MEMORANDUM

TO: **IEDA Board**
RE: **Water Report**
DATE: **October 7th, 2026**

Operational Guidelines In Place Oct. 1st

October 1st marked the start of the water year and new two-year operating guidelines on the Colorado River. A main focus is protecting the elevation of Lake Powell (above 3,510') because of design consideration and fear that excessive use of the by-pass tubes could impact the ability of future downstream deliveries.

The guidelines require a reduction of 1.25 MAF by the Lower Basin States, but allow for the proposed Lower Basin shortage sharing agreement. If implemented, the reductions would be.

- Arizona: 760,000 acre-feet
- California: 440,000 acre-feet
- Nevada: 50,000 acre-feet

In addition, voluntarily conservation and storage of an additional 700 KAF is included in the two-year guidelines. It also Provide tools and flexibility in the Lower Basin to respond to drought conditions by allowing water users to store water. It provides elevation triggers for coordination and consultations to determine additional actions, if necessary, to minimize operational risks to infrastructure, and manage risks to the urban, agricultural, and natural systems that rely on the Colorado River. It also provides for a Federally managed pool to help meet tribal firming obligations and provide limited offsetting to reduce tribal impacts.

Water releases from Lake Powell will be between 6 and 7 MAF, depending on hydrology. Release patterns for both options mirror each other into approximately April.

The Decision Framework prioritizes consensus agreements, voluntary actions, and a commitment to coordination and consultation throughout the period of adoption. The Decision Framework anticipates operating guidelines in two-year periods and can be scaled longer depending on evolving Basin circumstances. This mechanism leaves room for the Basin States, tribes and stakeholders to adjust these parameters with their own voluntary actions and consensus whenever such agreements are reached.

One anomaly is that the guidelines provide for the Upper Basin States to enter into an agreement, in consultation with Lower Basin States and Basin tribes, using the Secretary's authorities to operate the Colorado River Storage Project Upper Initial Units (i.e. Aspinall (CO), Flaming Gorge (UT/WY) and Navajo (CO/NM) Reservoirs) to help protect Glen Canyon Dam infrastructure. This appears to run contrary to the authorizing language for these units and the requirement to use them for Compact Compliance.

Supplemental WOTUS Proposal

In early September, EPA issued a Supplemental Notice of Proposed Rulemaking (SNPRM) in the Federal Register seeking additional comments on targeted alternatives to the 2025 proposed WOTUS definition, rather than replacing the earlier proposal. The SNPRM follows on the heels of roughly 220,000 comments the agencies received on their November 20, 2025, proposal to revise the definition of “waters of the United States” (WOTUS) in light of Sackett v. EPA, 598 U.S. 651 (2023), and seeks to expand the range of alternatives the agencies are considering for the final rule.

The supplemental proposal focuses on how to define three main concepts, "perennial", "relatively permanent," and "continuous surface connection". The proposal would significantly narrow federal jurisdiction by adopting a predominantly perennial-based approach to waters and wetlands and by limiting jurisdictional wetlands to those with a perennial surface-water connection to a jurisdictional water. The proposal would likely result in substantially fewer jurisdictional waters and wetlands than under implementation of the 2023 WOTUS Conforming Rule; particularly in arid regions of the country.3 The 2023

conforming Rule amends regulations to align with the Supreme Court decision in Sackett vs. EPA and narrows CWA jurisdiction, but the SNPRM would go further and exclude additional waters and wetlands where flows are often intermittent or precipitation driven.

The supplemental proposal does not replace the 2025 WOTUS proposal, reopen or modify the proposed exemptions, or otherwise alter the broader regulatory framework proposed last year.

Potential implications include:

• Fewer streams, drains, ephemeral channels, and seasonal features surrounding utility projects may qualify as jurisdictional waters.
• Many wetlands currently subject to CWA permitting may no longer require permits if they lack perennial surface water connections.
• Reduced jurisdiction could decrease permitting timeframes and mitigation requirements for utility projects.
• State permitting requirements may become increasingly important because many states regulate waters and wetlands more broadly than federal law.
• Uncertainty remains because the agencies have not yet selected an approach in a final rule.

Good Things to Know

- US Signs Minute 334 with Mexico
- Colorado Counters Nebraska in SCOTUS Fight Over South Platte River
- USFS, AZ Sign Agreement to Restore Forests, Protect Watersheds (Kaibab)
- Coastal Commission Rejected the 100 MGD Huntington Beach Desal Plant
- CA Revises Draft Water Right Decision for Sites Reservoir (1.5 MAF)
- Denver to Divert 77 KAF Colorado River for Reservoir Expansion