

Arizona Water Position Update 06.02.23

Recent News:

On June 1, Governor Hobbs and the Arizona Department of Water Resources unveiled the Phoenix Active Management Area (AMA) Groundwater Model and the Arizona Department of Water Resources' latest study of groundwater conditions across the Phoenix metropolitan area., resulting in widespread uncertainty across the country.

Situation:

- Water is a precious resource in Arizona and has been a priority for its residents since before it became a state.
- The Active Management Area (AMA) report revealed that after 100-years of current and planned groundwater pumping, there are areas where not all demands will be met.
- According to the Model, there will be 4.86 million acre-feet (MAF) of unmet groundwater demands over the 100-year period, which represents only 4% of the total groundwater demand during that time.
- In compliance with the 100-year Assured Water Supply law, Arizona will temporarily halt the approval of new Certificates of Assured Water Supply reliant on groundwater. However, growth on existing Certificates, within designated areas, and developments utilizing non-groundwater sources will not be affected.

Impact:

- Existing homeowners and home building certificates will not face any impacts and will continue to receive water deliveries as planned.
- Cities with a Designation of assured water supply (DAWS), including large cities in Greater Phoenix, will continue to grow within their approved water portfolios.
- Urban growth in other areas will need to rely on water supplies other than non-replenishable groundwater, aligning with the State's policy since the signing of the 1980 Groundwater Management Act.
 - Groundwater is just one component of Greater Phoenix's comprehensive water portfolio, which includes Colorado River water, surface water, and recycled water supplies.
- Development on non-subdivided land is not subject to the Assured Water Supply Program and will not be affected by the modeling results.

Current State:

- Transparency is a crucial step in securing our water future.
- The temporary halt does not indicate a water crisis in Arizona but rather demonstrates the effectiveness of existing regulations and measures implemented to alert the state and ensure its water security.
- Alongside significant investments at the State and Federal levels, totaling more than \$5 billion in funding, Arizona is actively advancing its planning efforts for conservation, distribution, and augmentation to address future water needs.

- Arizona's water future is secure, and families and businesses considering a move to Arizona can trust that water security is a serious concern for both public and private leaders in the region.

Housing:

- All existing housing certificates can proceed as planned. There is a substantial number of already approved housing certificates.
- Greater Phoenix currently has 1,890,294 residential units, including both multifamily and single-family residences, either under construction, proposed, or approved.
- Cities with assured water supplies can continue their growth as those supplies allow.
- In certain areas, growth will need to rely on existing and planned water sources other than groundwater.

Water Facts:

- Arizona's population and economy have experienced consistent growth while maintaining steady water usage for decades.
- Increased conservation methods and reduced water demand in agriculture have enabled Greater Phoenix to remain below its 1957 water usage levels.
- Arizona has 1.75 times more water stored than it uses, with 12 million acre-feet (MAF) of water stored in reservoirs and underground, including 7.1 MAF in Greater Phoenix.
- Arizona is a national leader in water reuse, with more than 89% of water entering the Greater Phoenix waste stream being reclaimed and treated for potable use.
- While there have been reductions in Arizona's Colorado River allocation, it represents only about 40% of the state's entitlement. The Central Arizona Project (CAP) has supported the groundwater supply to compensate for historical groundwater dependency in the Valley, preserving groundwater for times of need.
- Implemented programs and reduction strategies have created a resilient system, transitioning away from Colorado River water while maintaining economic growth.

Water Future:

- Careful planning and investment have resulted in a reliable and well-managed water supply, but further investment is required to support future growth. Arizona is making aggressive investments in a multi-faceted portfolio of water supplies and advanced programs for managing groundwater.
- Funding of \$4 billion has been approved through the Inflation Reduction Bill to compensate farmers who voluntarily reduce their water deliveries under short-term or multi-year agreements.
- The legislature has approved \$1.2 billion as part of a water package which can be utilized over three years to enhance long-term water supplies and conservation efforts.
- Arizona has allocated an additional \$40 million for the Water Policy Council, dedicated to water conservation, infrastructure, and sustainable groundwater management initiatives.