

City of Mesa		
Feedback on the alternative methods proposed at Stakeholder Meeting	New alternative you would like to be considered by AWBA staff	Other comments or feedback
<p>Scenario 1A extends the credits for at least 100 years by gradually decreasing the amount of credits distributed until 1 percent is reached. It is important for municipal providers to have access to those credits in the near-term (20 years) when those credits will be more secure. Scenarios 1B and 1C would extend the credits for 48.8 years and 25.5 years, respectively, in the Phoenix AMA. We believe 20 years is a more useful transition period and that it would be more beneficial to have access to the credits during that time frame rather than extending distribution over additional decades. A 20 year period is a more reasonable time frame to show that the credits are being proactively put to use to help M&I subcontractors transition through a shortage.</p> <p>Regarding Alternative Firming Method 2, AMWUA does not support a firming policy based on incentive or need because the Water Bank does not have statutory authority to impose or incentivize demand management as a basis to withhold or distribute credits. Such an approach would be counter to the Water Bank's statutory obligation to distribute credits to meet the demands of all M&I subcontractors.</p> <p>Mesa agrees with excluding the accrual of long-term storage credits. However, the level of cuts to Colorado River water will be such that M&I subcontractors will not be storing much/if any of their CAP water, thus making the accrual of long-term storage credits a non-issue.</p> <p>We believe the method selected should be equitable, provide certainty for M&I subcontractors, and extend the distribution of credits long enough to build recovery infrastructure and secure other water supplies. We have submitted a method that accomplishes these objectives.</p>	<p>The City of Mesa supports that the Arizona Water Banking Authority should adopt a firming policy of up to 20 percent pro rata firming of M&I cuts starting in 2024. This method would be based on the Bank's historical planning assumption to proportionally firm up to 20 percent of M&I cuts. For more than a decade M&I subcontractors have used this 20 percent firming assumption in their planning efforts to prepare for Colorado River shortages. It is critical to have certainty now for how the Water Bank will distribute credits so that the cities can plan accordingly for their reduced reliance on Colorado River water. Now is not the time to devise new methodology distributing credits.</p>	<p>Thank you for the opportunity to provide comments and including the city in the stakeholder process.</p>