



IN REPLY REFER TO:

BCOO-4200  
WTR-1.10

## United States Department of the Interior

### BUREAU OF RECLAMATION

Lower Colorado Regional Office

P.O. Box 61470

Boulder City, NV 89006-1470



DEC 05 2007

Ms. Patricia Mulroy  
General Manager  
Southern Nevada Water Authority  
1001 South Valley View Boulevard  
Las Vegas, NV 89153-0001

Mr. George Caan  
Director  
Colorado River Commission of Nevada  
555 East Washington Avenue, Suite 3100  
Las Vegas, NV 89101-1065

Subject: Las Vegas Valley Return Flow Methodology

Dear Ms. Mulroy and Mr. Caan:

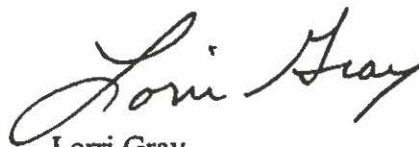
The Bureau of Reclamation is in receipt of your June 6, 2007, and November 2, 2007, letters requesting an update of the Las Vegas Valley Return Flow Credit Methodology (Enclosure 1). Reclamation met with staff members from your offices to discuss this issue. Reclamation adopted the "Procedure for Determining Return Flow Credits to Nevada from Las Vegas Wash" on September 14, 1984, and has modified and updated the methodology used in the procedure to reflect evolving conditions. The methodology was last updated by Reclamation through a letter dated July 29, 2003, to the Colorado River Commission of Nevada (CRC) and the Southern Nevada Water Authority. The current methodology is set forth in a chart entitled "Example: Total Nevada Return Flow Credit and Consumptive Use for Calendar year 2002 with July 2003 Modifications" (Enclosure 2).

Your letter of May 19, 2003, and Reclamation's letter of July 29, 2003, anticipated additional discussions and methodology updates relating to "how the current methodology might be changed in the future to provide southern Nevada greater ability to fully develop and utilize its non-Colorado River water resources." Your recent letters propose specific administrative updates to reflect the anticipated importation of groundwater and surface water into the Las Vegas valley under Nevada state law and include a proposed procedure to streamline the existing methodology.

Reclamation agrees that the administrative updates to the Las Vegas valley return flow methodology proposed in your letter of June 6, 2007, and refined in your letter of November 2, 2007, provide an acceptable method of accounting for Nevada's consumptive use of Colorado River water. Beginning with calendar year 2008, Reclamation will account for Nevada's consumptive use of Colorado River water in accordance with Exhibit A of your November 2, 2007, letter entitled, "Nevada's Consumptive Use Accounting (page 1)" (Enclosure 3) when municipal and industrial (M&I) groundwater pumping in the Las Vegas valley is less than or equal to 47,340 acre-feet over the accounting year. Should the M&I groundwater pumping in the Las Vegas valley exceed 47,340 acre-feet over the accounting year, CRC will recalculate lines 6 and 9 of the above exhibit in accordance with Exhibit A of your November 2, 2007, letter entitled, "Nevada's Consumptive Use Accounting (page 2)" (Enclosure 4).

In reporting Nevada's consumptive use, Reclamation will utilize CRC's electronic water diversion and return flow data reporting system. If you have questions regarding the implementation of the changes in the calculation of Nevada's return flow methodology as described in this letter, please contact Mr. Paul Matuska at 702-293-8164. If you have administrative questions, please contact Ms. Ruth Thayer at 702-293-8426.

Sincerely,



Lorri Gray  
Regional Director

Enclosures - 4

cc: Mr. Herb R. Guenther  
Director  
Arizona Department of Water Resources  
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Phoenix, AZ 85012-2105

Mr. Gerald R. Zimmerman  
Executive Director  
Colorado River Board of California  
770 Fairmont Avenue, Suite 100  
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(with enclosures to each)