

<b>City of Peoria</b>		
<b>Feedback on the alternative methods proposed at Stakeholder Meeting</b>	<b>New alternative you would like to be considered by AWBA staff</b>	<b>Other comments or feedback</b>
<p>The City of Peoria appreciates and supports the Arizona Water Banking Authority's positive engagement to create a legally enforceable M&amp;I Subcontract firming policy. Peoria commends AWBA for drafting potential policies for consideration and discussion. At this time, Peoria does not support any alternative defining the distribution of paper credits that is based on information beyond: the volume of each respective subcontract, the volume of that subcontract beneficially utilized, and the relative amount of property tax dollars each subcontractors' rate-payers collectively contributed to the accumulation of the long-term storage credits available for firming. All other factors appear to introduce unnecessary complexity, unpredictability, and subjectivity not supported by statute. Municipal utilities engaged in long-term resource and infrastructure planning need as much predictability and certainty as possible.</p> <p>Peoria believes the distribution of firmed wet water is the critical policy decision that needs to be resolved, as currently CAWCD recovery capacity is less than the need for firmed wet water in many scenarios. The currently proposed alternatives appear more applicable in concept to a separate policy governing this imbalance. Peoria also rejects the recently introduced concept that AWBA should distribute credits such that it preserves them for future generations or builds a bridge to a new normal. The presence or absence of AWBA paper credits has no bearing on potential recipients' preparations for a future with less Colorado River water. Further, distributing credits to firming recipients does not cause them to disappear, nor does it ensure that they will not be recovered where they were earned. The only significant difference between AWBA holding the credits and them being distributed and held by firming recipients is who is responsible for turning the credits into wet water via recovery.</p> <p>Lastly, when evaluating firming percentages, Peoria encourages AWBA to consider the impact of the policy to the recipients ability to deliver water during shortage or comply with Assured Water Supply regulations. For example, in Scenario 1A, firming is done at 1% of M&amp;I subcontract volumes from 2063 through 2123. While all renewable resources are beneficial, 1% is not sufficiently impactful to recipients be considered a viable policy alternative. Peoria suggests not considering any firming alternative resulting in less than 10% being firmed.</p>	<p>In general, Peoria supports the proposal submitted by AMWUA on behalf of its ten members.</p>	<p>In addition to the paper firming questions of "when" and "how much," Peoria encourages AWBA and its firming agent, CAWCD, to consider a policy for how a limited capacity of firming with wet water will be distributed. While firming with paper credits provides essentially the same unit value to whoever receives them and the transferring of paper credits in any particular year is essentially limitless in the context of the discussion, capacity to firm with wet water is highly finite and valuable to those that need it. Because the delivery of wet water is so crucial, Peoria encourages AWBA and CAWCD to evaluate the need for wet water when considering how to distribute it. Peoria proposes need is evaluated as what is necessary to meet customer demand after all reasonable alternative physical sources are utilized. At the same time, Peoria encourages AWBA and CAWCD to consider a wet water firming policy that balances this need with incentives to make infrastructure investments to greatly reduce or eliminate said need.</p>