Colorado River and Lower Basin Agriculture -Water Allocations and Regional Agricultural **Production**

Published on Jul 13, 2023 by Curtis Buono



Many clients have been inquiring about the state of Colorado River water after the Lower Basin states' (CA, AZ, and NV) much-publicized May 2023 proposal. California's highly productive Colorado River-served farm regions – the Imperial, Coachella, and Palo Verde Valleys – offer a unique climate that feeds the nation every winter and supports a wide array of important crops.

What we know about the proposal is: 1) Lower Basin states have pledged to reduce water use by 3M Acre-Feet (AF) through 2026, 2) funding will come from the Inflation Reduction Act, and 3) the proposal has not yet been approved.

What we don't know is: how these reductions will be implemented.

Without clarity on implementation, water districts and farmers lack the information necessary to reasonably commit to water reductions today – Imperial Irrigation District told the Bureau of Reclamation on June 1st that it had waited too long to provide details, so farmers were therefore unable to fold water reductions into their 2023 cropping plans. This means that the majority of the 3M AF water cuts will be spread over three seasons instead of four, for an average of 1M AF/year vs. 750k AF/year; however, the proposal discusses conserving half the water by the end of 2024, so ostensibly 1.5 AF would need conserved in the first active year.

We expect new fallowing programs to emerge, which will likely pay farmers higher rates for conserved water than in the past. If farmland is permanently retired, attractive compensation will have to be offered to farmers; however, such programs are unlikely to be deployed for several years.

While the recent proposal is a short-term step in the right direction if accepted, a long-term sustainable solution is needed, especially if the rest of the United States wants to continue enjoying affordable domestically-produced vegetable crops during winter months. A public process has already been started to reshape the Colorado River rules for 2027 and beyond, which is an encouraging sign.

To learn more about the region's water source and agricultural importance, please check out our infographic!

COLORADO RIVER & LOWER BASIN AGRICULTURE

WATER ALLOCATIONS & REGIONAL AGRICULTURAL PRODUCTION

COLORADO RIVER ALLOCATIONS (MAF) FOR MORE INFORMATION, CONTACT: **CURTIS BUONO** | 760.521.2501 CURTIS@PEOPLESCOMPANY.COM 16.5 7.5 3.1 4.4 Т CA Imperial Ο ID Palo Verde ID W & Yuma Project E Τ 0.42 ٠ Coachella R 0.33 Valley WD ٠ A 0.55 • Metropolitan WD В 2.8 А **DECLINING FLOWS** 70-80% S ΑZ CO River water used for irrigation 14.6 MAF Average Flow 1906 - 2022 600,000 AC А N CO River irrigates in CA 0.3 NV 0.05 12.1 MAF AZ \$6.2B 7.5 3.86 Average Flow 2000 - 2022 Value of regional CA farm production U CO 0 Ρ **KEY REGIONAL AG STATISTICS** C A Ρ The Colorado River supplies water to a unique climatic region of California Е & Yuma, AZ that generates agricultural production that is crucial to America's R year-round domestic supply of fresh vegetables and other crops. Т 1.71 В A S UT 95% of winter lettuce, 24% of California 22% of all California 1.04 broccoli, cauliflower & leafy spinach grown in lettuce grown in Imperial & WY greens grown in Lower Basin Imperial & Riverside Cos. Riverside Cos. N N 0.84 NM S 1.5 1.5 MX MX 29% of California 100% of U.S. dates 33% of California hay grown in Imperial Valley grown in Lower Basin peppers grown in Coachella Valley



References: https://crsreports.congress.gov/product/pdf/r/r45546, https://www.ppic.org/wp-content/uploads/californias-water-the-colorado-river-november-2018.pdf, https:// www.mwdh2o.com/media/drydpr1x/mwd_coloradoriverfactsheet_februar/2023_english.pdf, https://www.l2news.com/article/news/local/water-wars/arizona-farmers-strug-gle-to-find-solutions-after-unprecedented-colorado-river-water-cuts/75-d677o202-8687-480c-94b4-63784044002f, https://www.nass.usda.gov/Statistics_by_State/California/

PC

s.com/article/news/local/water-wars/arizona-formers-strug-https://www.nass.usda.gov/Statistics_by_State/California/ Publications/AgComm/2021/CAC_2021_errata.pdf

ES