The Arizona Water Banking Authority Preparing for Shortages on the Colorado River

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Water Resources Research Center
Seminar Series
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Outline

- Introduction
 - The Colorado River
 - Terminology
 - Commission and inter-agency support
- Water storage and long-term storage credit location
- Long-term storage credit purchase
- Water by recipient and fund
 - Central Arizona Project municipal and industrial subcontractors
 - Fourth priority on-River users
 - Tribal
 - Nevada
- Conclusion
- ADWR career opportunities

Introduction

THE COLORADO RIVER



Photo 1. Lake Mead | 2023

Indian priority M&I subcontractors

NIA water

Ag pool

Excess water

Priority 1 Priority 2 Priority 3

2

Priority 4: on-River

Priority 4: CAP



Photo 2. Central Arizona Project Canal | Somewhere in Arizona 2022 | Credits: Brian F. O'Neill

managed aquifer recharge

replenishment artificial aquifer recharge Mar anthropogenic aquifer recharge

recharge

aquifer recharge aquifer storage and recovery

recharge and recovery aquifer storage

water banking



Thomas Buschatzke – ChairDirector of the Arizona Department of Water Resources

Introduction



Mark Clark – Vice Chair
Representing mainstem Colorado River contractors



Joseph Olsen, P.E.Knowledgeable in water resource management



Eric Braun – Secretary
Representing CAP M&I subcontractors



Mark Taylor
Representing CAWCD, designated by
CAWCD Board President Terry Goddard



Senator Sine Kerr Ex officio member, designated by Senate President Warren Petersen



Representative Austin Smith Ex officio member, designated by Speaker of the House Ben Toma

- Established in 1996 to store unused portion of Arizona's Colorado River entitlement
- Provides backup supplies (firming) in times of shortage for certain Fourth Priority Colorado River users and Nevada
- Inter-agency support
 - Arizona Department of Water Resources
 - Central Arizona Water Conservation District (CAWCD/CAP)

Introduction

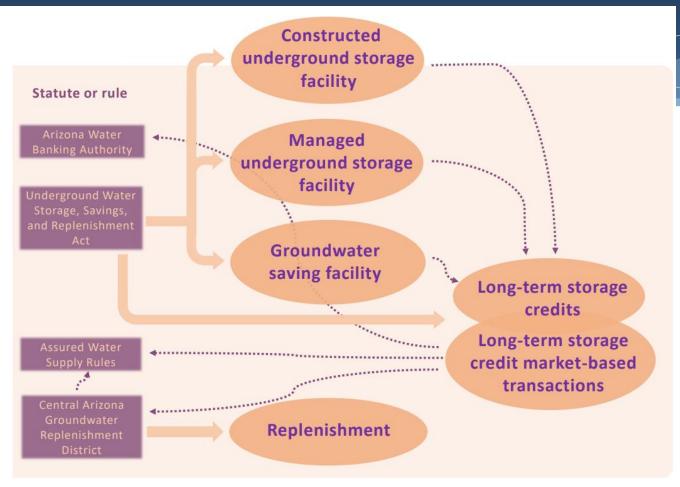


Figure 1. Managed Aquifer Recharge in Arizona (Bernat, 2020)

Bernat, 2020 | Global Change in the Sun Corridor Megaregion: Managed Aquifer Recharge Planning Tools in the Central Arizona Desert, USA | 2021 UNESCO Conference

Storage & Credit Location

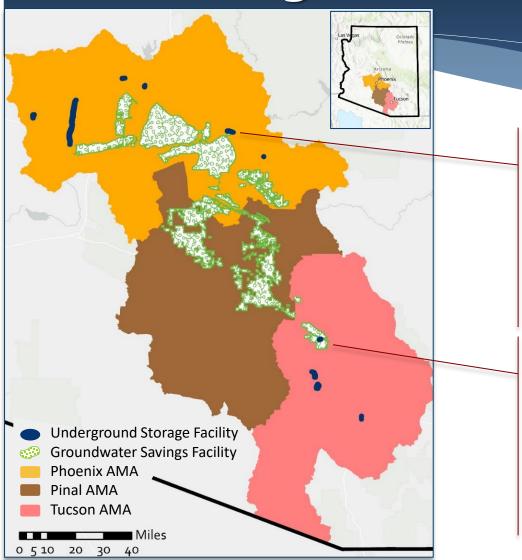






Photo Credits: ADWR

Figure 2. Locations of facilities with AWBA long-term storage credits

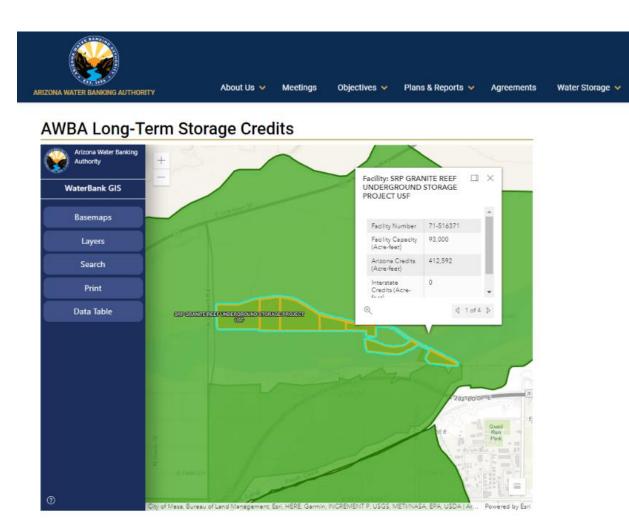


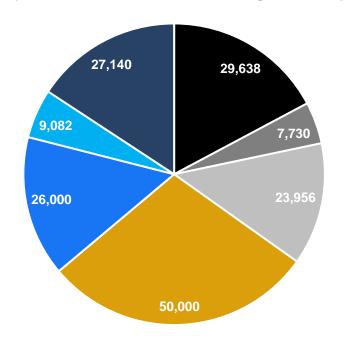
Figure 3. AWBA LTSC Interactive Map

05/02/2023

LTSC Map

Long-Term Storage Credit Purchase

Long-Term Storage Credits Purchases by the Arizona Water Banking Authority



- Indian Communities AK-CHIN INDIAN COMMUNITY (Phoenix AMA)
- Indian Communities AK-CHIN INDIAN COMMUNITY (TUCSON AMA)
- Indian Communities TOHONO O'ODHAM NATION
- Investment Firm ACTIVE RESOURCE MANAGEMENT, L.L.C.
- Municipalities CITY OF PEORIA
- Municipalities CITY OF SURPRISE
- Municipalities CITY OF TUCSON

Figure 4. Volume of long-term storage credits purchased by the AWBA from 2014 to 2023 in acre-feet (AF)

Long-Term Storage Credit Purchase

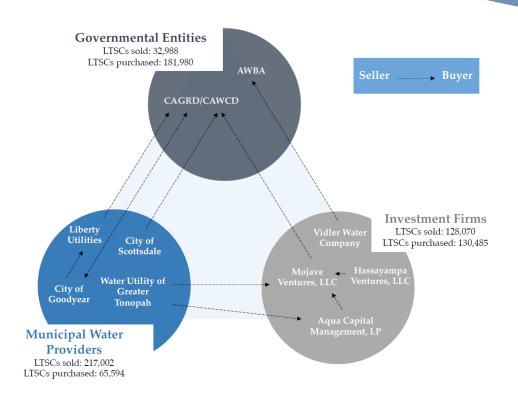


Figure 5. Direction of sales and purchases, and amount of long-term storage credits traded between governmental entities, municipal water providers, and investment firms, from 1994 to 2016 in the Phoenix AMA (Bernat et al. 2020)

Bernat, R.F.A.; Megdal, S.B.; Eden, S. Long-Term Storage Credits: Analyzing Market-Based Transactions to Achieve Arizona Water Policy Objectives. Water 2020, 12, 568.

Bernat, R.F.A.; Megdal, S.B.; Eden, S.; Bakkensen, L.A. Stakeholder Opinions on the Issues of the Central Arizona Groundwater Replenishment District and Policy Alternatives. *Water* **2023**, *15*, 1166.

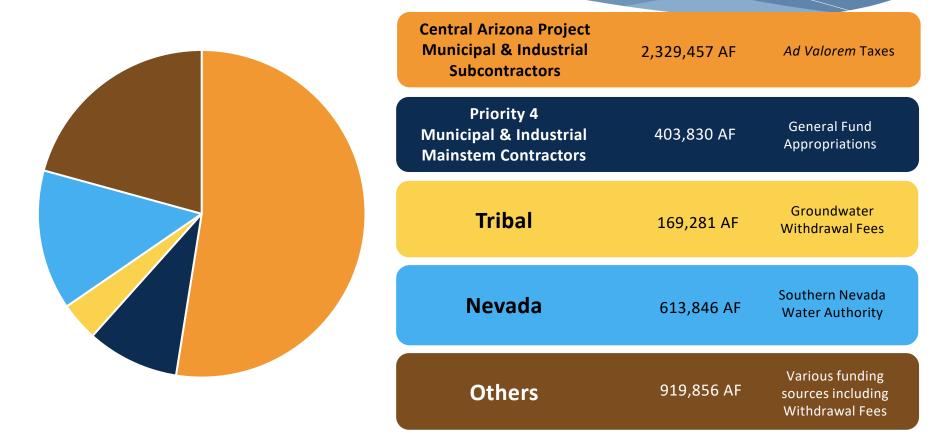


Figure 6. Water credits by recipient and fund in acre-feet (AF)

10

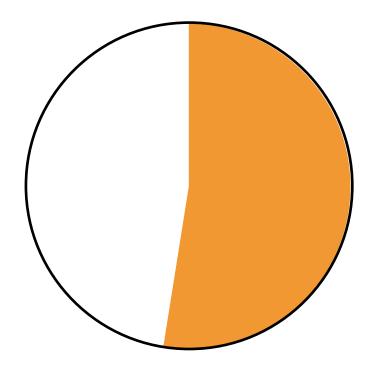


Figure 7. Long-term storage credits for CAP M&I subcontractors

Central Arizona Project
Municipal & Industrial
Subcontractors

2,329,457 acre-feet Ad Valorem Taxes

- 52 subcontractors in the Phoenix, Pinal and Tucson active management areas
- Two recovery methods
 - Independent recovery (77%)
 - CAWCD recovery (23%)
- Stakeholder process to discuss the distribution of long-term storage credits

See April 11 and May 2, 2023 meeting recordings: https://waterbank.az.gov/meetings

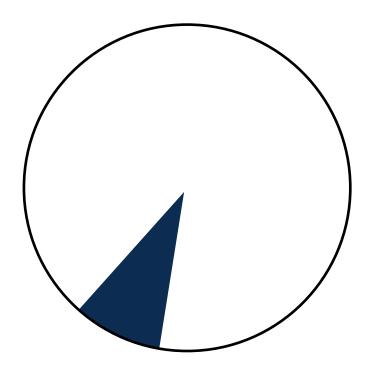


Figure 8. Long-term storage credits for fourth priority M&I mainstem contractors

Priority 4
Municipal & Industrial
Mainstem Contractors

403,830 acre-feet

General Fund Appropriations

AWBA/Mohave County Water Authority

2010 Amended Agreement to Firm Future Supplies

 Exchange and Recovery: CAWCD/ Mohave County Water Authority

2005 Amended Exchange Agreement

Enter into agreements with other fourth priority M&I mainstem contractors

2010 Resolution

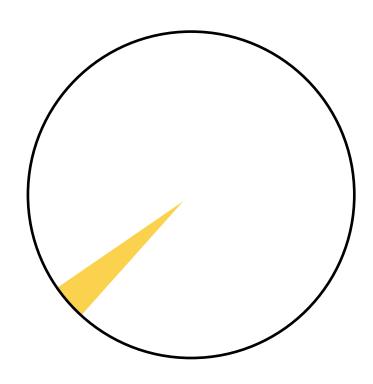


Figure 9. Water credits for the Gila River Indian Community

Tribal

169,281 acre-feet

Groundwater Withdrawal Fees

- Many <u>Tribal Firming Agreements</u>
- Credits for the Gila River Indian Community:
 - Long-term storage credits
 - Firming credits
 - Intentionally Created Surplus firming credits
- AWBA obligation to the Gila River Indian Community during shortages:
 - 2022: AWBA extinguished 6,680 AF of firming credits
 - 2023: AWBA will extinguish 14,575 AF of firming credits

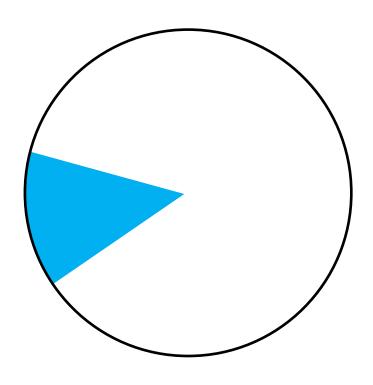


Figure 10. Long-term storage credits for Nevada

Nevada

613,846 acre-feet

Southern Nevada Water Authority

AWBA stored CAP water on behalf of Nevada

2013 Third Amended Water Banking Agreement
Storage & Interstate Release Agreement

Exchange, and recovery by CAWCD:

<u>2010 Recovery Agreement Among AWBA, CAWCD, Southern Nevada Water</u> <u>Authority and Colorado River Commission of Nevada</u>

<u>Agreement for the Development of Intentionally Created Unused</u> <u>Apportionment</u>

Conclusion

The AWBA has accrued over 3.7 million AF of water credits to help safeguard Arizona against shortages



Credits: Brian F. O'Neill

Learn more:

- Photo 5: Colorado River | Mohave County | 2022
- - Read the AWBA 2023 Plan of Operation
 - Go to the AWBA website and sign up to receive updates from the AWBA

- With shortages on the Colorado River, the AWBA has been preparing to distribute water credits
 - Began providing water credits to the Gila River Indian Community (2022, 2023)
 - Started a stakeholder process to discuss water credit distribution for Central Arizona Project municipal and industrial users

ADWR Career Opportunities

Master's degree:

Hydrogeologist 2

Hydrology Division/Groundwater Modeling Section

- Hydrogeologist 2
 Hydrology Division/Field Services Section
- Water Resources Specialist 2
 Compliance Enforcement
- Water Resources Specialist 2
 Groundwater Users Advisory Group Coordinator
- Water Resources Specialist 2
 Water Planning Division/Surface Water Section

- Bachelor's degree:
 - Hydrogeologist 1Field Services
 - Application Developer

Apply here

Questions?

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