Veles Water Weekly Report

June 5th 2025

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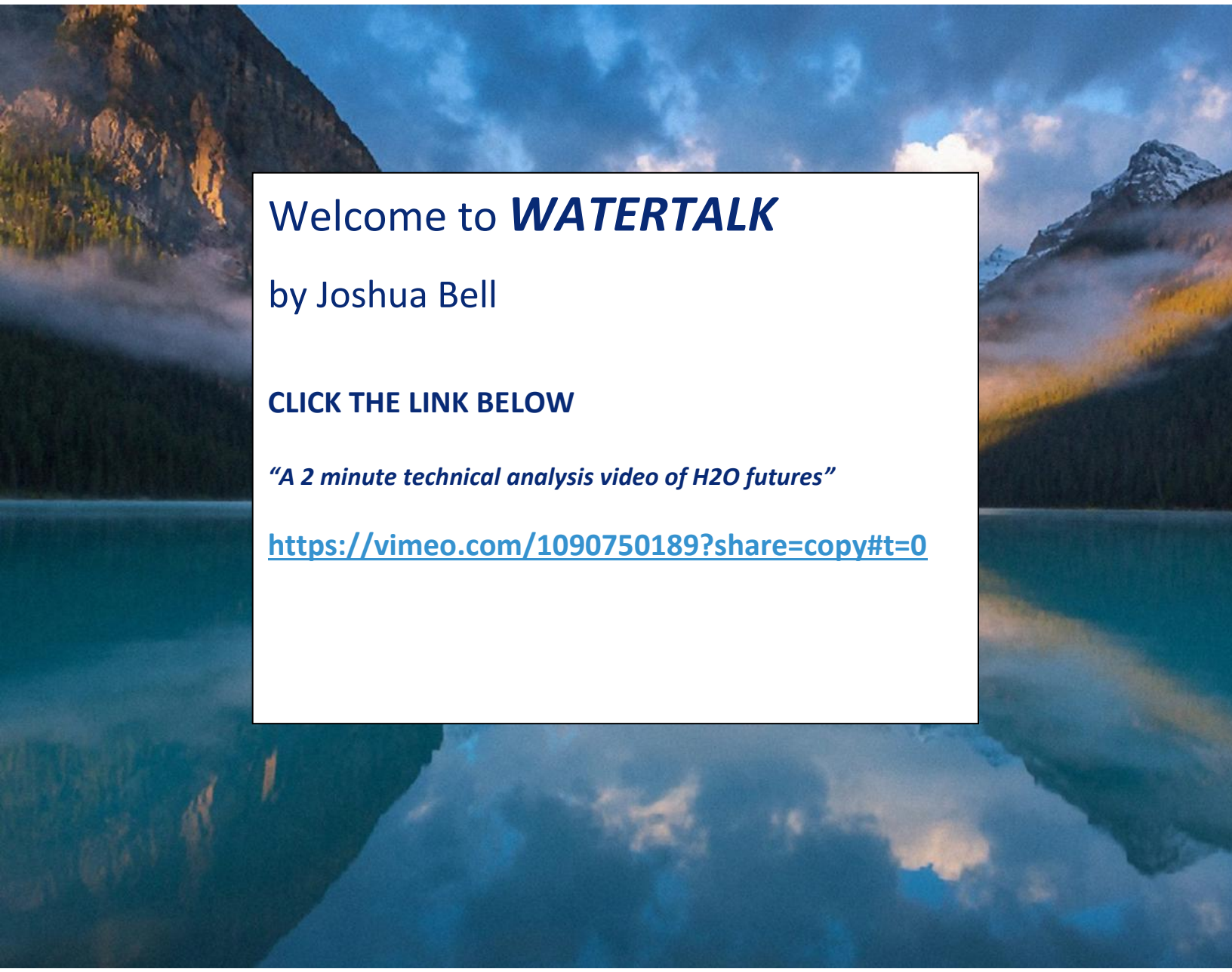
Veles Water

WATER FUTURES MARKET ANALYSIS



Welcome to ***WATERTALK***

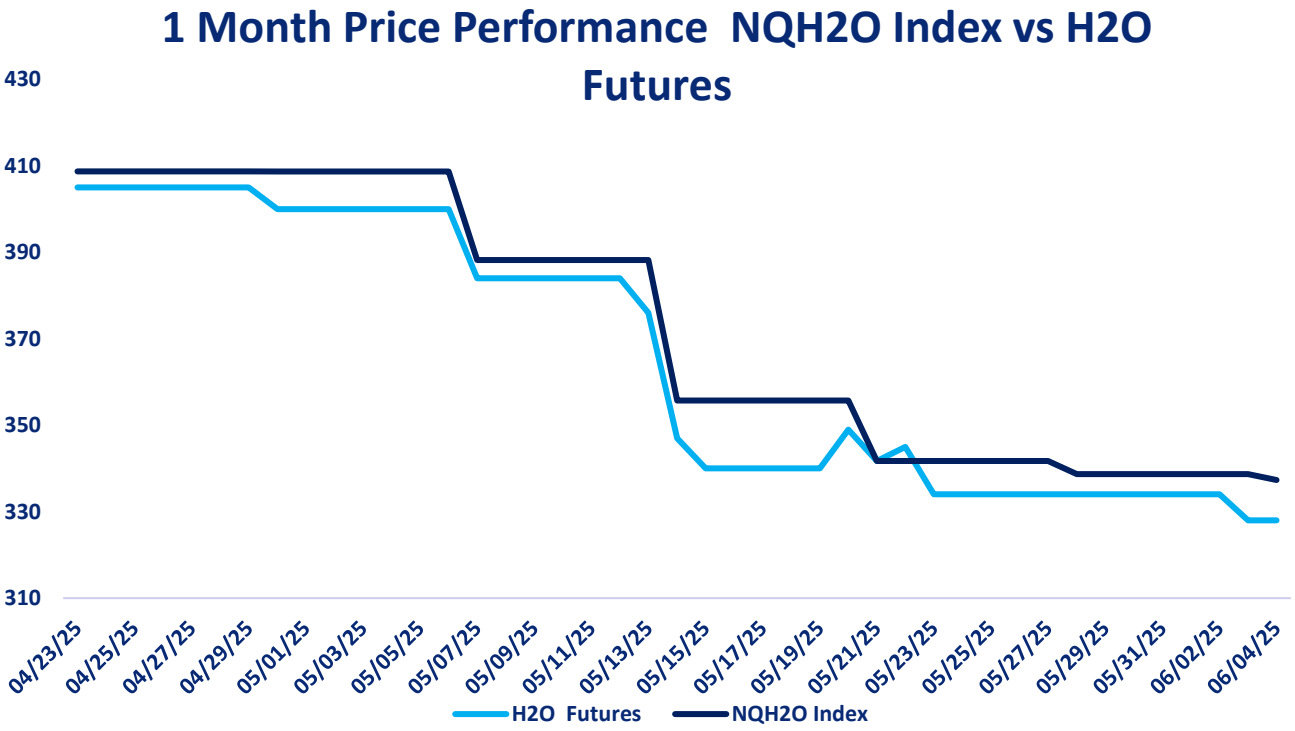
by Joshua Bell

CLICK THE LINK BELOW

"A 2 minute technical analysis video of H2O futures"

https://vimeo.com/1090750189?share=copy#t=0

NQH2O INDEX PRICE vs H2O FUTURES PRICE



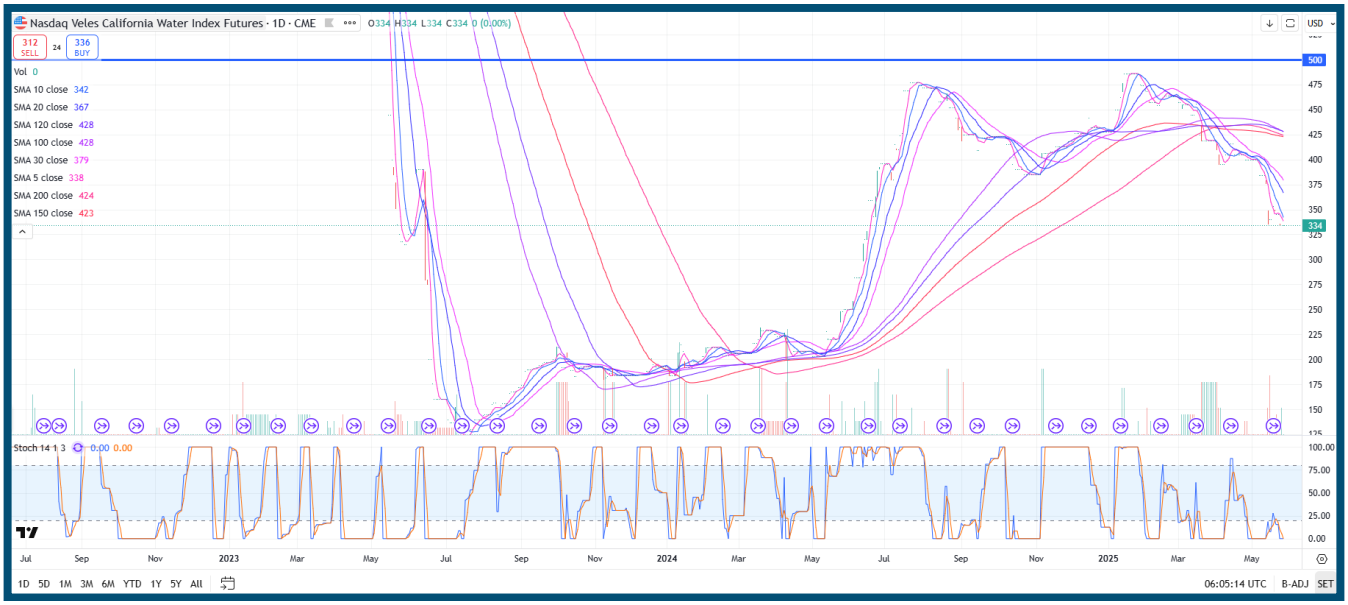
Price Chart Based upon Daily Close

The new NQH2O index level of $337.33 was published on June 4th, down $1.36 or 0.40% from the previous week. The June contract is considered the front month. The futures prices closed at a discount of $4.69 to $10.69 versus the index over the past week.

Below are the bid offer prices on different expiries being quoted in the market.

June 25	327@332
June 26	387@427

H2O FUTURES TECHNICAL REPORT



Price Action
Current Price: 328 USD
Daily Change: 0.00% (flat session)

Price Action
The index is holding at 328 after a steep and continuous selloff from highs near 480 earlier this year. The latest candles show low volatility and indecision, suggesting that the market may be attempting to stabilize. However, there's no evidence yet of accumulation or bullish reversal.

Moving Averages Analysis
Short-Term Averages:

- **5-day SMA: 332** - Price is slightly below this level, confirming ongoing near-term weakness.
- **10-day SMA: 335** - The price remains below the 10-day average, reinforcing short-term bearishness.
- **20-day SMA: 350** - This is now a critical near-term resistance, well above the current price.

Medium-Term Averages:

- **30-day SMA: 367** - Clearly broken. The market would need to recover above this to shift sentiment.

- **100-day & 120-day SMAs: 422 / 424** – These represent the long-term trend. The index is trading far below both, confirming a major trend reversal to the downside.

Long-Term Support Cluster:

- **150-day SMA: 421**
- **200-day SMA: 421**
  These are now flattening and could soon roll over — a potential death cross signal when combined with declining short-term averages.

Support and Resistance Levels

- **Immediate Support:** 325–328 (current zone). If breached, price could fall toward the psychological 300 mark.
- **Resistance Levels:**
  - 332 (5-day SMA) – minor
  - 350 (20-day SMA) – first real test of strength
  - 367–380 – deeper retracement zone with cluster resistance

Stochastic Oscillator (14, 1, 3)

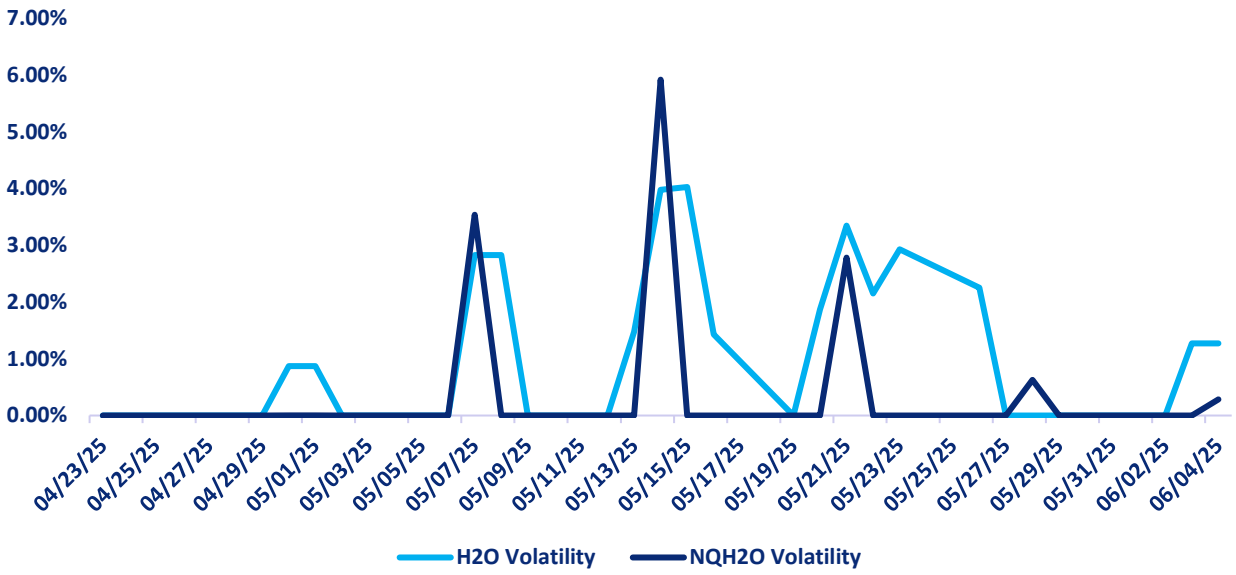
- **K: 0.00 | D: 0.00**
  The stochastic oscillator is fully pinned at zero. This signals deeply oversold conditions but offers **no confirmation of reversal** yet. Until a bullish crossover occurs, downside risks remain.

Summary and Takeaways

- The **trend is firmly bearish** across all timeframes.
- Price is well below **all major moving averages**, with no signs of reversal on volume or structure.
- **Oversold readings** suggest a technical bounce could be on the horizon, but for now, this remains purely a potential, not a signal.
- Traders should watch for a close above **332–335** for signs of early momentum recovery.
- A drop below **325** would likely trigger the next wave of selling toward **300**.

H2O FUTURES AND NQH2O INDEX VOLATILITY ANALYSIS

Daily H2O Futures Volatility vs Daily NQH2O Index Volatility



DAILY VOLATILITY

Over the last week the June contract daily future volatility high has been 1.27%.

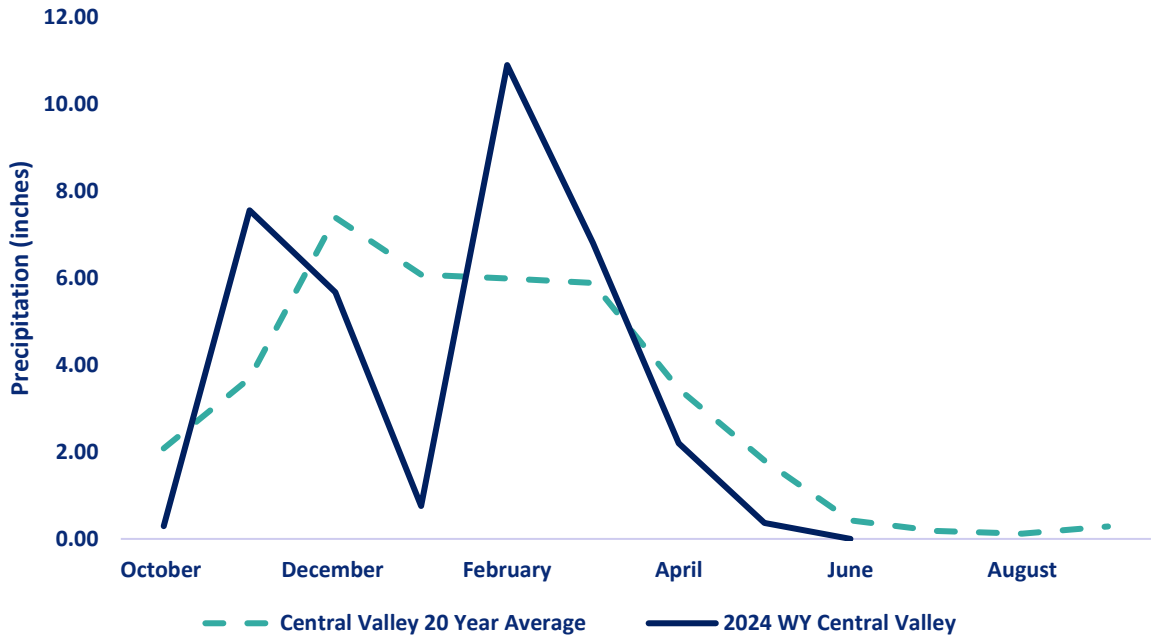
ASSET	1 YEAR (%)	2 MONTH (%)	1 MONTH (%)	1 WEEK (%)
NQH2O INDEX	**25.86%**	**7.77%**	**3.83%**	**0.49%**
H2O FUTURES	N/A	**14.07%**	**9.28%**	**1.80%**

For the week ending on June 4th, the two-month futures volatility is at a premium of 6.30% to the index, down 0.21% from the previous week. The one-month futures volatility is at a premium of 4.73% to the index, up 0.73%. The one-week futures volatility is at a premium of 1.31% to the index volatility.

*The above prices are all **HISTORIC VOLATILITIES**. All readings refer to closing prices as quoted by CME.*

CENTRAL VALLEY PRECIPITATION REPORT

Central Valley Precipitation Index



Central Valley

average is calculated using data from 19 weather stations in Central Valley, California.
Data as of 04/06/2025

STATION	MTD (INCHES)	WEEK ON WEEK CHANGE (INCHES)	% OF 20 YEAR AVERAGE MTD	2025 WYTD VS 2024 WYTD %	2025 WY VS 20 YEAR AVERAGE TO DATE %
SAN JOAQUIN 5 STATION (5SI)	0	0	0.00	86	69
TULARE 6 STATION (6SI)	0	0	0.00	84	85
NORTHERN SIERRA 8 STATION (8SI)	0	0	0.00	94	109
CENTRAL VALLEY AVERAGE	0.00	0.00	0.00	88	88

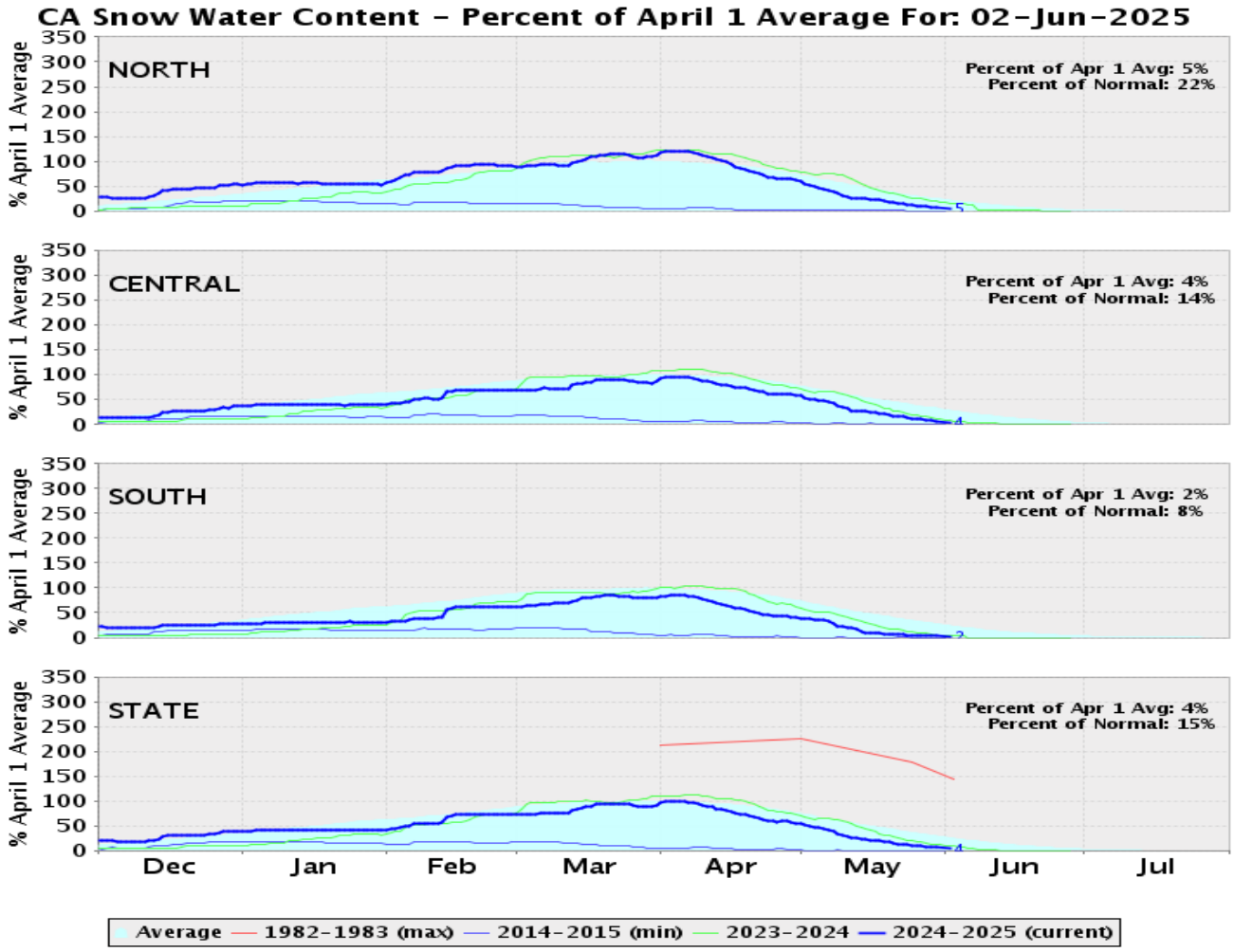
RESERVOIR STORAGE

RESERVOIR	STORAGE (AF)	% CAPACITY	LAST YEAR % CAPACITY	*% HISTORICAL AVERAGE
TRINITY LAKE	2,269,804	93	87	117
SHASTA LAKE	4,136,431	91	94	109
LAKE OROVILLE	3,420,724	100	103	122
SAN LUIS RES	1,291,740	63	59	93

*% Historical Average is based on a daily average that is interpolated from historical monthly averages. The monthly averages are computed using monthly data from water year 1991 to 2024. The monthly averages are updated every 5 years using a sliding 30 year period.

Reference: California Water Data Exchange

SNOWPACK WATER CONTENT



REGION	*SNOWPACK WATER EQUIVALENT (INCHES)	WEEK ON WEEK CHANGE (INCHES)	% OF AVERAGE LAST YEAR	% OF 20 YEAR HISTORICAL AVERAGE	% OF HISTORICAL **APRIL 1ST BENCHMARK
NORTHERN SIERRA	1.4	-1.1	71	22	5
CENTRAL SIERRA	1.1	-1.8	28	14	4
SOUTHERN SIERRA	0.5	-0.3	17	8	2
STATEWIDE	1	-1.4	37	15	4

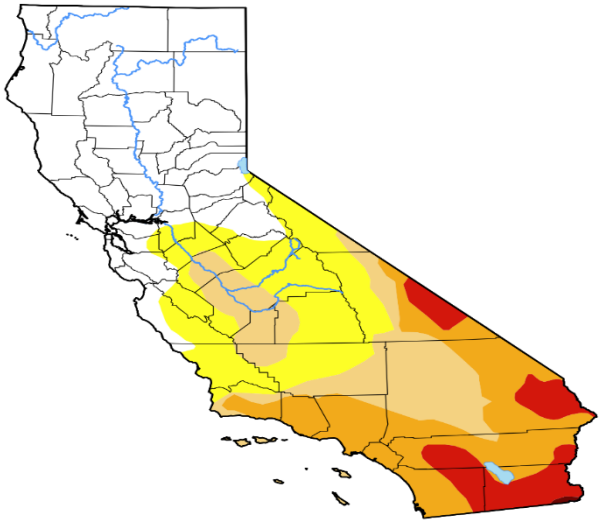
Snow Water Equivalent*, **or SWE**, is a commonly used measurement used by hydrologists and water managers to gauge the amount of liquid water contained within the snowpack. In other words, it is the amount of water that will be released from the snowpack when it melts. SWE has regional variance.**

**** April 1st is used as the benchmark as it when the snowpack in California is generally deepest. It has been used the benchmark date since 1941 by DWR and can be used to predict spring river flow.**

DROUGHT MONITOR

California

Home / California



Map released: Thurs. May 29, 2025
Data valid: May 27, 2025 at 8 a.m. EDT

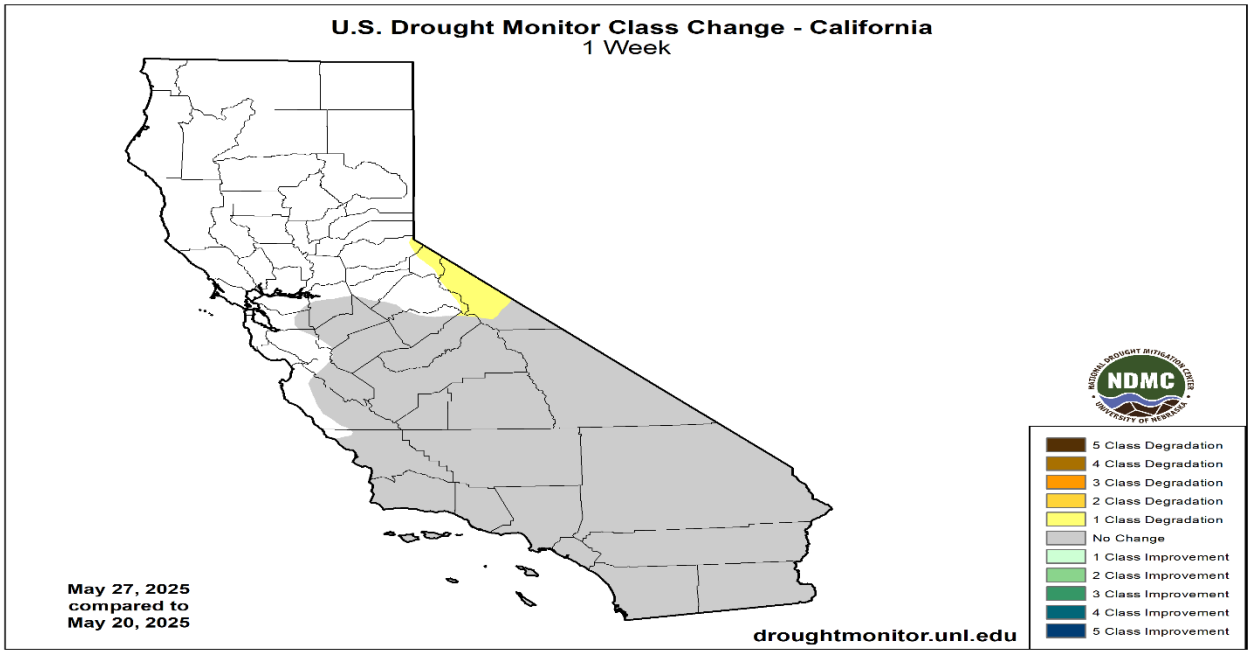
Intensity

- None
- D0 (Abnormally Dry)
- D1 (Moderate Drought)
- D2 (Severe Drought)
- D3 (Extreme Drought)
- D4 (Exceptional Drought)
- No Data

Authors

United States and Puerto Rico Author(s):
Brad Pugh, NOAA/CPC

Pacific Islands and Virgin Islands Author(s):
Daniel Whitesel, National Drought Mitigation Center

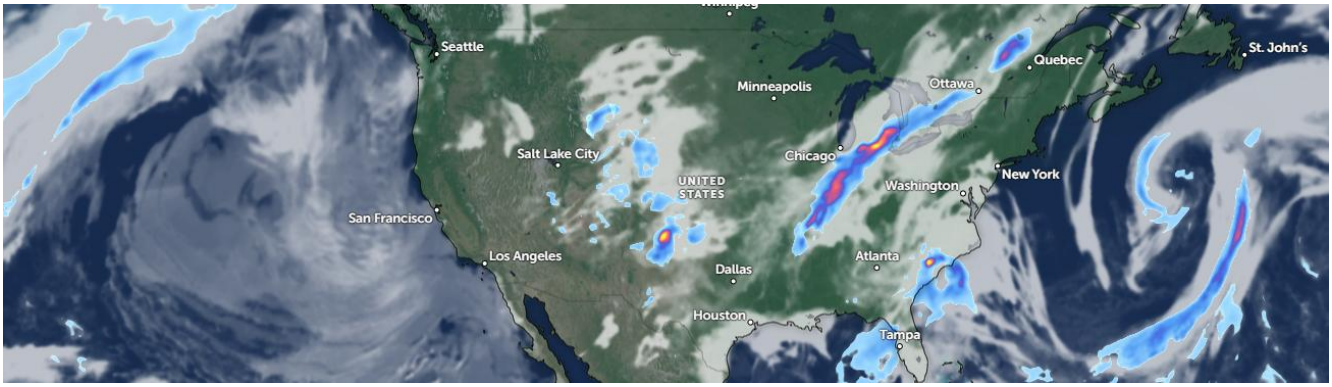


Week	Date	None	D0-D4	D1-D4	D2-D4	D3-D4	D4	DSCI
Current	2025-05-27	40.22	59.78	39.81	24.73	7.11	0.10	132
Last Week to Current	2025-05-20	41.86	58.14	39.81	24.73	7.11	0.10	130
3 Months Ago to Current	2025-02-25	41.82	58.18	41.58	24.83	14.75	0.00	139
Start of Calendar Year to Current	2024-12-31	40.90	59.10	31.52	5.70	1.06	0.00	97
Start of Water Year to Current	2024-10-01	28.40	71.60	10.67	0.08	0.00	0.00	82
One Year Ago to Current	2024-05-28	98.77	1.23	0.00	0.00	0.00	0.00	1

The U.S Drought Monitor is jointly produced by the National Drought Mitigation Center at the University of Nebraska-Lincoln, the United States Department of Agriculture, and the National Oceanic and Atmospheric Administration. Map courtesy of NDMC.

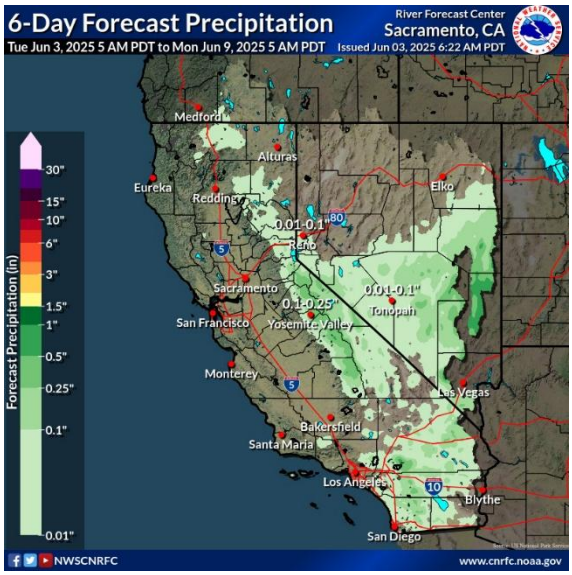
CURRENT SATELLITE IMAGERY

The satellite picture shows a clear western US with a line of scattered cloud on the eastern side of the Rockies. There is a line of storms stretching from northwest of Atlanta up past Ottawa in Canada. There are some stormy weather conditions of on both sides of Florida.



Map Ref: Zoom Earth

10 Day Outlook



CA sits between two upper lows this morning, one over the Pacific southwest of soCal and a larger low traversing the Gulf of Alaska.

The gulf low also drags a large frontal system with 1" PW of moisture across the eastern Pacific. This system will lift northward as it approaches the west coast likely entirely missing CA in favor of the PacNW and BC later today into tomorrow. The smaller low to the southwest will head towards Baja arriving some time Thursday. The combination of these systems will keep some troughing overhead for today along with instability. This means the slight chance of thunderstorms over parts of the Sierra and the Shasta Drainage.In between these lows offshore, high pressure will build and shift towards the coast the rest of the work week as the southwest low hovers near Baja. By Friday afternoon, the ridge will be firmly overhead with 500 mb heights exceeding 590 dm. This will keep dry conditions over the region and bring well above normal (+10 to +20 deg F) afternoon temperatures. Overnight lows will also be well above normal by similar amounts through Saturday. Many locations across CA are already under heat related products (please see local WFO pages for heat risk/alert information). Into Sunday, a trough will move through the PacNW as the ridge shifts further inland. Troughing will dig into nrn CA/NV as well while the low offshore of Baja finally begins to move inland. This will provide some relief across

the region with coastal areas back to near/below normal and afternoon temperature anomalies inland down to about +5 to +15 deg F.

Reference: National Weather Service / California Nevada RFC / Sacramento CA

WESTERN WEATHER DISCUSSION

Based on 6-month SPI, water-year-to-date (October 1, 2024 to May 26, 2025) precipitation deficits, and 28-day average streamflow, moderate drought (D1) was expanded to include more of southwestern Washington. Increasing 30 to 90-day precipitation deficits, low 28-day average streamflows, and declining soil moisture led to the introduction of D1 to parts of northwestern and northeastern Oregon. The 6-month SPI supported the expansion of severe drought (D2) coverage across southwestern Utah. Although precipitation was light this past week, SPIs dating back 120 days along with more favorable soil moisture indicators led to improvements across southwestern and eastern Montana. Conversely, in northwest Montana, D1 was degraded to D2 based on 120-day SPI and declining soil moisture. To the east of the Sierra Nevada Mountains, abnormal dryness (D0) was expanded to the south of Lake Tahoe due to drier-than-normal conditions since April.

Reference:
Lindsay Johnson, National Drought Mitigation Center
Richard Tinker, NOAA/NWS/NCEP/CPC

WATER NEWS

CALIFORNIA WATER NEWS

After half a century, California legislators on the verge of overhauling a landmark environmental law

When a landmark state environmental law threatened to halt enrollment at UC Berkeley, legislators stepped in and wrote an exemption. When the Sacramento Kings were about to leave town, lawmakers brushed the environmental rules aside for the team's new arena. When the law stymied the renovation of the state Capitol, they acted once again.

Lawmakers' willingness to poke holes in the California Environmental Quality Act for specific projects without overhauling the law in general has led commentators to describe the changes as "Swiss cheese CEQA."

Now, after years of nibbling at it, Gov. Gavin Newsom and the Legislature are going in with the knives.

Two proposals have advanced rapidly through the Legislature: one to wipe away the law for most urban housing developments, the other to weaken the rules for most everything else. Legal experts say the efforts would be the most profound changes to CEQA in generations. Newsom not only endorsed the bills last month, but also put them on a fast track to approval by proposing their passage as part of the state budget, which bypasses normal committee hearings and means they could become law within weeks.

"This is the biggest opportunity to do something big and bold, and the only impediment is us," Newsom said when announcing his support for the legislation.

Nearly the entire 55-year history of the California Environmental Quality Act has featured dueling narratives about its effects. On its face the law is simple: It requires proponents to disclose and, if possible, lessen the environmental effects of a project. In practice, this has led to tomes of environmental impact reports, including volumes of soil testing and traffic modeling studies, and sometimes years of disputes in court. Many credit CEQA for helping preserve the state's scenic vistas and waterways while others decry its ability to thwart housing and infrastructure projects, including the long-delayed and budget-busting high-speed rail.

On the latter point, evidence supports both sides of the argument. One study by UC Berkeley law professors found that fewer than 3% of housing projects in many big cities across the state over a three-year period faced any litigation. But some contend that the threat of a lawsuit is enough to chill development, and examples continue to pile up of CEQA stalling construction of homeless shelters, a food bank and child-care center.

What's clear is that CEQA has become embedded as a key point of leverage in California's development process. Los Angeles Mayor Karen Bass once recalled that

when she worked as a community organizer in the 1990s, Westside land-use attorneys who were successful in stopping development in their communities taught her how to use CEQA to block liquor stores in South L.A.

Organized labor learned to use the law to its advantage and became one of its most ardent supporters, alongside environmentalists — major constituencies within Democratic politics in the state. Besides carve-outs for individual projects in recent years, lawmakers have passed CEQA streamlining for certain kinds of housing and other developments. These fast-track measures can be used only if proponents agree to pay higher wages to construction workers or set aside a portion of the project for low-income housing on land considered the least environmentally sensitive.

Labor groups' argument is simple, said Pete Rodriguez, vice president-Western District of the United Brotherhood of Carpenters and Joiners: CEQA exemptions save time and money for developers, so some benefit should go to workers.

"When you expedite the process and you let a developer get the TSA pass, for example, to get quicker through the line at the airport, there should be labor standards attached to that as well," Rodriguez said at a Los Angeles Business Council panel in April.

The two bills now under debate — Assembly Bill 609 by Assemblymember Buffy Wicks (D-Oakland) and Senate Bill 607 by Sen. Scott Wiener (D-San Francisco) — break with that tradition. They propose broad CEQA changes without any labor or other requirements.

Wicks' bill would exempt most urban housing developments from CEQA. Wiener's legislation, among other provisions, would in effect lessen the number of projects, housing and otherwise, that would need to complete a full environmental review, narrowing the law's scope.

"Both are much, much more far-reaching than anything that has been proposed in living memory to deal with CEQA," said Chris Elmendorf, a UC Davis law professor who tracks state environmental and housing legislation.

The legislation wouldn't have much of an effect on rebuilding after L.A.'s wildfires, as single-family home construction is exempt and Newsom already waived other parts of the law by executive order.

The environment inside and outside the Legislature has become friendlier to more aggressive proposals. "Abundance," a recent book co-written by New York Times opinion writer Ezra Klein, makes the case that CEQA and other laws supported by Democrats have hamstrung the ability to build housing and critical infrastructure projects, citing specifically California's affordability crisis and challenges with high-speed rail, in ways that have stifled the American Dream and the party's political fortunes.

The idea has become a cause celebre in certain circles. Newsom invited Klein onto his podcast. This spring, Klein met with Wicks and Wiener and other lawmakers, including

Robert Rivas (D-Hollister) and Mike McGuire (D-Healdsburg), the leaders of the state Assembly and Senate, respectively.

Wicks and Wiener are veteran legislators and former chairs of legislative housing committees who have written much of the prior CEQA streamlining legislation. Even though it took bruising battles to pass previous bills, the resulting production hasn't come close to resolving the state's shortage, Wicks said.

"We need housing on a massive scale," Wicks said.

To opponents of the bills, including dozens of environmental and labor groups, the effort misplaces the source of building woes and instead would restrict one of the few ways community groups can shape development.

Asha Sharma, state policy manager for Leadership Counsel for Justice & Accountability, said her organization uses CEQA to reduce the polluting effects of projects in neighborhoods already overburdened by environmental problems.

Original Article: The LA Times by Liam Dillion

Southern California water agencies settle long-running legal battle

A bitter 15-year legal battle over water costs came to an end Monday, with leaders of the San Diego County Water Authority and the Metropolitan Water District of Southern California signing an agreement establishing the price that will be paid for delivering supplies.

Managers and board members of the two agencies said that the dispute persisted for years because of inflexible positions, but that negotiations over the last year made possible a comprehensive agreement. They said ending the legal fight will enable greater collaboration among the agencies to improve their finances and move water where it's needed.

MWD Board Chair Adán Ortega Jr. said the litigation had for too long complicated the relationship between his agency, which delivers water for 19 million people, and the San Diego County Water Authority, which is a member of MWD and supplies water for 3.3 million people.

"That era of conflict has finally come to an end and we can forge ahead, building a relationship based instead on cooperation and shared goals," said Ortega, who attended the signing of the settlement in San Diego.

Nick Serrano, chair of the San Diego County Water Authority's board, said the reasons why the dispute went on for years were complex but "a lot of it had to do with past personalities and the leadership of both agencies."

Serrano said former Water Authority board chair Mel Katz had helped lay the groundwork for a deal. And Serrano said since he became chair in October, he has prioritized ending "the era of litigation that has plagued our two agencies for far too long."

The dispute was largely about the price the Water Authority pays MWD for an exchange of water. The San Diego agency has secured certain supplies of Colorado River water through deals in which it buys conserved water from the Imperial Irrigation District and obtains conserved water from projects that lined the All-American and Coachella canals with concrete to prevent losses.

These supplies total up to 277,700 acre-feet a year. (An acre-foot is 325,851 gallons, enough to supply about three typical households for a year.)

The agencies said MWD obtains this water at the Colorado River and delivers it to San Diego. Starting in 2010, the Water Authority challenged the price MWD charged, and that led to years of arguments in court and legal judgments in favor of both sides.

Under the legal settlement, the Water Authority will now pay a fixed price to MWD for delivering these supplies, starting at $671 per acre-foot in 2026, with annual adjustments for inflation. This will be instead of paying MWD's rates, which was a key point of disagreement.

The Water Authority also will now be able to sell these supplies to MWD or other member agencies in Southern California.

"It means greater fiscal certainty for our two agencies. It means new opportunities to move water to communities that need it most," Serrano said.

He said by working together in this way, the agencies will have greater flexibility to meet future challenges together, whether related to drought, infrastructure investment or efforts to address chronic shortages along the Colorado River.

"Instead of endlessly fighting yesterday's battles, we are finally going to work side by side to build tomorrow's solutions," Serrano said, adding that it will also mean stabilizing water rates for people in San Diego County.

Deven Upadhyay, MWD's general manager, said the greater flexibility the settlement brings will benefit the entire region.

"The fact that we're here is a testament to what is possible when people set aside the past, set aside our egos, set aside our own demands and focus instead on the greater good. That's not an easy thing to do," Upadhyay said.

Some of those at the signing ceremony, he said, "probably thought that this day would never come."

He said with these disputes settled, the agreement also brings MWD "a greater level of certainty to our budgeting and planning."

Original Article: The LA Times by Ian James

How Westside Water Allocations Are Leaving Farmers Dry

California's Westside farmers are once again caught in a cycle of uncertainty as water allocations remain unpredictable—despite full reservoirs and years of strong snowfall.

According to AgNet West's Nick Papagni, this system continues to punish growers trying to plan ahead for planting season.

Farmer Mike Omari explains that the decision-making window is razor-thin. "We usually get our water allocation announcement the last week of February, but our planting season starts March 1st," he says. "You're gambling everything on a number that might change later—but by then, your decisions are already locked in."

This year's initial allocation was only 35%, even with a full Lake Orville and favorable snowpack. Although the number was later bumped to 55%, the delay in information makes strategic crop planning almost impossible.

Many growers are left choosing between permanent plantings like almond and pistachio trees—which require year-round water—and riskier row crops like tomatoes, all while paying assessments to belong to water districts with no guarantees.

Papagni highlighted the frustrating irony: "Three straight years of ample rain and snow, and yet 75% of it goes straight to the ocean. Environmental policies are crippling our ability to farm."

The call is growing louder for reforms that balance environmental priorities with the practical needs of agriculture. Until then, Westside farmers are forced to play a guessing game with their livelihoods on the line.

Original Article: AG Net West

US WATER NEWS

Record summer heat is expected as Lake Powell's forecast worsens

Monitors observing Lake Powell's water levels are issuing a dire warning: The second largest reservoir in the country, and one of the most popular destinations for Arizonans and Western tourists, will suffer yet another year of drought and accelerated decline. Hydrologists say this is the consequence of a lack of winter 2024 runoff, itself the product of an unseasonably dry cold season.

Experts predict the winter melt, which is responsible for replenishing the endangered lake, will total just 55% of the annual average. The average was calculated by comparing the runoff amounts observed between 1991 and 2020.

The initial forecast was more optimistic last December, calling for a runoff measuring 92% of the average. But as mid-winter precipitation failed to form in earnest along the Rockies, that figure fell rapidly, decreasing to 81% in January, then 67% by February.

The current 55%-of-average forecast represents 3.5 million acre-feet of water making its way into the lake as temperatures climb and melt what few packs formed. The lake currently holds just over 7.5 million acre-feet of water. This figure represents less than one third of the reservoir's capacity, which is closer to 24.3 million acre-feet.

Although the forecast for runoff has decreased to a figure measuring less than the 2023 and 2024 runoffs, it's a better prognosis than the worst year. In 2021, the melt's replenishment reached a record low of just 1.85 million acre-feet.

As the lake continues to shrink, surrounding states disagree on how to reduce their 40 million residents' collective water use to stave off the reservoir's total destruction. Arizona, California, Colorado, Nevada, New Mexico, Utah and Wyoming legislators are sparing over which locales should decrease their residential, commercial, and agricultural intakes.

At the same time, Arizona is experiencing an unprecedented statewide drought, putting pressure on authorities to siphon more from the Colorado River Basin to address the state's water needs. The U.S. Drought Monitor places most counties in the D3 (Extreme) and D4 (Exceptional) categories for drought conditions; just one locale—the northeastern corner of Apache county—is rated at D0 (Abnormally Dry).

The current Drought Severity & Coverage Index, or DSCI, which totals drought conditions across Arizona, put the state at a near record of 348 on May 27th. Just one year ago, the figure stood at 95.

As the lake's longstanding ramps and shore access shrink, access for boats and recreators has become a challenge. Authorities last September explained the Dangling Rope Marina, once a popular launch to wakeboard and water ski the reservoir's nearby snaking passages, would close; declining water levels made its use unsustainable. Utah is considering expanding vehicular access around the perimeter of the reservoir to at least partly address access concerns.

Despite conflicting talks between states about how to reduce water use to save the reservoir, hydrologists and researchers agree: Lake Powell will not recover on its own. Before 2025, the Colorado River Basin—the primary collector and transporter of runoff for the lake—experienced record snowpack formation, with 2023 totaling 166% of the 30-year average.

Despite this, the melt from that season only replenished the lake to 38% of its capacity in July, up from a level of 22% in February. In 2024, snowpack totals reached 113% of the average, creating a runoff measuring 83% of the average, which added roughly 5.3 million acre-feet of water to the reservoir. But these consecutive records only brought water levels up to 42% of capacity by July 2024.

The increasing difference between snowpack and runoff totals is from years of drought sapping the region's soil, which now absorbs more runoff than before, leaving less water to replenish the lake.

Because of continued extreme weather and increasingly common drought conditions throughout the basin, these discrepancies are likely to grow, with a 27% difference between snowpack melt and runoff totals expected in 2025.

Year-round increases in average temperature and droughts have also contributed to a nearly 20% reduction in the Colorado River's flows, exacerbating the conditions that prevent snowpack melt from replenishing the lake.

While states continue arguing about who should reduce their water use and by how much, the deadline for writing the new guidelines approaches, which existing rules expiring in 2026. With agriculture accounting for more than half of all water consumed from the Colorado River, states will have to invest in new and more sustainable irrigation methods to maintain crops and livestock, in addition to making growing communities less dependent on the basin's waters—lest Lake Powell finally run dry.

Original Article: AZ Big Media

Arizona Senate leader suggests making desalination a part of Colorado River talks

Arizona's Senate president suggests desalination should be a part of ongoing Colorado River negotiations.

Arizona is one of seven basin states negotiating how much water they'll be able to use going forward.

Senate President Warren Petersen (R-Gilbert) said in recent talks with officials at the Department of the Interior, he requested federal support with infrastructure projects as part of the negotiations.

Petersen said putting some money into a desalination plant in California in exchange for more river water to Arizona could be a good deal.

"Let's say there's some dollars provided for infrastructure for them, and then they - they take off less from the Colorado, and then there's a larger water allocation," he said.

Petersen said in a newsletter on Monday that Arizona's relationship with the federal government "has never been stronger."

"I am confident that the Trump Administration will work with the states to strike a deal that ensures our future water security," he wrote.

Desalination isn't the only infrastructure project Petersen brought up. He also mentioned the utility of lining Arizona's canals to avoid water loss from evaporation and soaking into the ground.

Arizona Department of Water Resources Director Tom Buschatzke says he's not in desalination talks with California, but he's co-leading a workgroup with Mexico.

"I have advocated to both the past and current administration that infrastructure projects are necessary to deliver a collaborative post 2026 outcome among the seven states but also with building support with the stakeholders in the state of Arizona," Buschatzke said.

Desalination in Mexico is also something Democratic Gov. Katie Hobbs brought up recently - outside the context of the Colorado River.

In 2022, desalination was a hot topic under the leadership of former Gov. Doug Ducey. The Legislature at that time worked with Ducey to set aside $1 billion for water augmentation.
However, in 2023 and 2024, Hobbs clawed back most of that funding.
Original Article: KJZZ Pheonix by Camryn Sanchez

ASU researcher warns: Without groundwater changes, few will be able to dig wells

New groundwater research is raising serious questions about the future of rural communities in Arizona.
A study published last week in the scientific journal Geophysical Research Letters shows a rapid acceleration in groundwater usage in the Colorado River Basin in the last decade.
“Much of that groundwater is irreplaceable,” said Arizona State University professor Jay Famiglietti, the lead researcher. “Right? It's fossil groundwater.”
Without major changes in Arizona policy, the state will continue to see accelerated disappearance of groundwater, he said.
“There will be less available for future generations,” he said.
In 20 to 40 years, Famiglietti said, more wells will go dry, and new ones will have to be dug much deeper.
“In short, it will become very expensive to pump that deeper groundwater on our current trajectory, so that only the wealthiest farmers and the biggest farms will be able to afford to pump that groundwater,” he said.
The effects are already being seen in communities like Wenden in La Paz County. Wells are running dry, and residents are already paying up to $130,000 for new ones.
The county is also experiencing subsidence – sinking ground.
“Over the last 15 years, we have dropped over 3.2 feet, and then at an average of like 2.2 inches per year,” Devona Saiter told Gov. Katie Hobbs last week. “It varies at different locations.”
Saiter, whose family has been in Wenden since about the 1960s, owns a shop, and her husband runs the town’s water department.
“My shop, it has sunk in several inches in various locations,” she said. “There’s gaps, there’s cracks.”
Famiglietti said subsidence can happen where a lot of groundwater has been pumped. He compares it to letting air out of a tire.
“Just the way air keeps the tire pumped up, water keeps the land pumped up,” he said.
When water is extracted from the aquifer and the surrounding layers, it’s like air leaving a tire, particularly in regions with a lot of clay minerals.

"Clay minerals are flat, and so when the water that's between them disappears, gets pumped out, then the flat minerals stack up, kind of like dishes in a sink, and that has the impact of lowering the ground surface," he said.

Subsidence is occurring in southeastern Arizona, as well as California. And it can be really dangerous, Famiglietti said, because infrastructure such as roads and pipes, as well as homes, can be damaged.

He said his research shows that Arizona must now make tough choices.

"It will not be possible to keep doing everything that we're doing everywhere in the state," he said."Just, the water is not there to support it."

That means rethinking the state's agriculture, and what crops Arizona has enough water to grow.

"What do you want to leave your kids, say in 2060?" he said. "What do you want that groundwater situation to be like?"

Original Article: abc15 by Manuelita Beck

Colorado River Basin Aquifers Are Declining Even More Steeply Than the River, New Research Shows

Declines of underground water supplies that are vital to cities and farming in the Colorado River Basin are outpacing the losses of the river's water, according to new research published last week based on NASA satellite data.

It's the latest warning of the region's rapidly declining water supplies as the seven basin states—Arizona, California, Colorado, New Mexico, Nevada, Utah and Wyoming—engage in tense negotiations over the Colorado River's future and cuts to water supplies, but with losses to groundwater left out of the debate.

Across the basin, the rate of water storage decline increased by a factor of three between 2015 to 2024 compared to the previous decade because of climate change, said Jay Famiglietti, the study's senior author and science director for Arizona State University's Arizona Water Innovation Initiative.

"That's pretty scary," he said. "When we drilled into figuring out what's going on, of course, it's groundwater and the disappearance of groundwater. That should grab people's attention, and I'm not sure that they do."

The Colorado River Basin has been in a drought for more than two decades, leading to what scientists have called an aridification of the region. The river supplies water to 40 million people across seven states, 30 tribes and Mexico, and generates billions of dollars worth of agricultural outputs, supplying the U.S. with fruits and vegetables in winter. But an overallocation of the river's resources and climate change have thrown that system into disarray, with the states now racing a 2026 deadline to come to an agreement to cut back use of the river.

Recent wet years provided a reprieve from the worst case scenarios in the basin, but a recent study looking at the next 24 months on the river from the Bureau of Reclamation, the federal agency tasked with managing it, predicts steep declines in the levels of lakes Mead and Powell, the nation's largest reservoirs, which dictate the availability of water in much of the basin and factor heavily into the negotiations.

One acre foot of water is enough to supply two to three households for a year; the Colorado River supplies somewhere around 13 million acre feet annually. But the century-old compact between Colorado Basin states allocated more water than that—more than the river carries—leading in part to its overuse and decline.

Using satellite data from NASA that tracks water supplies both below and above ground, the researchers were able to record the declines across the region. Across all sources of water in the basin, a total of 42.3 million acre feet has been lost, the study found.

A majority of those losses, 27.8 million acre feet, were from groundwater. The total decline of groundwater is roughly the equivalent of the volume of Lake Mead, the nation's largest reservoir and the primary site for water storage on the Colorado River. The lake's decline has made headlines around the world, with images of its "bathtub ring" serving as visual reminders of how much more water the lake once stored. But losses to groundwater are far outpacing the losses to surface water such as that in lakes Mead and Powell, the researchers found.

Despite the steep declines in aquifers, groundwater management remains haphazard across the Colorado River Basin and is not among the considerations for negotiating new guidelines for managing the river. The federal government under the Biden administration had taken steps to identify how federal involvement could aid groundwater management, but it's unlikely the Trump administration will move forward with that work or that groundwater will become part of Colorado River negotiations.

"I wish that it did factor into the negotiations, but it doesn't," Famiglietti said. "Groundwater is controlled by states. That's fine, but there has to be some discussion of total water availability in these discussions, and how that water can be used sustainably over the next century and the groundwater part gets left out. I'm not sure that we can continue to thrive in the western U.S. if that continues to be the case."

Cuts on the Colorado River, experts have said, will likely lead to states using more groundwater, despite the region's aquifers' dire condition, and in many cases, suffering worse losses.

Arizona is likely to bear the biggest cuts on the river due to its high usage, but lesser rights in the system, forcing it to use more groundwater. Most of the state, however, has no groundwater regulations. That has led to wells running dry and aquifers that would take centuries with no pumping to recover. The state has taken action to begin regulating groundwater in some new areas, but long-term solutions remain divisive in the Arizona legislature.

Even where groundwater is regulated, the study found the aquifers there are still in decline, though not as rapidly. But it remains unclear, Famiglietti said, if that's because of the management or those areas having access to surface water supplies from the Colorado River.

"We can assume that states like Arizona will have to rely increasingly more on groundwater, and that, of course, it's a problem, because, as the paper shows, it's disappearing quickly," he said. "Groundwater management only covers 18 percent of the state by area. So to me, that puts the state at incredibly high risk."

Elizabeth Koebele, an associate professor of political science focused on water policy at the University of Nevada, Reno, who was not involved with the study, said the research points to the need for further monitoring and planning for all sources of water in the basin.

Scientifically, she said, it is known that surface water supplies and aquifers are often interconnected, meaning impacts to one affect the other. Despite that, only surface water is collectively managed by the federal government and the states.

"These resources are more interconnected than our laws lead us to think, and as a result of that, we need to be finding ways to more explicitly consider them in seven-state negotiations," Koebele said.

Though groundwater is not an explicit part of the negotiations to use less Colorado River Basin water, it is certainly top of mind for state leaders. "The negotiators are going to have to negotiate cuts across the seven states, but then they all have to come back to their own state and figure out how to implement those cuts," she said. "I think that's one of the most challenging things about these negotiations, and that's where a lot of this data really comes to bear on decision making."

Original Article: Inside Climate News by Wyatt Myskow

AI-driven data centers are growing in the drought-stricken Mountain West, analysis finds

A new analysis shows more than two-thirds of data centers built – or in development – since 2022 are in drought-prone areas, including parts of the Mountain West. Experts warn this could strain water supplies for cities and farmers.

Data centers, which power AI tools and cloud services, use massive amounts of water to cool servers so they don't overheat. An average-sized data center uses about 2 million liters of water per day, roughly the same amount as 6,500 households, according to an April report from the International Energy Agency.

A Bloomberg analysis found companies are drawn to Western states for tax breaks and renewable energy sources – primarily solar – to power their facilities. Water availability, however, is one of the last considerations for data center operators, the report argues.

That means data centers could stress local water supplies because they need water 24/7, said Newsha Ajami, a Stanford research fellow who was not involved in the report.

“I see them sort of like permanent crops,” Ajami said. “You put them in there, you have to continuously water them, right? So it doesn't provide that flexibility that's needed, especially during dry or drought periods.”

According to Data Center Map, there are 3,755 data centers across the U.S. In the Mountain West, the majority are in Arizona (138), followed by Nevada (56), Colorado (55) and Utah (43). Rounding out the region are New Mexico (21), Wyoming (13), Idaho (9), and Montana (3).

As the use of AI and cloud services continues to rise, the demand for data centers – and water – isn’t slowing down. Bloomberg estimates nearly 60 more facilities will be built in drought-prone areas by 2028.

Original Article: KANW NPR by Kaleb Roedel

Colorado River states still have no unified long-term management plan and 'are just about out of time,' experts warn

Concerningly low amounts of water are flowing from the Rocky Mountain snowpack this spring, a summer of drought looms across swaths of the West, and the negotiators tasked with devising a sustainable long-term water plan for the 40 million people who rely on the Colorado River are running out of time.

Commissioners from the seven states in the Colorado River Basin—Colorado, New Mexico, Wyoming, Utah, Arizona, California and Nevada—must create a plan that will govern how those states divvy up the river's water after the current guidelines expire at the end of 2026. As the river shrinks due to drought and climate change, the negotiators must decide who will take less water—and they need to do so in the next few months.

"The way the law of the river is set up, this is a decision that takes the seven states, and there are so many stakeholders and users who depend on that," said Jennifer Pitt, Colorado River program director at the National Audubon Society. "We are really at their mercy and we are just about out of time."

The negotiators, who met in Las Vegas this week, have repeatedly said they are committed to finding a consensus solution, but have not yet done so and have already blown past previous deadlines set by federal authorities more than a year ago.

JB Hamby, California's negotiator, said in an interview that the states have been meeting several times a month since December, when tensions between the states burst into public view during a conference. Both the frequency and the tenor of the meetings have since improved, he said.

"I think there's a lot to be heartened by and the states are committed to working towards a solution," Hamby said.

If the states cannot come to an agreement, the U.S. Bureau of Reclamation will implement its own plan. That outcome could prompt years of expensive litigation and put complicated water management questions in the hands of judges not specialized in the issues.

Litigation would create massive uncertainty in the basin and result in a decision that is not ideal for anyone, experts said.

Those who depend on the river are already dealing with uncertainty: this season's mountain snowpack is expected to deliver about half the median amount of water to the system's two major reservoirs, which are already two-thirds empty.

Years of drought not balanced by decreases in water consumption have drained Lake Mead and Lake Powell, and aridification fueled by climate change is expected to continue to reduce the flow of the river that makes modern life possible across the Southwest.

The Colorado River irrigates more than 5 million acres of farmland—including water supplies for much of the nation's winter vegetables—and comprises large portions of many Western cities' water portfolio, said Brad Udall, senior water and climate research scholar at Colorado State University's Colorado Water Institute.

Half of Denver's water comes from the Colorado River system. In Las Vegas, 90% of the water comes from the river.

"All of these places are really dependent on it," Udall said. "And you can't fallow cities."

The Denver Post requested an interview with all seven of the state negotiators. Three states—New Mexico, Nevada and Arizona—declined an interview and two others—Wyoming and Utah—did not respond.

Colorado's negotiator, Colorado River Commissioner Becky Mitchell, said in a statement that she is focused on working with the other basin states to find a consensus approach for post-2026 operations.

Original Article: Phys.org by Elise Schmelzer

Wyoming begins exploring voluntary water conservation programs

In Cheyenne, one of the northernmost cities receiving Colorado River water, the state engineer and attorney general’s offices met with legislators on the select water committee last month to discuss ongoing Colorado River negotiations. Their message was clear: Wyoming must adapt to a future in which the river has an inadequate supply of water for all of its users.

Brandon Gebhart, Wyoming’s state engineer responsible for managing and regulating the water within the state, and Chris Brown, with the Wyoming attorney general’s water and natural resources division, gave committee members background on the Colorado River negotiations, and outlined why it is in Wyoming’s interest to come up with its own water conservation statutes.

With many Colorado River basin mountain ranges holding less than 50% of their average spring snowpack, it's clear that the river and its reservoirs will again be stressed this year by deepening drought.

"We don't have anything set up right now," Gebhart said. "But I think it's very important that if we're to do that, we need to do it in a way that doesn't impact our water users, and it's something that Wyoming can live with."

Southwest Wyoming relies on water from the Green River, the Colorado River's largest tributary, to feed agricultural operations, serve its towns and power its industries. But as climate change intensifies the decades-long drought in the West, and river users continue to demand more water than the system can provide, the Colorado River is running dangerously low, threatening the water supplies and livelihoods of 40 million people in seven U.S. states, 30 tribes and Mexico.

In an attempt to address river shortages and forecasted drought, the states and tribes have come up with new plans for how to manage the river ahead of an October 2026 deadline. Both the Upper Basin states — Colorado, New Mexico, Utah and Wyoming — and the Lower Basin states — Arizona, California and Nevada — have proposed cutting basin-wide use by as much as 3.9 million acre feet.

But, so far, the basins have been unable to agree on how to share those cuts.

The Upper Basin states have proposed levying the full 3.9 million acre feet of required cuts on the Lower Basin in proportion to elevation declines at Lake Mead, which serves only Lower Basin water users, while voluntarily cutting their own use. Under the Upper Basin plan, the Lower Basin would incrementally cut its water use once Lake Mead drops to 90% of its storage capacity; when the lake reaches 70% capacity, the cuts plateau at 1.5 million acre feet — enough water to cover 1.5 million acres with a foot of water. The cuts would remain at that level until Lake Mead dips below 20% capacity, at which point Lower Basin states cut water use by an additional 2.4 million acre feet.

The Lower Basin states have offered to cut their own consumption by 1.5 million acre feet, but only once the Lake Mead water level drops to 69% of its capacity. The remaining 2.4 million acre feet of cuts would be triggered once the system hit 23% capacity and be shared equally between the basins.

Gebhert, who is also Wyoming's representative in Colorado River negotiations, told the committee a voluntary program of cuts is important in part because it underlines the viability of the Upper Basin states' plan and shows the Lower Basin "the certainty that we can do something to contribute to the solution."

It is unclear what a voluntary water conservation program in Wyoming would look like — except that it would have to accommodate several interests. Ranchers, in addition to having some of the most senior water rights in the Green River basin, draw the most water, and any voluntary conservation program would likely have to balance their needs alongside demand from the communities of Rock Springs and Green River, which

together hold almost 6% of the Equality State's population, and take into consideration industries like mining for trona, a mineral used in soda ash for glass, paper and detergent manufacturing. Mining companies make up a substantial portion of the region's tax base.
There may not be consensus within each of those groups as to what shape a voluntary water conservation program ultimately takes.
Original Article: WyoFile by Jake Bolster, Inside Climate News

GLOBAL WATER NEWS

Blow to Thames Water as KKR pulls out of equity raise

Thames Water's battle to escape nationalisation has suffered a hammer blow after KKR withdrew its bid to acquire an equity stake in the business.
The US private equity giant had been selected as a preferred partner for the debt-laden utility business as part of its efforts to raise funds, with KKR having "prepared detailed plans, including turnaround plans which have been shared with the company." It was expected to acquire a stake worth as much as £4bn.
But KKR has now pulled out of any deal, a move which Thames Water described as "disappointing."
The business had sought to secure an equity raise by the end of June, a deadline which it now looks unlikely to achieve. KKR had been selected as the preferred bidder at the end of March.
"KKR has indicated that it will not be in a position to proceed, and its preferred partner status has now lapsed," Thames Water said.
News is 'disappointing' for Thames Water
Thames Water Chairman Sir Adrian Montague said: "Whilst today's news is disappointing, we continue to believe that a sustainable recapitalisation of the company is in the best interests of all stakeholders and continue to work with our creditors and stakeholders to achieve that goal.
"The company will therefore progress discussions on the senior creditors' plan with Ofwat and other stakeholders. The board would like to thank the senior creditors for their continuing support."
Thames Water has been struggling to avoid entering administration after struggling to manage a £20bn debt pile.
To add to its woes, last week the ailing utilities business was handed a £123m fine for breaching rules over sewage spills and shareholder payouts, the largest of its kind issued by water regulator Ofwat.

In March, the firm won approval from the court of appeal for a £3bn emergency debt bailout from existing creditors as it fought to swerve an immediate collapse into a special administration regime, a form of temporary nationalisation.
Ofwat had agreed to Thames's request for an 18-week delay for its referral to the competition regulator over its ability to increase its bills, in order to help its efforts to secure a buyer.
"The company remains focused on putting Thames Water on a more stable financial foundation, implementing its turnaround plan and delivering a market led solution that is in the best interests of customers, UK taxpayers and the wider economy," Thames Water said.
Original Article: City AM by Simon Hunt

UK is facing 'water rationing'

The Water Minister Emma Hardy has warned that the UK is facing "water rationing" unless new reservoirs are built.
Over the next ten years households and businesses could face "water rationing like we have in the Mediterranean" if Prime Minister fails to have new reservoirs built.
The government has announced they will have new reservoirs built as it is "nationally significant," the Environment Secretary Steve Reed said.
"We have a problem in our country where we're not going to have all of the drinking water that we need by the mid-2030s because we simply haven't built the reservoirs required," Hardy told GB News.
She added: "That's because the last government failed to get the infrastructure and the planning process was just way too complicated and bureaucratic.
"So what we're doing is we're taking control of building the reservoirs from the local planning authorities, putting that power into the hands of the Secretary of State so he can power through and deliver these, because if we don't, by the 2030s, we're going to be looking at water rationing like we have in the Mediterranean and that's unacceptable."
The Environment Agency has revealed that the Northwest and Northeast had their driest start to the year since 1929.
Speaking to Times Radio Hardy said that the new reservoirs could "unlock tens of thousands of new homes and we can make sure that everybody has the drinking water that they desperately need".
She said: "There are other things that we need to do to make sure that we have the drinking water that we need, and one of the other actions that we're taking is the £104 billion of record investment that's going into the water sector.

"This will help to reduce leaks from pipes by up to 17%, so that's another really important action that's needed just to make sure that everybody has the water that they need, because it's not just about building homes as well.
"We need water for growth – there are projects up and down the country where businesses are crying out for extra water that they need to make sure that they can get on with growing our economy, so this is a really important announcement and it's a beautiful win for nature as well."
Hardy was asked if the new reservoirs will have an impact on water bills, she said there will be "private investment" to the tune of £104 billion.
She added, "I can completely understand why people are furious and angry about that, because it's like with any issue that you find – if you fix a problem when you first notice it, it doesn't cost you as much as if you leave it to get worse and worse and then you try and fix it, and that's what we've had under the Conservatives, they left the problems to get worse and worse."
Original Article: London Loves Business

Scott Bros delivers 'world-first' wash plant which recycles 100% of its water

Recycling specialist Scott Bros has invested in a pioneering water filtration system that enables its £6m wash plant to operate entirely using recycled water – believed to be a world first.
Its £6m wash plant, based at South Bank, Middlesbrough, is one of the UK's largest 'urban quarries' and uses water to extract high-quality aggregates from construction and excavation waste, diverting thousands of tonnes from landfill each year.
The plant previously operated using a mix of site water and rainwater, topped up with mains water. Now, following an in-house modification of the filtration system, that reliance has been eliminated.
Scott Bros installed ultra-fine 10-micron filters, allowing the system to recycle rainwater more efficiently by preventing suspended solids from clogging jet nozzles. The upgrade makes it possible to process up to 300 tonnes of material per hour using only recycled water.
It now only requires mains water in exceptional circumstances, such as a period of prolonged drought, significantly reducing both environmental impact and operating costs.
Peter Scott, a director at Scott Bros, said: "To the best of our knowledge, this is the first wash plant in the world to run entirely on recycled water, a remarkable achievement for a family-run business. Water is an increasingly precious resource, and by harvesting rainwater and recycling every drop on site, we're setting a new standard for sustainable aggregate production."

Scott Bros is also involved in several innovative sustainability projects based on a by-one of the wash plant's byproducts, a fine-grained clay known as 'filter cake'.
Backed by Innovate UK and in partnership with Teesside University, Scott Bros has installed a £1m low-carbon concrete plant that replaces up to 25% of Ordinary Portland Cement with the recycled filter cake, cutting carbon emissions. It is also developing prototype bricks from the same material and supporting research into its use for carbon capture, with trials suggesting it could sequester up to 1.6 million tonnes of CO_2 annually in the North East while enriching soil quality.
Fellow director, Bob Borthwick, added: "This is what the circular economy should look like, local businesses creating practical, scalable solutions that deliver environmental, economic and social benefits. We're proud to be leading the way from right here on Teesside."
Original Article: Business Up North

Scaling Investment for Africa's Sustainable Blue Economy

Despite carrying 80% of the world's trade, absorbing 30% of carbon-dioxide emissions, and providing food security for almost three billion people, the global blue economy (oceans and waterways) is suffering from acute underinvestment, and nowhere more so than in Africa. In the face of heightened economic volatility and tightening financial constraints, the transition to a more sustainable blue economy represents a major, largely underappreciated opportunity for the continent.
Stephen S. Roach thinks pursuing a global minimum tariff while also penalizing China increases the risk of a global recession.
This is not just some abstract idea. Given investors' appetite for sustainable, scalable returns, the opportunity is hiding in plain sight, and governments are waking up to it. Spanning more than 30,000 kilometers (18,640 miles) of coastline, Africa's blue economy does $300 billion worth of business each year, and it is uniquely positioned to benefit from the broader shift to more sustainable models. The African Union projects that the blue economy will increase to $405 billion in 2030, and to as much as $576 billion by 2063. As these sectors expand, employment levels could increase from 49 million jobs in 2019 to 78 million by 2063.
Highlighting the sectors with the most potential helps to put these numbers into context. Consider food, where the development of sustainable aquaculture and fishing practices could help meet the growing demand for protein in Africa and beyond. Our calculations suggest that sustainable aquaculture-based fish production could grow eightfold in Africa, reaching approximately 19 million metric tons per year by 2050.
The energy sector is similarly promising. According to research from the World Bank, South Africa could reach 900 gigawatts of offshore wind capacity, and it is not unique. All told, offshore wind alone could boost Africa's electricity generation 45-fold.

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The sustainable blue economy also has an important role to play in climate adaptation. With sea levels around much of Africa's coastline rising faster than the global level average, marine restoration and conservation can build natural resilience while also delivering benefits to food systems, biodiversity, and other sectors such as tourism.
But to make the blue economy truly sustainable, Africa and the Middle East will need approximately $70 billion in annual investment from now to 2030. To reach that target, governments should leverage innovative financial mechanisms to bring more capital into the blue economy and advance sustainable, scalable projects. Fortunately, demand for such solutions is growing, and over 80% of African countries have already embedded the blue economy into their national development plans or climate strategies.
Decision-makers across many markets are beginning to treat the ocean as a strategic asset that needs to be protected and sustainably managed. But while solutions like blue debt instruments hold much potential, many issuers have yet to capitalize on the opportunity presented by the sustainable debt market. Greater use of blue bonds, sustainability-linked loans, and social bonds could channel capital where it is needed most.
Similarly, debt conversions for nature – increasingly explored as "debt-for-sustainability swaps," whereby financing or debt relief is explicitly earmarked for sustainable projects – represent attractive options for sovereign issuers, depending on their financial characteristics. Such transactions can reduce debt-service payments and free up capital to support a country's sustainability goals.
For example, last year, Standard Chartered (where I am Chief Sustainability Officer) partnered with the Government of The Bahamas, The Nature Conservancy, and the Inter-American Development Bank (IDB) to launch an innovative debt conversion for nature and climate. The project is expected to generate $124 million for marine conservation, demonstrating that this asset class is developing quickly – and with significant potential for scaling.
Moreover, efforts to develop sustainable blue economy strategies and practices are increasingly supported by regulatory reforms, marine spatial planning programs, and regional cooperation models like the International Union for Conservation of Nature's Great Blue Wall Initiative. These are laying the foundation for a wave of investible projects supported by real assets, local ownership, and measurable returns.
The momentum will keep building this year. In June, the Blue Economy and Finance Forum and the UN Ocean Conference offer opportunities to bring bankable projects to global investors and accelerate the African sustainable blue economy's growth. The risks

– ranging from regulatory bottlenecks to insufficient capacity to develop projects – are manageable with the right partnerships.

Making Africa's blue economy sustainable is no longer an untested idea. Our own latest research, *Harnessing Africa's Blue Economy*, shows this is a growing investible market – one that banks, asset managers, and governments cannot afford to ignore.

Original Article: Project Syndicate by Marisa Drew

Nepal: World Bank Approves $257 Million to Improve Electricity and Irrigation Services

The World Bank's Board of Executive Directors approved two projects for Nepal on May 29 totaling $257 million aimed at enhancing electricity distribution services and improving irrigation services to boost agricultural productivity.

The Electricity Supply Reliability Improvement Project ($120 million) will strengthen the electricity distribution network and enhance electricity supply to users in Koshi, Bagmati, Karnali, and Sudurpashchim provinces. The project, led by Nepal Electricity Authority, will focus on constructing new distribution substations, upgrading existing networks, and implementing an automated system for real-time monitoring of distribution networks to enhance operational efficiency.

The Modernization of Rani Jamara Kulariya Irrigation Project - Phase 3 ($137 million) aims to improve irrigation services and agricultural productivity by expanding access to year-round irrigation services, increasing farm productivity, and enhancing climate resilience in Kailali district, Sudurpaschim Province. Jointly implemented by Nepal's Department of Water Resources and Irrigation and Department of Agriculture, this project will scale year-round irrigation to an additional 17,500 hectares benefiting 160,000 people.

"An uninterrupted electricity supply and adequate, year-round irrigation services are fundamental inputs for Nepal's sustainable development," said **David Sislen, Country Division Director for Maldives, Nepal, and Sri Lanka**. *"The projects emphasize improved connectivity and the promotion of clean electricity generated from hydropower, alongside integrated agricultural support services to farmers to help build resilience against climate and disaster risks."*

The projects also include capacity-building initiatives for the Nepal Electricity Authority and the Water Users Association to promote innovative solutions and strengthen institutional systems for the effective management and sustainability of infrastructure.

Original Article: The World Bank

Investing in infrastructure for a united and water-secure South Africa

Water is not only a basic human right, but also the foundation of development, dignity, and stability. As we confront the dual pressures of climate change and increasing water

demand, the call to invest boldly and urgently in our water infrastructure is more critical than ever. This moment demands leadership, collaboration, and above all, unity.
At the Orange-Senqu River Commission (ORASECOM) Climate Resilient Investment Conference in Maseru, Lesotho, last week, I reaffirmed South Africa's deep and unwavering commitment to regional water cooperation. As the host nation and an active member of ORASECOM, South Africa has long championed the sustainable and equitable management of transboundary water resources. These rivers not only feed our economies and cities, but they also bind us as a region.
But our shared future hinges on action. ORASECOM's Basin-wide Climate Resilient Strategy and Plan has laid out the path forward. The identified priority projects, valued at approximately USD 7.5 billion, are not wish lists; they are essential for ensuring long-term water security, boosting climate resilience, and driving socio-economic development in our region.
Here at home, the challenges are immense. Too many South Africans, particularly in rural and marginalised communities, continue to live without reliable access to clean water. In these communities, water scarcity translates into lost educational opportunities, worsening health outcomes, and deepened poverty. Infrastructure investment is not just a technical necessity; it is a moral imperative.
As a proud member of the Democratic Alliance (DA) and Deputy Minister of Water and Sanitation in the Government of National Unity (GNU), I firmly believe that now is the time to pull all levers of government, business, and civil society in the same direction. The GNU has an extraordinary opportunity and a responsibility to rally collective resources, skills, and political will to transform our water sector. Our unity must become the engine of delivery.
We are reforming the policy and legal environment to attract the investment we need. Amendments to the Water Services Act will enable improved service delivery, encourage efficient governance, and create clearer licensing and accountability mechanisms. These reforms are designed to make the water sector more attractive to investors, more transparent to the public, and more responsive to the needs of citizens.
But policy alone cannot carry the burden. That is why we are accelerating public-private partnerships, including through the Water Partnership Office with the Development Bank of Southern Africa. We are creating real space for innovation and joint delivery. From wastewater treatment to pipeline expansion, and smart metering to water reuse, the partnership opportunities are not only abundant but also urgent.
Yet no infrastructure can succeed without people. South Africa's water future depends on placing communities at the heart of every solution. Our participatory governance model promotes active citizen engagement, particularly through forums that uplift women, youth, and civil society voices. Partnerships with NGOs and academic

institutions continue to inform policy and spark ground-level innovation. We must scale these partnerships to ensure that water justice reaches every corner of our country.

The government must also lead with integrity. We are strengthening oversight through key funding instruments such as the Water Services Infrastructure Grant and the Regional Bulk Infrastructure Grant. At the same time, we are fully committed to confronting corruption wherever it exists. There can be no room for mismanagement or abuse when it comes to a resource as vital as water. We are working closely with relevant authorities to ensure accountability, transparency, and clean governance across all water infrastructure projects. The trust of our citizens is not negotiable—it must be earned through action and upheld by results.

I am deeply committed, in my capacity as Deputy Minister and as a representative of the DA, to ensure that the work gets done. I am committed to a South Africa where every child, regardless of their geography or background, can open a tap and expect clean water. That is the South Africa we are working to build, one pipeline, one dam, one partnership at a time.

In August, South Africa will host the Africa Water Investment Summit. It will be a critical platform to drive the kind of strategic investment and multi-sector collaboration that our continent needs. As we have assumed the G20 Presidency, we will champion water as a central theme, placing it where it belongs: at the heart of global economic resilience and sustainable development.

By investing in infrastructure, embracing innovation, strengthening partnerships, and empowering communities, we can secure this life-giving resource for all, not just the privileged few.

Original Article: The Star by Sello Seitlhoto

Note the attachment is not an inducement to trade and Veles Water does not give advice on investments.