

AWRRC

Shortage Sharing and the Arizona Water Bank

Herb Guenther
Director ADWR
June 24, 2008

Shortage-Sharing

- Director's Shortage-Sharing Workgroup Recommendation
 - October 24, 2006
- AZ-NV Shortage-Sharing Agreement
 - February 9, 2007
- 7 State Agreement-December 14, 2007

AZ Shortage-Sharing Stakeholder Workgroup Recommendation

Established in 2005 and made following recommendations:

- **Strategy for implementing future Lower Basin Colorado River shortages**
 - Tiered shortage based on Lake Mead elevations
 - Percentage distribution among Mexico, NV, and AZ
- **Allocating shortages among 4th priority Colorado River water users**
 - Calculate water available to 4th priority mainstream users based on shortage amount
 - Remainder of available supply to CAP

AZ Shortage-Sharing Stakeholder Workgroup Recommendation

- Establish replacement credit account
 - Include credits that require replacement after use
 - Credits are earmarked for entities who paid to replace
- Workgroup efforts generally incorporated into Reclamation's EIS on shortage criteria and conjunctive management strategies for Lake Powell and Mead

AZ-NV Shortage-Sharing Agreement

- AZ and NV agree that NV will accept 4% of the Lower Basin share of shortage
- AZ and NV agree to only share up to 500 KAF shortages
- Nevada paid \$8 million to Arizona to offset impacts from shortages

Shortages Allocated Between AZ & NV

400 KAF Shortage Tier

- Lake Mead elevation at or below 1075 ft; at or above 1050 ft:
NV share of shortage = 13,000 AF
AZ share of shortage = 320,000 AF

500 KAF Shortage Tier

- Elevation below 1050 ft and at or above 1025 ft:
NV share of shortage = 17,000 AF
AZ share of shortage = 400,000 AF

600 KAF Shortage Tier

- Elevation below 1025 ft:
NV share of shortage = 20,000 AF
AZ share of shortage = 480,000 AF

Shortage to Lower Basin greater than 500,000 AF, consult with Reclamation

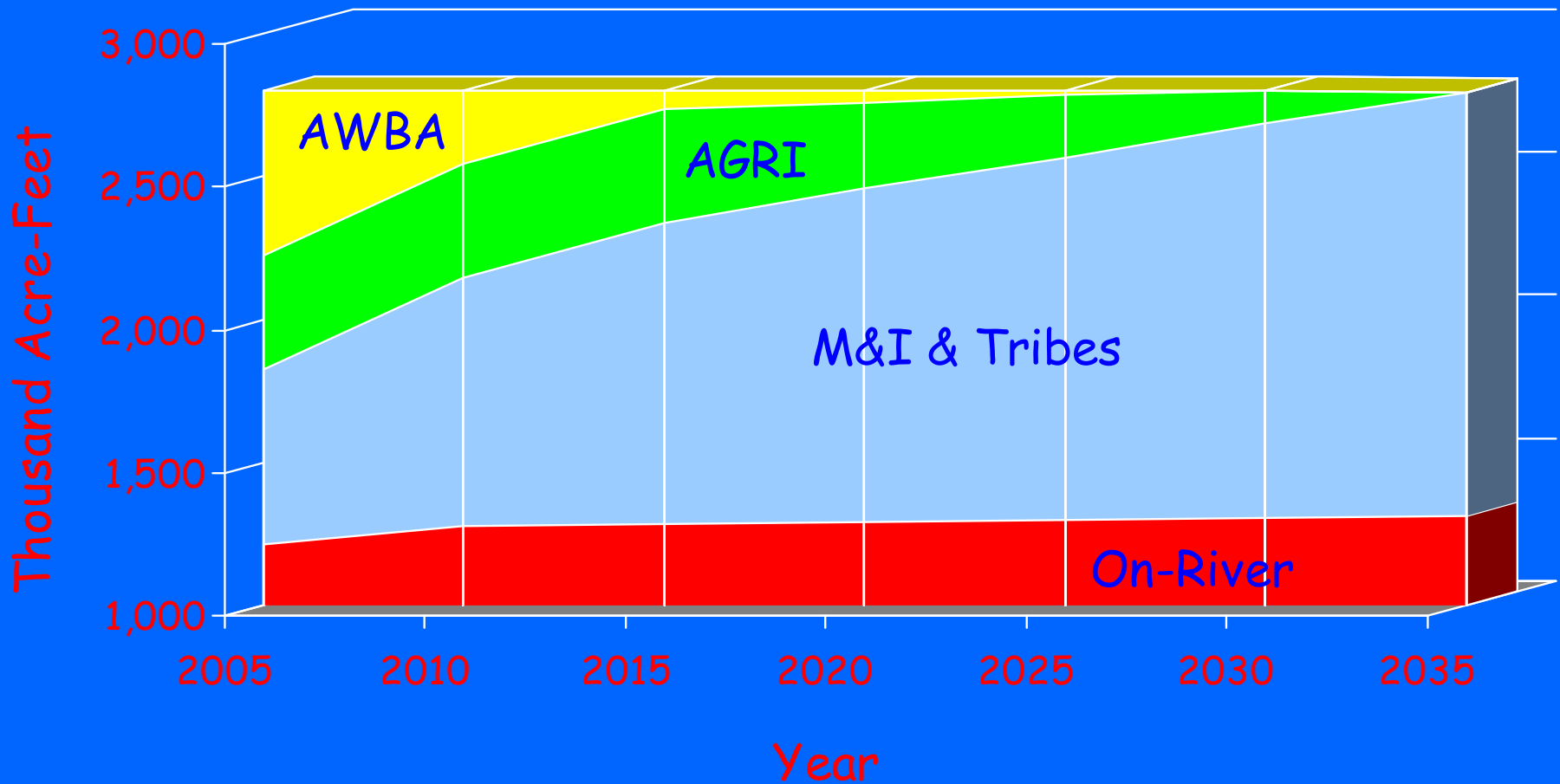
Mexico's Shortage Sharing

- Mexico's shortage share estimated to be 17%
- State Department responsible to implement Mexico's shortage
- Mexico's shortage will reduce Arizona's and Nevada's shortage proportionally

What is the Arizona Water Bank?

- Authorized by Arizona State Legislature in 1996
- Store Arizona's unused Colorado River water
- Long-term security of Arizona's entitlement

Water Available to the AWBA



What does the Bank do?

- Assist in meeting management plan objectives of the 1980 Arizona Groundwater Code
- Provide drought protection for the municipal and industrial users of Arizona's Colorado River water

What else does the Bank do?

- Assist in settlement of Indian water rights claims
- Loan credits and provide water banking services for others
- Interstate Banking

Administration

- **Five Member Commission**
 - two ex-officio legislative members
- **Administration**
 - Bank staff supported by Arizona Department of Water Resources and Central Arizona Water Conservation District

How is the Bank Funded?

- **State General Fund appropriation**
 - Provided annually at discretion of Legislature
- **Groundwater Withdrawal Fees**
 - Rate statutorily established at \$2.50/AF
 - Collected by AMAs
- **4¢ *ad valorem* Tax Dollars**
 - Levied by CAWCD/Collected by County
 - 4 cents/\$100 assessed evaluation
 - CAWCD determines if funds are made available to AWBA
- **Other Sources**
 - Interstate
 - Gifts, Grants, Donations

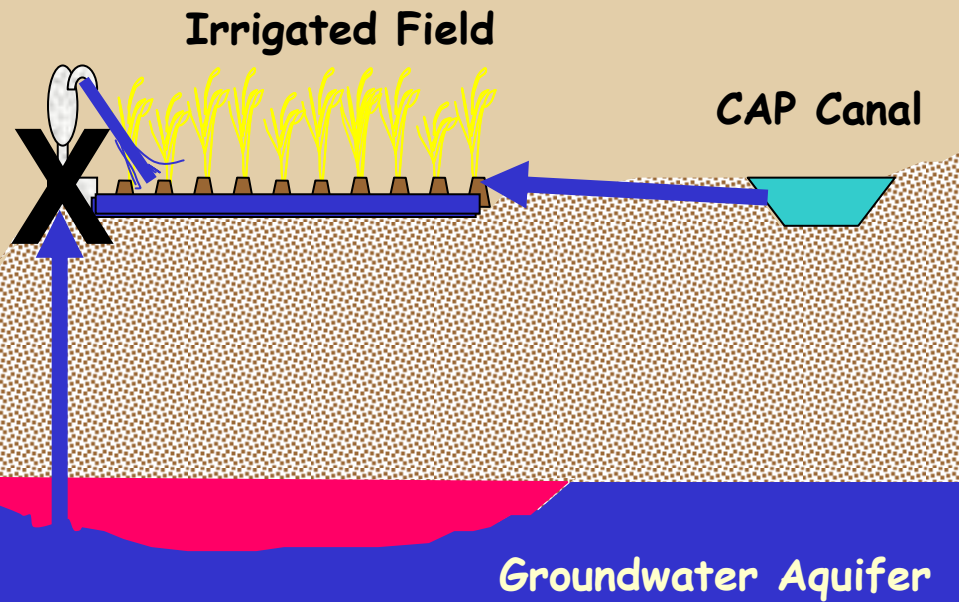
How does the Bank work?

Schedule deliveries with Central Arizona Project

- **Storage Facility Agreements**
 - Groundwater Savings Facilities (GSF)
 - Underground Storage Facilities (USF)
- **Annual Plan of Operation**

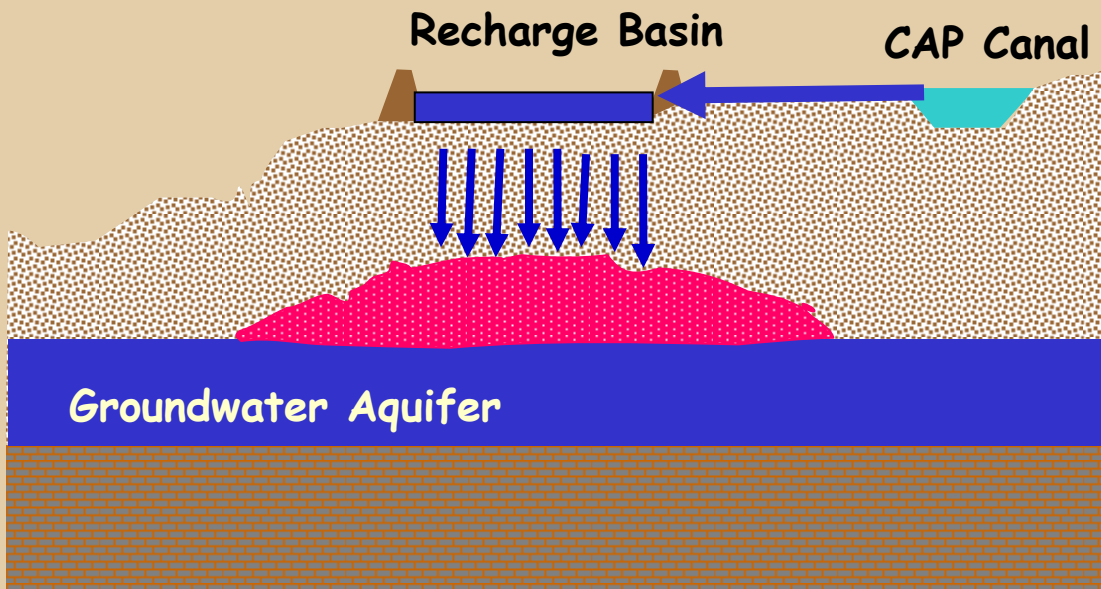
Groundwater Savings Facility

(Indirect Recharge)



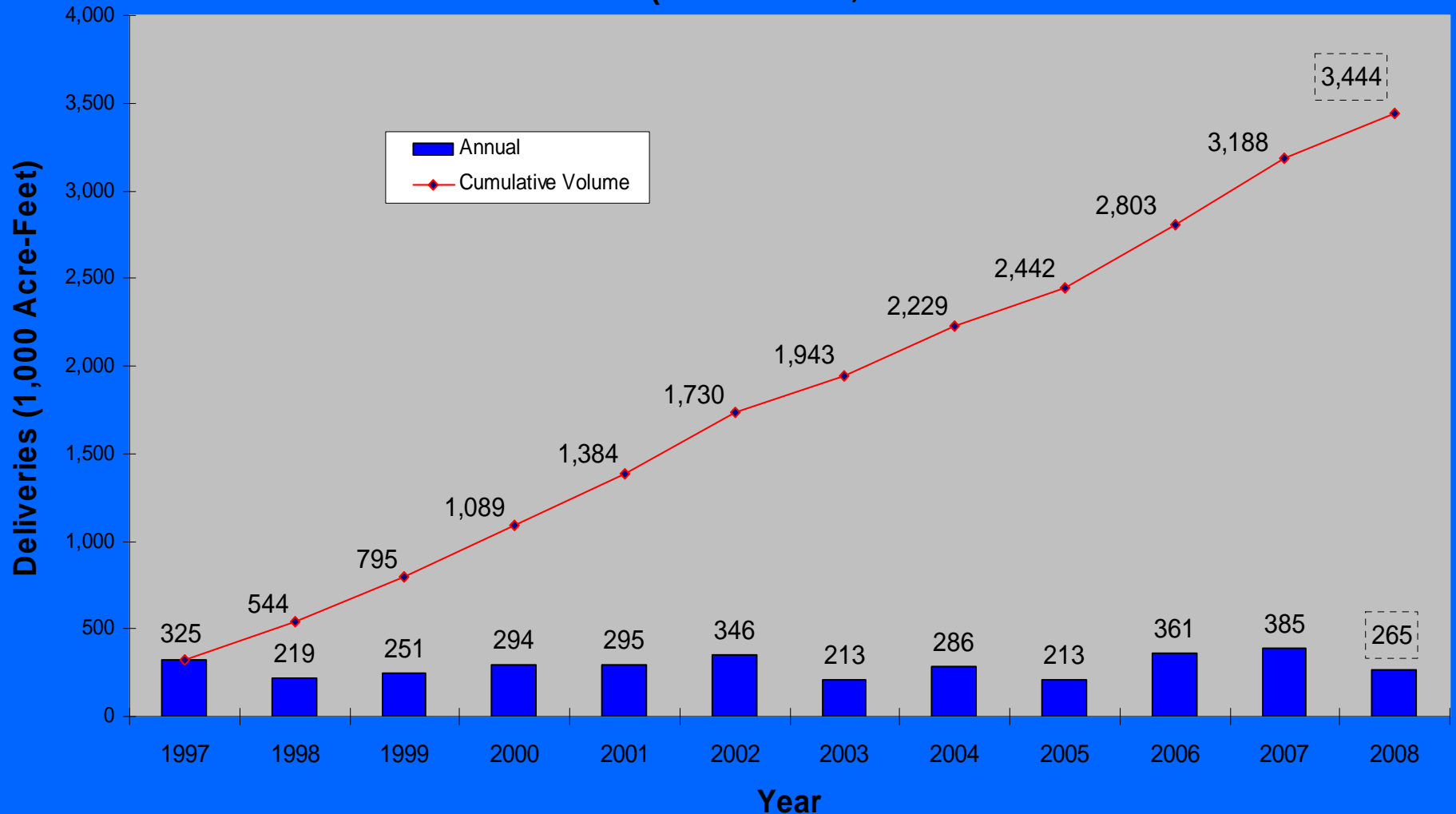
Underground Storage Facility

(Direct Recharge)



AWBA Performance

Volume of Water Delivered through 2008
(2008 forecasted)



Interstate Water Banking

- Secretary of the Interior published rule Dec. 1999
- ADWR Director makes determination Jan. 2000
- AWBA Subcommittee
 - Principles
 - Nevada negotiations - Nevada's goal 1.2 MAF
 - Three agreements

Agreement for Interstate Water Banking

- Agreement for Interstate Water Banking - July 3, 2001

AWBA to use its "best efforts" to store
1.25 MAF

Amended Agreement for Interstate Water Banking

- Amended Agreement for Interstate Water Banking -February 3, 2005
 - AWBA to guarantee storage of 1.25 MAF
 - NV agreed to pay \$330 million (\$100 million above cost of water delivery/storage as insurance against high cost water)

Arizona Water Settlements Act

- AWBA statutes amended to make Water Bank agent for the State
- Agreement between the Secretary of Interior and Arizona/AWBA for the Firming of Arizona Water Settlement Water - November 15, 2007

Indian Firming

- State's responsibility:
 - Firm 15,000 AF water reallocated to Gila River Indian Community
 - Firm 8,724 AF water reallocated to AZ Indian tribes
 - Assist Secretary in carrying out obligations of Southern Arizona Water Rights Settlement Act
(Tohono O'odham)

In Conclusion

- ❖ The AWBA was created to address a Statewide concern: Under-utilization of Arizona's Colorado River water and reserve water for times of shortage
- ❖ AWBA is achieving its goal- has stored over 3.0 million acre-feet for the future
- ❖ Successful in reducing Arizona's groundwater pumpage

QUESTIONS ?



Lower Basin No - Fly Zone

THE UNIVERSITY OF ARIZONA.

Water Resources Research Center
College of Agriculture and Life Sciences



The University of Arizona



The Importance of the Colorado River to Arizona's Future

June 24, 2008
Phoenix, Arizona

