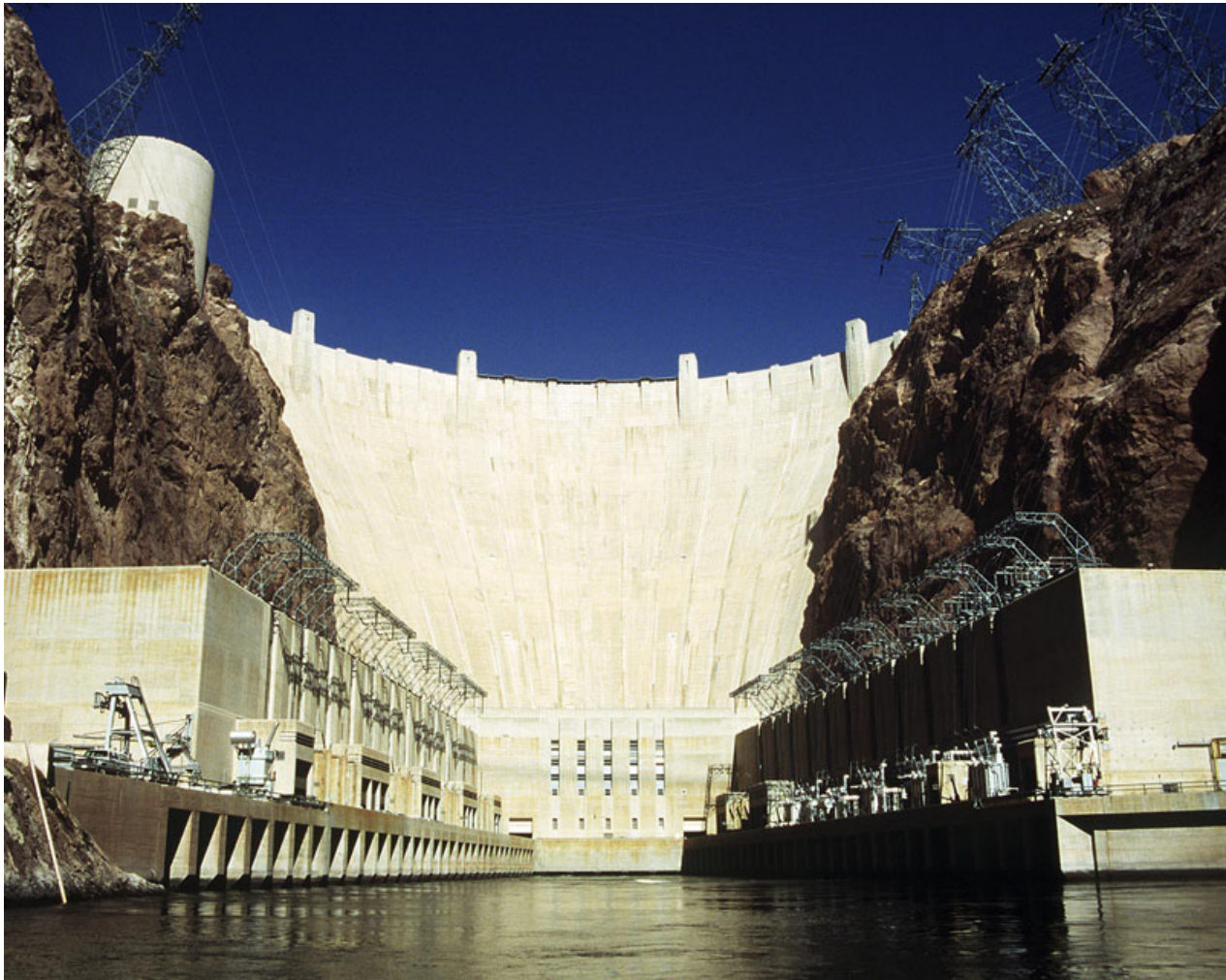


Colorado River Commission of Nevada
Report to
Nevada Legislature
Subcommittee on Public Lands



March 2024

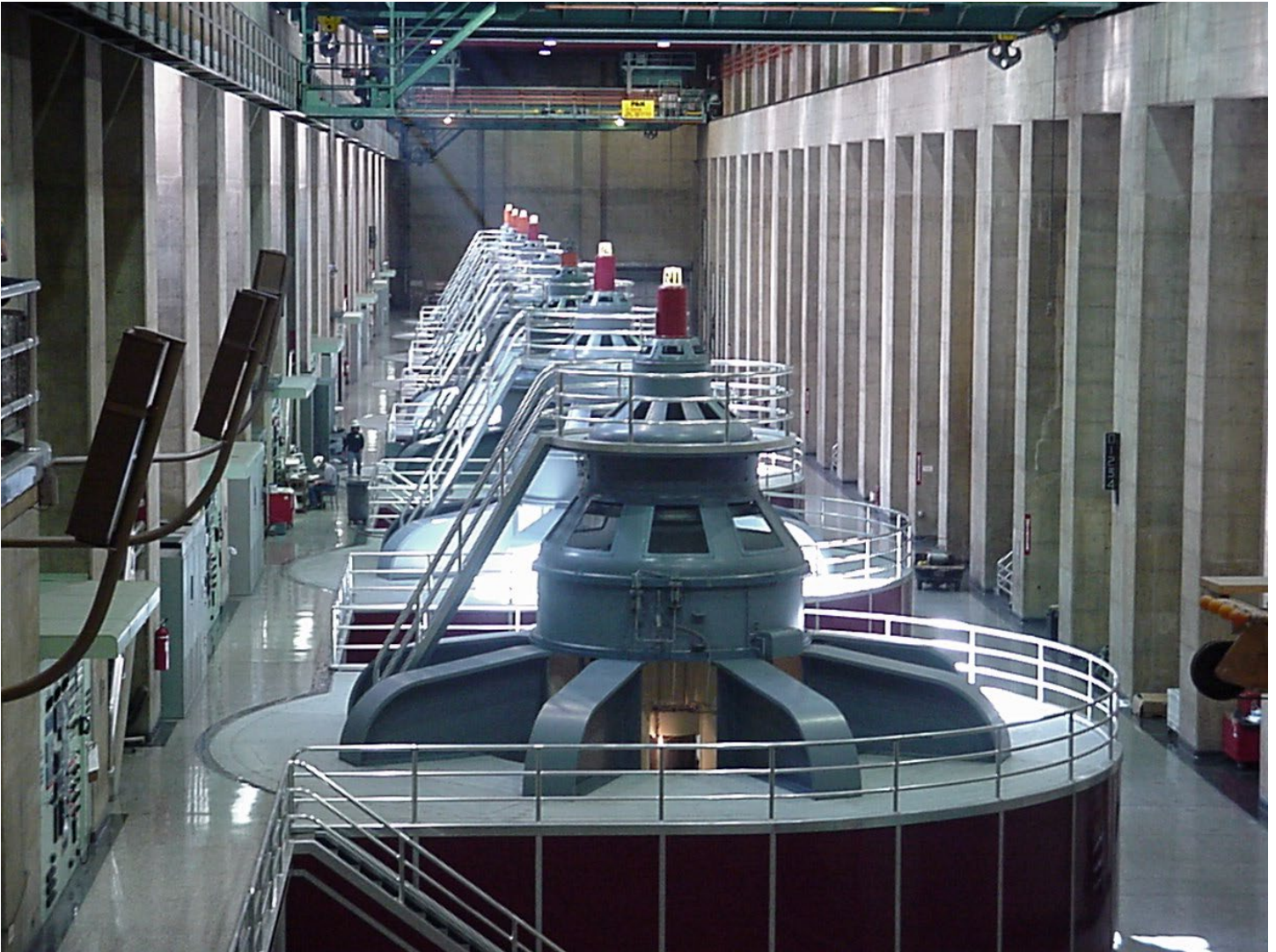


Credit: Colorado River Commission of Nevada photo

Colorado River Commission of Nevada Programs and Activities

The Colorado River Commission of Nevada (CRC or Commission) was established in 1935 in anticipation of the completion of Hoover Dam, with the primary objective of safeguarding, managing, and maximizing the utilization of Nevada's water and hydropower resources. Comprising seven Commissioners, the CRC operates under a framework where four members are appointed by the Governor, and three members are appointed by the Southern Nevada Water Authority (SNWA).

The CRC's core operational domains encompass hydropower, water and environmental management, power delivery for the Southern Nevada Water Authority and some of its member agencies. Notably, the financial operations of the CRC undergo independent audits conducted by external auditors on an annual basis.



Credit: Colorado River Commission of Nevada photo

Section I: Hydropower

The CRC serves twenty-three hydropower customers, including industrial retail customers, electric utilities in southern Nevada, cities in southern Nevada for water pumping and wastewater treatment purposes, and state agencies that received a Hoover Dam allocation in October 2017. (See *Attachment 1*).

A. Recent Activities Involving Hydropower

1. Activities with the Bureau of Reclamation (Bureau)

The CRC collaborates with the Bureau and engages in the Engineering and Operations Committee (Committee), which was established to provide hydropower contractors with a platform for contributing to the dam's operations. The Committee supervises expenditures for the operation, maintenance, and investments at Hoover Dam to ensure prudent operation.

The CRC, in collaboration with other Hoover contractors in Arizona and California, is spearheading an initiative to pass federal legislation known as the "Help Hoover Dam Act." This legislation aims to release \$45 million in stranded funds at Hoover Dam. If enacted, the Act would provide the Bureau with explicit authority to utilize these funds for operations, maintenance, and investments at Hoover Dam.

2. Activities with the Western Area Power Administration (WAPA)

WAPA operates the transmission system responsible for delivering hydropower generated at the dams and marketing it to various federal contractors, including the CRC. The CRC holds contracts with WAPA for hydropower from Hoover Dam, Parker Dam, Davis Dam, Glen Canyon Dam, and related projects in the Mountain West region. The CRC engages with WAPA on matters concerning rates, investments, and operational costs that are passed on to Nevada contractors. Presently, the CRC is closely monitoring WAPA's activities in western regional electric markets and actively participating in discussions to ensure that Nevada hydropower contractors are not adversely affected by WAPA's decisions.

3. Activities with Contractors

Our staff regularly rotates monthly meetings with at least one contractor as part of our customer outreach efforts, ensuring effective communication and alignment with customer needs. Additionally, we held our annual meeting with customers on October 26, 2023. During this gathering, presentations are delivered on various topics including environmental programs, hydrology, cost and rate projections, and other hydropower-related matters. The CRC is pleased to report consistently strong attendance at our meetings.

4. Hoover D Contractors

In October 2017, the Nevada Departments of Corrections, Administration, and Transportation, along with the Clark County School District, University of Nevada, Las Vegas, and College of Southern Nevada all received allocations of power from Hoover Dam. These entities are experiencing ongoing cost savings because of their Hoover Dam contracts.



Credit: Colorado River Commission of Nevada photo

Section II: Natural Resources Group

The CRC's Natural Resource group primarily concentrates on environmental compliance to safeguard Nevada's water, environmental, and hydropower resources linked to Nevada's Colorado River allocation. Key programs include Bi-National initiatives with Mexico under the 1944 Water Treaty and related Minutes, the Colorado River Basin Salinity Control Forum, the Glen Canyon Dam Adaptive Management Program, and the Lower Colorado River Multi-Species Conservation Program (MSCP).

A. Recent Activities Involving Natural Resources

1. Colorado River

The Bureau is currently engaged in developing new operating guidelines for the Colorado River, slated to be effective after 2026. Stakeholders from federal agencies, states, water users, tribes, non-governmental organizations, and others across the Colorado River Basin continue to convene, deliberate, and collaborate in pursuit of long-term consensus on post-2026 river operations. It is anticipated that a draft Environmental Impact Statement (EIS) related to the post-2026 operations will be released by the end of 2024, with a final EIS expected at the end of 2025, followed by the publication of a Record of Decision in early 2026.

2. Bi-National Relations with Mexico

The CRC played a significant role in negotiating Minute 323 in 2017, which extended many provisions from the prior Minute 319. These included provisions for Mexico to share in shortages with the Lower Division States, authorization for Mexico to store water in Lake Mead, commitments for water and financial investments in environmental and habitat restoration, efforts to improve salinity and flow variability, and additional investment in Mexican infrastructure projects in exchange for Colorado River water. Since its execution, the CRC has actively participated in several implementing committees. Minute 323 is set to expire at the end of 2026, and it is expected that a new Minute will be negotiated and executed to align with the new post-2026 operating guidelines.

3. Environmental Programs

The CRC represents the State in two primary environmental programs. The first is the Lower Colorado River Multi-Species Conservation Program (MSCP), which aims to protect endangered and threatened species and their habitats from Lake Mead to Mexico. The second program is the Glen Canyon Adaptive Management Work Group, a federal advisory committee focused on preserving downstream resources, including species and habitats in the Grand Canyon.

4. Salinity

The CRC represents the State on the Colorado River Salinity Control Forum and Advisory Committee. This program is dedicated to reducing salinity concentrations in the Colorado River through on-farm and off-farm irrigation improvements in the Upper Basin. Salinity concentrations in the River have been reduced by more than 1.3 million tons since program implementation.

5. Water Accounting

The CRC is tasked with calculating Nevada's annual consumptive use of Colorado River water in accordance with Article V of the Consolidated Decree of the United States Supreme Court. See *Arizona vs. California*, 373 U.S. 546 (1964), as amended.

Each Section 5 water entitlement holder within Nevada has a contractual obligation to report diversions and returns to the CRC. Subsequently, the CRC compiles and submits a monthly report to the Bureau, encompassing Nevada's diversions, returns, and consumptive use of Colorado River water, crucial for lower basin water accounting. The CRC diligently continues to perform water accounting for Nevada, providing this essential information to Reclamation monthly.



Credit: Colorado River Commission of Nevada photo

Section III: Power Delivery Group

The electrical system delivers electricity to the SNWA and major cities in Southern Nevada for water pumping and wastewater treatment. Additionally, the system serves CRC's retail customers at the Black Mountain Industrial (BMI) complex. The system is comprised of 17 high-voltage substations, 32 miles of overhead 230-kV transmission lines, 4 miles of overhead 69-kV transmission lines, and 11 miles of underground 69-kV transmission lines. Furthermore, the CRC operates and maintains seven substations owned by SNWA and water member agencies, and three owned by the Clark County Water Reclamation District, totaling 27 substations.

A. Recent Activities of the Power Delivery Group

1. SNWA – Solar Project

The CRC is nearing completion of material contracts for the ten-mile transmission line that will connect the Boulder Flatts Solar Project to the Mead substation. Subsequently, the CRC will oversee the construction of the transmission line.

2. Las Vegas Valley Water District

The CRC is currently in the request for proposals and contracting stage for the materials needed for to build the proposed Monthill substation for the Las Vegas Valley Water District and SNWA.

3. City of Boulder City

The CRC is currently in the process of issuing requests for proposals for transformers to build a new substation for the City of Boulder City. The CRC is overseeing the design and construction of the rebuild of the facility in collaboration with the City's Utility Division.

4. Mutual Assistance Agreements

The Power Delivery Group has mutual assistance agreements with several rural electric utilities to aid with special projects that may arise from time to time.

Section IV: Financial Group

The CRC's financial group, responsible for maintaining the Commission's records and books, undergoes an annual audit conducted by an external auditor. The financial audit for Fiscal Year 2023 was recently completed by Moss Adams, with the findings presented to the Commission's Financial and Audit Subcommittee on February 13, 2024. A report on the findings was submitted to the full Commission on March 12, 2024. The audit revealed no material issues or findings.

The Finance Group will commence the preparation of the budget for Fiscal Years '26 and '27 this Spring. The budget will be presented to the CRC's contractors for feedback, then presented to the Commission for information initially, and subsequently for approval before submission to the State budget office by the end of August.

CRC's Hydropower Customers

CRC's Direct Retail End Use Customers	Wholesale Utility Customers	Water and Wastewater Customers	NV Energy (bundled customers of NVE with Hoover D allocation from CRC)
Henderson W.C. <i>(formerly Basic Water Company)</i>	Nevada Power Co. dba. NV Energy	Southern Nevada Water Authority	College of Southern Nevada
Lhoist	Lincoln County Power District No. 1	City of Henderson	Clark County School District
Olin Chlor Alkali Products	Boulder City	City of Las Vegas	Nevada Department of Administration
TIMET	Overton Power District/City of Mesquite No. 5	City of North Las Vegas	Nevada Department of Corrections
Borman Specialty Materials	Valley Electric Association	Clark County Water Reclamation	Nevada Department of Transportation
		Las Vegas Valley Water District	University of Nevada – Las Vegas