scheme (Rosenberg, 2021a). Also, the current mandatory conservation targets vary by reservoir elevations not inflows. If the remaining parties have difficulty to assign the reservoir inflow, they can try a few things. First, assign the remaining flow by percentages. Second, split the remaining flow volume into two portions. Assign one portion by a priority system and assign the second portion by percentages. This bicameral split would echo how the framers of the U.S. Constitution split representation in the U.S. Congress between a House of Representatives and a Senate. The split would ensure all states get some of the inflow. I do not presently have suggestions for how to assign each year’s inflow to our First Nations or the Salton Sea. I welcome further discussion. And like for reservoir storage, it should be easier to assign each year’s inflow among the parties than negotiate ever larger cutbacks and mandatory conservation targets.
4. **Then** **each year**: (a) observe the reservoir inflow (either prior year or forecast), (b) assign the inflow among the parties, (c) estimate each party’s share of the reservoir evaporation proportional to their account balance, and (d) calculate each party’s available water as their beginning of year account balance plus share of inflow minus share of evaporation. Next (e) parties decide the volume they will consumptive use or conserve/store, (f) calculate an end-of-year account balance, and (g) transfer the balance to the beginning of the next year.

This accounting by available water flips the ordering of the shared, reserve (public) and private pools in Lake Mead (Figure 4B). Even if all parties draw down their private accounts to zero, Lake Mead will only draw down to the storage of the shared, reserve account. Each party should find accounting by available water – the reservoir storage plus inflow -- attractive because they get more flexibility to make individual decisions on release and conservation independent of other parties and independent of the reservoir level. Additionally, each party gets the opportunity to manage a larger account balance than their present conservation account. To realize these benefits, the parties must conclude three new negotiations to award flex accounts to parties, assign the existing Lake Mead storage to parties, and assign future inflows to parties. The negotiations occur once, will include more parties, give parties a share of the existing reservoir storage and future inflows, and are an alternative to recurring negotiations to maintain existing conservation accounts that must increase water cutbacks and raise mandatory conservation targets. Several features of flex accounting differ from current operations and these new features seek to address the tragedy of the commons problem of Lake Mead draw down to the dead pool.

I encourage readers interested to further explore water availability accounting to download a prototype accounting tool (Rosenberg, 2021c). Move the Excel workbook into a Google sheet and invite two or more friends or colleagues to synchronously role play different parties. Role play with different number of parties, divisions of existing reservoir storage or inflows, reservoir inflow scenarios, and release and water conservation strategies for individual parties. Email feedback – things you like and things to improve – to [david.rosenberg@usu.edu](mailto:david.rosenberg@usu.edu).

A next post proposes water availability accounts for a combined Lake Powell-Lake Mead system.

# Data, Model, and Code Availability

The data, code, and directions to generate figures in this post are available on Github.com at Rosenberg (2021b).

# Acknowledgements

This work is unfunded. Eric Kuhn and Jennifer Pitt made comments to improve an earlier draft.

**Requested Citation**

David E. Rosenberg (2021). “Give Lake Mead managers more flexibility to conserve and stop draw down to the dead pool.” Utah State University, Logan, Utah. <https://github.com/dzeke/ColoradoRiverCoding/blob/master/BlogDrafts/3-GiveLakeMeadManagersMoreFlexibilityToConserveToStopDrawdownToDeadPool.docx>.

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