

April 16, 2018

SENT VIA EMAIL

Lisa A. Atkins, Board President
Theodore C. Cooke, General Manager
Central Arizona Water Conservancy District
23636 North Seventeenth Street
Phoenix, AZ 85024

Dear Ms. Atkins and Mr. Cooke:

I write in support of the April 13, 2018, letter from the upper basin Governors' representatives and Upper Colorado River Commission to Tom Buschatzke, Director of the Arizona Department of Water Resources. Denver Water joins in urging rapid progress toward finalization of the lower basin drought contingency plan, and we support actions in the upper basin to ensure compliance with obligations under the Colorado River Compact.

We also join the concerns over the manipulation of water demands through the Central Arizona Project. The actions by the Central Arizona Water Conservancy District severely compromise the trust and cooperation that has allowed us to develop the System Conservation Pilot Program. In the upper basin, this program was designed to temporarily and voluntarily compensate water users to forego their use of water to support critical water level elevations in Lake Powell. CAWCD's manipulation of demands in order to take advantage of the supposed "sweet spot" in Lake Powell water releases undermines this purpose, and is unacceptable.

Therefore, Denver Water is prepared to terminate our funding of the program after we meet our obligations in 2018, unless significant progress is made in the finalization of the lower basin drought contingency plan, and unless CAWCD is able to verifiably establish it has ceased all actions to manipulate demands and is fully participating in aggressive conservation measures along with other entities in Arizona.

Sincerely,



James S. Lochhead
CEO/Manager

cc: Brenda Burman, Commissioner, U S Bureau of Reclamation
Tom Buschatzke, Arizona Department of Water Resources
Bart Fisher, Colorado River Board of California
John Entsminger, Southern Nevada Water Authority
Jeff Kightlinger, Metropolitan Water District of So California
James Eklund, Squire Patton Boggs
Pat Tyrell, Wyoming State Engineer
Eric Millis, Utah Division of Water Resources
Tom Blaine, New Mexico State Engineer
Don Ostler, Upper Colorado River Commission