

ARIZONA WATER BANKING AUTHORITY

ANNUAL PLAN OF OPERATION

2025 - *DRAFT*



Thomas Buschatzke, Chair

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EXECUTIVE SUMMARY

The operation of the Arizona Water Banking Authority (AWBA) continues to change. The initial activities of the AWBA were primarily to store excess Central Arizona Project (CAP) water to create long-term storage credits (LTSCs). These LTSCs will be used to mitigate the effects of future Colorado River shortages on municipal and industrial (M&I) water users, provide groundwater management benefits, assist the State in the settlement of Indian water rights claims, and assist Nevada through interstate banking arrangements. With the first-ever Colorado River shortage declaration by the Secretary of the Interior in 2022, the AWBA transitioned to its next phase, making its stored water supplies available to meet its responsibilities.

The AWBA has made considerable progress toward meeting its objectives, developing more than 4.4 million acre-feet of credits for future use, including 613,846 acre-feet for interstate banking on behalf of Nevada. In recent years, and with the adoption of the Lower Basin Drought Contingency Plan (LBDCCP), excess CAP water supplies have been used to conserve water in Lake Mead, leaving little to no water supplies available to the AWBA. As a result, the AWBA has focused on other methods for acquiring credits to continue to make progress on its firming goals. In 2025, the Colorado River will operate under a Tier 1 shortage condition, which will reduce Arizona's Colorado River supplies by 512,000 acre-feet. The AWBA's Tribal firming requirement will be similar to 2024.

The reductions in Colorado River supplies under a Tier 1 shortage condition will not impact supplies for CAP M&I Priority subcontractors or on-River M&I contractors in 2025. However, the reductions will impact CAP non-Indian agricultural (NIA) pool supplies. As a result, the AWBA has an obligation under the Arizona Water Settlements Act of 2004 (AWSA) to firm 5,625 acre-feet of supplies for the Gila River Indian Community (Community). There are no other firming or replenishment requirements for the AWBA in 2025. Additionally, the Southern Nevada Water Authority (SNWA) did not request the development of intentionally created unused apportionment. Therefore, no credits will be recovered for interstate purposes in 2025.

The AWBA 2025 Plan of Operation (Plan) proposes to purchase 6,245 acre-feet of credits (Intentionally Created Surplus (ICS) firming credits and LTSCs) for a total cost of \$2.04 million. In the Phoenix Active Management Area (AMA), the AWBA plans to spend \$1.68 million to develop 5,327 acre-feet of ICS firming credits in the Phoenix AMA pursuant to a 2019 intergovernmental agreement with the Community. In the Tucson AMA, potential LTSC acquisitions total 918 acre-feet and are estimated to cost around \$367,000.

INTRODUCTION

The AWBA was initially created in 1996 to store Arizona's unused Colorado River water entitlement in central and southern Arizona, and to develop LTSCs for the following purposes: (1) firming existing water supplies for Colorado River and CAP M&I water users during Colorado River shortages or CAP service interruptions; (2) helping meet the water management objectives of the Groundwater Code; (3) meeting the State's obligations in the settlement of Indian water rights claims; and (4) assisting Nevada and California through interstate banking. The AWBA's enabling legislation has been amended over time allowing it to store other renewable supplies and to purchase credits in addition to storing excess CAP water supplies. The Plan is intended to govern the operations of the AWBA over the course of the entire calendar year. This Plan includes credit purchases but does not include the storage of other renewable supplies.

Although the AWBA can utilize general fund appropriations to conduct its business, in recent years the only funds available to the AWBA have been groundwater withdrawal fees collected in the AMAs and *ad valorem* property taxes (water storage taxes) levied and collected by the Central Arizona Water Conservation District (CAWCD). The availability of these funds for use by the AWBA varies both on an annual basis and by the amounts collected within each AMA/county. There are also restrictions on how the AWBA may utilize these revenues to meet its firming responsibilities. The costs to store water for Nevada, the AWBA's only interstate partner at this time, are paid by Nevada at the time storage occurs.

AWBA water storage is accomplished through the Recharge Program administered by the Arizona Department of Water Resources. Historically, the AWBA has stored renewable water supplies in underground storage facilities and groundwater savings facilities based on available storage capacity. The Recharge Program maintains an accounting of the water stored and the corresponding LTSCs accrued. The credits will be distributed by the AWBA when they are needed in the future. The use of these credits is dependent on the source of funds utilized to develop the credits.

2025 PLAN OF OPERATION

The AWBA's Plan for 2025 has two components. The first component addresses the AWBA's ability to develop LTSCs through water storage or acquisition as well as the development of other non-storage firming resources. The second component assesses the need to distribute or extinguish LTSCs or other firming credits to satisfy firming and/or replenishment responsibilities, or to make water available for interstate purposes. In developing its Plan, the AWBA also takes into consideration comments from the public and comments made by the Groundwater Users Advisory Councils in the Phoenix, Pinal and Tucson AMAs.

Credit Development

Critical Factors

The AWBA evaluates three critical factors for accruing or acquiring credits: 1) the amount of water and CAP canal capacity available to the AWBA for delivery; 2) the storage capacity available for use by the AWBA at the various recharge facilities; and 3) the funds available to store water or purchase credits.

Water Availability

In accordance with the Bureau of Reclamation's August 24-month study, which sets the annual operations for Lake Mead and Lake Powell for the following year, the Colorado River will operate under a Lower Basin Tier 1 shortage condition in 2025. As a result, Arizona's Colorado River entitlement will be reduced by 512,000 acre-feet. This volume includes 320,000 acre-feet in reductions under the 2007 operating guidelines¹ and 192,000 acre-feet in additional contributions to Lake Mead under the LBDCP. Consequently, there will be no water available to CAWCD's Statutory Firming Pool that is used by the AWBA. As a result, the AWBA's 2025 Plan will focus on developing credits through non-storage alternatives.

Storage Capacity

Since there are no supplies available for storage, the availability of storage capacity is of less concern for the 2025 Plan. However, in the event water becomes available during the year, the AWBA should have sufficient capacity available to store the water as these supplies would likely be minimal. Additional water storage permits are not anticipated for 2025.

Available Funds

The AWBA will have an estimated \$2,043,547 in withdrawal fee revenues available for use in calendar year 2025: \$1,676,210 for the Phoenix AMA and \$367,337 for the Tucson AMA. These numbers reflect the reappropriation of \$200,000 from the Water Banking Fund to the Arizona

¹ Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead.

Navigable Stream Adjudication Commission by the Legislature for Fiscal Year 2025. Withdrawal fees levied in the Pinal AMA through 2026 will not be made available to the AWBA but will be used to support groundwater and irrigation efficiency projects in the Pinal AMA.²

As in previous years, the CAWCD Board resolved to retain the water storage property taxes collected in its three-county service area for costs related to operation and maintenance (O&M) and/or for repayment of the CAP. Revenues held by CAWCD have been used to offset AWBA delivery and storage costs at its recharge projects as part of O&M of the project. However, funds reserved and used for LTSC purchases must be deposited to the Water Banking Fund. Funds reserved by the CAWCD Board for AWBA LTSC purchases that are not spent can continue to be used by the AWBA for LTSC purchases in subsequent years. Due to LTSC purchases in 2024, the AWBA does not have carryover water storage tax funds for 2025. As the AWBA does not have purchase agreements arranged, the CAWCD Board was not requested to reserve additional funds for 2025; however, the Board may be asked to amend its resolution should opportunities present themselves.

Credit Purchases

The AWBA has several options for credit development through non-storage means, including the acquisition of LTSCs through purchase agreements and payment for ICS developed in Lake Mead as part of the LBDP.

LTSC Purchases Pursuant to A.R.S. § 45-841.01

The Tohono O’odham Nation must offer the AWBA 10 percent of any LTSCs determined accruable by the Arizona Department of Water Resources from storage at the Mission Mine Complex at a price per acre-foot that is equal to the AWBA’s delivery and storage costs at the time of sale. If the Tohono O’odham Nation offers the AWBA credits in 2025, the AWBA will evaluate the offer to determine if it is reasonable to purchase those LTSCs. There is a restriction that the LTSCs may not be recovered within five miles of the exterior boundary of the reservation.

Other LTSC Purchases

The AWBA is seeking purchase opportunities in the Tucson AMA. The estimated purchase rate per LTSC is based on 2024 transaction costs—actual costs in 2025 could vary. This is a change from the previous method used by the AWBA to determine LTSC costs, which was based on the Central Arizona Project’s water storage rates for the year in question.

ICS Firming Credits

The AWBA entered into an intergovernmental agreement with the Community to purchase 50,000 acre-feet of firming ICS created by the Community under Arizona’s Implementation

² A.R.S. § 45-611(C)(3), § 45-611(C)(5), § 45-613(D) and § 45-615.01.

Plan for the LBDCP.³ Due to a one-time, 10 percent assessment for system and evaporation losses,⁴ the 50,000 acre-feet of firming ICS resulted in 45,000 acre-feet of ICS, referred to as ICS firming credits under the IGA. These credits will be used to satisfy AWBA firming obligations to the Community after 2026. The AWBA has paid incrementally for the creation of firming ICS, which started at a rate of \$240 per acre-foot in 2019. The rate schedule has an annual escalator of three percent.

For 2025, the AWBA estimates purchasing 5,918 acre-feet of firming ICS at a cost of \$283.20 per acre-foot. The total cost is \$1,675,978 and will result in 5,327 acre-feet of ICS firming credits after the 10 percent assessment. ICS firming credits will be purchased using withdrawal fee revenues collected in the Phoenix AMA.

Interstate Water Banking

The AWBA, SNWA, and Colorado River Commission of Nevada executed a Third Amended and Restated Agreement for Interstate Banking on May 20, 2013. The amended agreement allows for storage to be determined annually by the parties and may include storage of Nevada's unused apportionment. Storage is paid for by SNWA in years when storage occurs. There is no interstate storage planned for 2025.

Accounting of Credits

The AWBA has a statutory requirement to account for all LTSCs accrued by the funding sources used to develop the credits. The AWBA also maintains an accounting of all non-storage firming credits, replenishment activities, and the funds used for these purposes.

The estimated cost of the 2025 Plan is around \$2.04 million and could potentially develop 6,245 acre-feet of credits. **Table 1** summarizes the estimates of the funds available to the AWBA, the funds to be utilized, the entity that holds the funds, and the credits estimated to accrue to those accounts based on the 2025 Plan.

³ Intergovernmental Agreement Between the AWBA and the Gila River Indian Community for the Development of Intentionally Created Surplus Firming Credits executed May 20, 2019.

⁴ See Section 3 of the May 20, 2019, Intergovernmental Agreement between the Arizona Water Banking Authority and the Gila River Indian Community for the Development of Intentionally Created Surplus Firming Credits.

Table 1. Funding for 2025 Plan of Operation and Estimated Credits Developed

Funding Source	Estimated Funds Available		Estimated Funds Utilized		Estimated Credits (AF)	
	AWBA	CAWCD	AWBA	CAWCD	Water Storage	Developed Credits
Withdrawal Fees						
Phoenix AMA1	\$1,676,210		\$1,676,210		0	5,327
Tucson AMA2	\$367,337		\$367,337		0	918
Water Storage Tax						
Phoenix AMA		\$0		\$0	0	0
Pinal AMA		\$0		\$0	0	0
Tucson AMA		\$0		\$0	0	0
Total	\$2,043,547		\$2,043,547		0	6,245

¹ Funds used to develop ICS Firming Credits at \$283.2/AF pursuant to AWBA's 2019 IGA with the Community. Developed credits include a 10% loss factor.

² The purchase rate of \$400 per LTSC neither accounts for the source of credit nor market fluctuation.

Distribution or Extinguishment of AWBA Credits

Under a Tier 1 Colorado River shortage in 2025, there will be a reduction of 74,030 acre-feet to the CAP NIA Pool.⁵ As a result, the AWBA will have a firming obligation as defined under the Arizona Water Settlements Act of 2004. The reduction in Colorado River supplies will neither impact Fourth Priority CAP M&I priority subcontractors nor on-River contractors. As for interstate banking, SNWA has not requested the recovery of LTSCs accrued on its behalf. **Table 2** identifies the volume of credits available by objective, the anticipated credit use in 2025, and the remaining credits thereafter.

⁵ Based on CAWCD's final accounting of 2024 water orders.

Table 2. Uses of Credits in 2025 and Credits Remaining

Objective and Location	Estimated Credits Available as of Dec 31, 2024 ¹	Estimated Credits Used in 2025	Estimated Credits Remaining as of Dec 31, 2025
	Acre-feet		
CAP M&I Firming (4-cent tax)	2,356,207	0	2,356,207
Phoenix AMA	1,589,323	0	1,589,323
Pinal AMA	234,791	0	234,791
Tucson AMA	532,093	0	532,093
On-River M&I Firming (gen. fund)	403,830	0	403,830
Tribal Settlement Obligations:²	161,262	5,625	155,637
Community - 15,000 AFY	161,262	5,625	155,637
<i>LTSCs</i>	105,390	0	105,390
<i>Firming Credits</i>	16,826	5,625	11,201
<i>ICS Firming Credits</i>	39,046	0	39,046
WMAT - 3,750 AFY	0	0	0
Hualapai - 557.5 AFY	0	0	0
Future Settlements- 4416.5 AFY³	0	0	0
Federal Assistance (SAWRSA)	34,102	0	34,102
Groundwater Mgmt.⁴ (W/Fees)	779,566	0	779,566
Phoenix AMA	225,577	12,350	213,227
Pinal AMA ⁵	448,059	-12,350	460,409
Tucson AMA	105,930	0	105,930
Shortage Reparations⁶	109,489	0	109,489
Pinal Redirect Credits⁷	14,125	0	14,125
Interstate - SNWA	613,846	0	613,846

¹ Includes all credits accrued and utilized through 2024

² The White Mountain Apache Tribe Water Rights Quantification Act enforceability date must occur prior to December 30, 2027, unless otherwise agreed. The Hualapai Tribe settlement enforceability date must occur prior to April 15, 2029, unless otherwise agreed.

³ The AWBA understands that it is highly unlikely that additional NIA priority water would be included in future settlements. Therefore, the AWBA is assuming there will be no additional firming obligations of NIA priority water.

⁴ Withdrawal Fee LTSCs may be used for CAP M&I firming and/or Tribal settlement obligations if needed.

⁵ Up to 12,350 remaining LTSCs could be credited to the AWBA's account in the Pinal AMA, pursuant to the LBDCP Implementation Plan: Agreement to Exchange Long-Term Storage Credits between AWBA and the City of Avondale; City of Chandler; City of Goodyear; City of Peoria; City of Phoenix; City of Scottsdale; City of Tucson; Freeport Minerals Corporation; and EPCOR Water Arizona Inc.

⁶ LTSCs accrued pursuant to Arizona-Nevada Shortage-Sharing Agreement executed in 2007.

⁷ Credits accrued from water provided to Pinal AMA GSFs at full cost to the GSF operators.

Arizona Water Settlements Act Requirements

The Arizona Water Settlements Act (AWSA) recognizes three categories where the State has firming responsibilities. The first two obligations relate to firming of CAP NIA water for the Community and other Arizona Indian tribes in times of shortage for a 100-year period (through 2107); the third obligation pertains to assisting the Secretary of the Interior in carrying out federal obligations under the Southern Arizona Water Rights Settlement Act (SAWRSA).

Gila River Indian Community

The AWBA must ensure that up to 15,000 acre-feet per year of CAP NIA water be made available to the Community during shortages. The AWBA has dedicated 161,262 acre-feet of credits for this purpose (**Table 2**) pursuant to its firming agreements with the Community.⁶ This amount includes 105,390 acre-feet of withdrawal fee LTSCs accrued from water stored at the Gila River Indian Irrigation and Drainage District Groundwater Savings Facility, 16,826 acre-feet of firming credits remaining accrued on-Reservation, which reflects the 27,174 acre-feet utilized through 2024, and 39,046 acre-feet of ICS firming credits accrued in Lake Mead. If needed, the AWBA's withdrawal fee LTSCs could also be used for this purpose.

Based on CAWCD's final accounting of 2025 water orders, the firming volume is 5,625 acre-feet. As it has been done for the past three years, the AWBA and the Community elected to extinguish an equal volume of firming credits to satisfy this firming obligation. **Table 3** provides an accounting of the firming credits used for this purpose.

Table 3. Firming Plan for the Gila River Indian Community for Shortage Year 2025

Year	Firming Credits Developed			Firming Credits Used (AF)		Remaining Balance (AF)
	Firming Credits Developed (AF)	Cost/AF	Total Cost	Through CY 2024	CY 2025 ¹	
2015	16,000	\$157.00	\$2,512,000	16,000	0	0
2016	12,000	\$161.00	\$1,932,000	11,174	826	0
2017	7,000	\$164.00	\$1,148,000	0	4,799	2,201
2018	9,000	\$160.00	\$1,440,000	0	0	9,000
Total	44,000		\$7,032,000	27,174	5,625	11,201

¹ Based on CAWCD's final accounting of 2025 water orders.

⁶ Intergovernmental Agreement between the AWBA and the GRIC executed June 16, 2015; Agreement between the Arizona Water Banking Authority and the Gila River Indian Community for the Development of Firming Credits executed June 30, 2016, and the 2019 Intergovernmental Agreement.

Other Settlements

The AWBA must also firm up to 8,724 acre-feet per year of CAP NIA water for other Tribal Settlements. The White Mountain Apache Tribe entered into an agreement that will require the AWBA to firm up to 3,750 acre-feet per year once the agreement becomes enforceable on or before December 30, 2027. This water is intended to be leased by cities in the Phoenix AMA.⁷ Therefore, the AWBA's firming obligation will be to the lessees. Additionally, the Hualapai Tribe entered into an agreement that would require the AWBA to firm up to 557.5 acre-feet per year. The settlement will become enforceable on or before April 15, 2029. Since these settlements are not yet enforceable, the AWBA does not have a firming requirement in 2025. Withdrawal fee LTSCs can be made available for this purpose when needed. As for the remaining 4,416.5 acre-feet, the AWBA understands that it is highly unlikely that additional NIA priority water would be included in future settlements.

Federal Assistance

The AWBA has completed the State's obligation to contribute \$3 million in cash or in-kind services to assist the Secretary of the Interior in meeting Federal obligations to the Tohono O'odham Nation. This obligation was met by accruing 34,102 LTSCs (**Table 2**) at an equivalent cost. These LTSCs will be distributed to the Secretary of the Interior during shortages when requested.

Southside Replenishment Bank

In addition to the firming requirements of the AWSA, the AWBA was required to deliver 15,000 acre-feet of water to the Community to establish the Southside Replenishment Bank. This obligation was satisfied in 2015. The Replenishment Bank can be used to fulfill obligations created under the AWSA for protection of the Reservation from off-reservation groundwater pumping.

In 2024, the Arizona Department of Water Resources informed the AWBA that there was no replenishment obligation for the 2023 reporting year. Therefore, credits will not be extinguished for this purpose in 2025. Pursuant to A.R.S. § 45-2623(A), if any replenishment obligation exists, the AWBA must satisfy the replenishment obligation by June 1 of the third calendar year following the year the obligation was created.

CAP M&I Subcontract Firming

The reduction in CAP water supplies under a Tier 1 shortage condition will not impact CAP M&I priority subcontractors. Therefore, LTSCs will not be distributed for firming purposes in 2025. The AWBA has accrued more than 2.3 million acre-feet of LTSCs using water storage tax funds, which will be specifically used for CAP M&I firming purposes (**Table 2**). When necessary, LTSCs will either be distributed to CAWCD for recovery and delivery of firming water to subcontractors, or

⁷ Lessees receiving firmed CAP NIA water under the Quantification Agreement include the cities of Avondale, Chandler, Gilbert, Glendale, Mesa, Peoria, Phoenix, and Tempe.

to subcontractors who have entered into a firming agreement with the AWBA and elected to receive LTSCs in a given shortage year.

On-River Firming

As with CAP M&I Priority subcontractors, there are no reductions in supply to Fourth Priority on-River M&I contractors under a Tier 1 shortage condition. Therefore, LTSCs will not be distributed for on-River firming purposes in 2025.

The AWBA has a total of 403,830 LTSCs for on-River M&I firming (**Table 2**). The AWBA entered into an agreement with the Mohave County Water Authority (MCWA) to reserve 256,174 acre-feet of LTSCs to firm MCWA's contract during times of shortage.⁸ MCWA has also entered into an agreement with CAWCD for the exchange and recovery of these reserved LTSCs when they are needed. The distribution of these LTSCs will be based on requests made by MCWA in a shortage year. The AWBA has also set aside 147,656 acre-feet of LTSCs for the remaining Fourth Priority M&I entitlement holders. These entities may enter into similar firming agreements with the AWBA to receive their pro rata share of the available LTSCs during shortages.⁹

Interstate Requests for Intentionally Created Unused Apportionment

The AWBA has accrued 613,846 acre-feet of LTSCs on behalf of SNWA (**Table 2**). SNWA may request up to 40,000 acre-feet per year of recovery for the development of Intentionally Created Unused Apportionment (ICUA) by Arizona for diversion by SNWA.¹⁰ However, if sufficient recovery capacity exists, SNWA may request the development of additional ICUA to replace reductions in supply during Colorado River shortages up to its annual entitlement. When SNWA requests water, the AWBA will distribute LTSCs to CAWCD for recovery and development of ICUA. CAWCD currently has agreements in the Pinal and Tucson AMAs for this purpose. No development of ICUA is anticipated in 2025.

LTSCs Distributed for Exchange under Arizona's LBDCP Implementation Plan

The AWBA plays an important role in facilitating wet water mitigation under Arizona's Implementation Plan for the LBDCP. In 2019, the AWBA entered into an agreement to exchange LTSCs with Phoenix and Tucson AMA CAP M&I Priority subcontractors that agreed to store water at groundwater savings facilities in the Pinal AMA during Tier 1 and Tier 2a shortages between 2020 and 2022.¹¹ Under the agreement, the AWBA will exchange its LTSCs accrued in the Phoenix and Tucson AMAs for an equal volume of LTSCs accrued by the storing entities in

⁸ Amended Agreement to Firm Future Supplies between the AWBA and MCWA executed March 17, 2010.

⁹ AWBA Resolution 2010-1.

¹⁰ SNWA may request up to 20,000 acre-feet in the initial year and up to 30,000 acre-feet in the second year.

¹¹ LBDCP Implementation Plan: Agreement to Exchange Long-Term Storage Credits between AWBA and the City of Avondale; City of Chandler; City of Goodyear; City of Peoria; City of Phoenix; City of Scottsdale; City of Tucson; Freeport Minerals Corporation; and EPCOR Water Arizona Inc. All exchanges must be completed by December 31, 2026.

the Pinal AMA. This gives storing entities the ability to recover and use the water in the AMA where they are located. In 2024, six entities have requested exchanges totaling 30,352.83 acre-feet. This leaves up to 12,350 acre-feet available for exchange in 2025 should the three remaining entities request it under the agreement. **Table 2** reflects the LTSC debit from the AWBA's account in the Phoenix AMA and the LTSC credit to the AWBA's account in the Pinal AMA that could occur in 2025.

Achievement of Goals and Obligations

In summary, the AWBA will extinguish 5,625 acre-feet of firming credits to satisfy a firming obligation to the Community. This is the only firming requirement for the AWBA in 2025. **Table 2** identifies the volume of credits accrued by the AWBA as of December 2024, the estimated credits used to meet AWBA objectives, and the balance of remaining credits.

Continuing Recovery Planning Conversations

The AWBA intends to continue monthly coordination with ADWR and CAWCD to plan for recovery. In 2024, the AWBA, CAWCD, and ADWR initiated additional recovery planning discussions. These include the possibilities for modifying the current Joint Shortage Analysis Model and potentially developing future tools for credit distribution. The AWBA is committed to maintaining these discussions in 2025 and will continue to monitor Colorado River negotiations towards potential future reengagement with stakeholders.

PUBLIC REVIEW AND COMMENT

AWBA staff presented the 2025 Plan to the public in conjunction with the Groundwater Users Advisory Council (Council) meetings for the Phoenix, Pinal, and Tucson AMAs as required by statute. The Plan was also distributed to the public for review and comment.

In the Tucson AMA, the Council noted that previously the AWBA had shown the Tucson AMA goal was not fully met for future use and asked if this situation had changed. Staff agreed that there are not as many water storage tax credits in the Tucson AMA as in the Phoenix AMA, proportionally to water orders, and that the AWBA is seeking to acquire more, to which end the AWBA recently purchased 21,324 AF of LTSCs in the Tucson AMA. The Council also asked if the 918 AF of credits projected for potential purchase in the Tucson AMA in 2025 would be credited to the AWBA's Tucson AMA Groundwater Withdrawal account. Staff confirmed that this would be the case, should the credits be acquired. Clarification was requested on tribal firming versus mitigation, and staff noted that DCP mitigation was the responsibility of CAWCD, while tribal firming was separate under AWSA.

In the Pinal AMA, the Council asked about the relationship between ICUA and Pinal AMA LTSCs, should Nevada make a request in 2028. Staff explained that SNWA has an agreement with Arizona Water Company and CAWCD, in which Arizona Water Company will recover LTSCs and forgo a portion of its CAP allocation so that SNWA can divert a same volume of Colorado River water (through the creation of ICUA) that would have otherwise been diverted by CAWCD.

In the Phoenix AMA, the Council asked if the agreement with the Gila River Indian Community to purchase ICS was theoretical or signed and if it was a current agreement. Staff confirmed that it had been signed in 2019 and that it was a current agreement.

There were no public questions or comments in any of the Council meetings.

On December 2, 2024, the Arizona Municipal Water Users Association submitted comments on the Draft 2025 Plan of Operation. The letter can be found [here](#).