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Fitch: Water Systems Vary in Ability to Handle Colorado River Cuts

In response to prolonged drought conditions across the western United States, the federal government on Aug. 21 announced mandatory water cuts to the Colorado River for the Lower Basin states of California, Nevada and Arizona.

The mandatory cuts require the Lower Basin states to implement reductions of 1.25 million acre-feet in each year of the next two years. If the Lower Basin States implement their proposed sharing agreement, the reduction per state would be: Arizona: 760,000 acre-feet; California: 440,000 acre-feet; and Nevada: 50,000 acre-feet.

The cuts were announced by the U.S. Bureau of Reclamation, which issued the Record of Decision, establishing a 10-year framework for water management across the Colorado River basin, which entails updating operating guidelines every two years through 2036.

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Water Finance & Management

by WFM Staff

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