

ARIZONA WATER BANKING AUTHORITY

ANNUAL PLAN OF OPERATION

2024



Thomas Buschatzke, Chair

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EXECUTIVE SUMMARY

The operation of the Arizona Water Banking Authority (AWBA) continues to change. 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 (LBDPCP), 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 2024, 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 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 2024. 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 6,170 acre-feet of supplies for the Gila River Indian Community (Community). There are no other firming or replenishment requirements for the AWBA in 2024. Additionally, the Southern Nevada Water Authority (SNWA) did not request the development of intentionally created unused apportionment. Therefore, there will be no credits recovered for interstate purposes in 2024.

The AWBA 2024 Plan of Operation (Plan) proposes to purchase 38,769 acre-feet of credits (LTSCs and Intentionally Created Surplus (ICS) firming credits) for a total cost of \$13.65 million. LTSC acquisitions could occur in both the Phoenix and Tucson Active Management Areas (AMAs). Potential LTSC purchases total 33,131 acre-feet and are estimated to cost \$11.9 million. Additionally, the AWBA plans to spend \$1.73 million to develop 5,638 acre-feet of ICS firming credits pursuant to a 2019 intergovernmental agreement with the Community.

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 AWBA use 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.

2024 PLAN OF OPERATION

The AWBA's Plan for 2024 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 a firming and/or replenishment responsibility, 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 2024. 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 2024 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 2024 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 2024.

Available Funds

The AWBA will have an estimated \$2.49 million in withdrawal fee revenues available for use in calendar year 2024: \$1.73 million for the Phoenix AMA and \$764,006 for the Tucson AMA. Total available revenues take into consideration \$200,000 in funds reallocated 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 2024. 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 Arizona 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. Based on anticipated LTSC purchases, the AWBA could have up to \$11.15 million in unspent funds remaining available from previous years: \$3.33 million in Maricopa County funds and \$7.82 million in Pima County funds. Since carryover funds are available, the AWBA did not request that the CAWCD Board reserve additional funds for 2024.

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 LBDPCP.

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 2024, 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 will have an estimated \$11.9 million available in 2024 for LTSC purchases. These funds include \$11.15 million in water storage tax funds and \$764,006 in Tucson AMA withdrawal fees. The AWBA could potentially purchase up to 33,131 acre-feet of LTSCs: 9,281 acre-feet in the Phoenix AMA (\$359 per acre-foot) and 23,850 acre-feet in the Tucson AMA (\$360 per acre-foot). The purchase rate per LTSC is based on CAP’s water storage rates for 2024. This is the method for determining LTSC costs previously used by the AWBA.³ However, the cost to purchase CAP LTSCs is becoming increasingly market-driven with prices typically higher than CAP water storage rates. A tightening market could affect AWBA’s ability to acquire LTSCs in 2024. The AWBA may adjust its current pricing method

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

³ Although the August 24-month study shows a Tier 1 shortage for 2024, the CAWCD Board of Directors set the 2024 water rate with delivery volumes equal to the Tier 3 shortage level volume to take into account reduced revenues due to conservation anticipated within the CAP service area.

for CAP supplies to increase LTSC purchase opportunities for CAP supplies with consideration given to the location of the credits available for sale.

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 Plan for the LBDCP.⁴ Due to a one-time, 10 percent assessment for system and evaporation losses,⁵ 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 2024, the AWBA estimates purchasing 6,264 acre-feet of firming ICS at a cost of \$276 per acre-foot. The total cost is \$1.73 million and will result in 5,638 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 2024.

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 2024 Plan is just around \$13.65 million and could potentially develop 38,769 acre-feet of credits as described above. **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 2024 Plan.

⁴ Intergovernmental agreement between the AWBA and the Gila River Indian Community for the Development of Intentionally Created Surplus Firming Credits executed May 20, 2019.

⁵ 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 2024 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 AMA ¹	\$1,728,924		\$1,728,924		0	5,638
Tucson AMA ²	\$764,006		\$764,006		0	2,122
Water Storage Tax³						
Phoenix AMA ⁴		\$3,332,033		\$3,332,033	0	9,281
Pinal AMA		\$0		\$0	0	0
Tucson AMA ²		\$7,822,128		\$7,822,128	0	21,728
Total	\$13,647,091		\$13,647,091		0	38,769

¹ Funds used to develop ICS firming credits at \$276/AF pursuant to AWBA’s 2019 IGA with the Community. Developed credits include a 10% loss factor.

² The purchase rate of \$360 per LTSC is based on Tier 3 CAP water rate for 2024.

³ Carryover from funds reserved by the CAWCD Board of Directors for AWBA LTSC purchases in 2021 and 2022.

⁴ The purchase rate of \$359 per LTSC is based on Tier 3 CAP water rate for 2024.

Distribution or Extinguishment of AWBA Credits

Under a Tier 1 Colorado River shortage in 2024, there will be a reduction of 82,726 acre-feet to the CAP non-Indian agricultural (NIA) Pool.⁶ 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 not 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 for firming in 2024, and the remaining credits thereafter.

⁶ Based on CAWCD’s final accounting of 2024 water orders.

Table 2. Uses of Credits in 2024 and Credits Remaining

Objective and Location	Estimated Credits Available as of Dec 31, 2023 ¹	Estimated Credits Used in 2024	Estimated Credits Remaining as of Dec 31, 2024
	Acre-feet		
CAP M&I Firming (4-cent tax)	2,329,457	0	2,329,457
Phoenix AMA	1,582,453	0	1,582,453
Pinal AMA	234,791	0	234,791
Tucson AMA	512,213	0	512,213
On-River M&I Firming (gen. fund)	403,830	0	403,830
Tribal Settlement Obligations:²	162,176	6,170	156,006
Community - 15,000 AFY	162,176	6,170	156,006
LTSCs	105,390	0	105,390
Firming Credits	22,996	6,170	16,826
ICS Firming Credits	33,790	0	33,790
WMAT - 3,750 AFY	0	0	0
Hualapai - 557.5 AFY	0	0	0
Future Settlements- 4416.5 AFY	0	0	0
Federal Assistance (SAWRSA)	34,102	0	34,102
Groundwater Mgmt.³ (W/Fees)	777,591	0	777,591
Phoenix AMA	251,411	38,475	212,936
Pinal AMA ⁴	417,706	-43,225	460,931
Tucson AMA	108,474	4,750	103,724
Shortage Reparations⁵	109,489	0	109,489
Phoenix AMA	20,642	0	20,642
Pinal AMA	60,507	0	60,507
Tucson AMA	28,340	0	28,340
Pinal Redirect Credits⁶	14,125	0	14,125
Interstate - SNWA	613,846	0	613,846
Phoenix AMA	60,021	0	60,021
Pinal AMA	440,241	0	440,241
Tucson AMA	113,584	0	113,584

¹ Includes all credits accrued and utilized through 2023

² The White Mountain Apache Tribe Water Rights Quantification Act enforceability date is December 30, 2027. The Hualapai Tribe settlement enforceability date is April 15, 2029.

³ Withdrawal Fee LTSCs may be used for CAP M&I firming and/or Tribal settlement obligations if needed.

⁴ Up to 43,225 LTSCs could be credited to the AWBA's account in the Pinal AMA, pursuant to the Lower Basin Drought Contingency Plan ("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.

⁵ LTSCs accrued pursuant to Arizona-Nevada Shortage-Sharing Agreement executed in 2007.

⁶ Credits accrued from water provided to Pinal AMA GSFs at full cost to the GSF operators.

Arizona Water Settlements Act Requirements

The 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 162,176 acre-feet of credits for this purpose (Table 2) pursuant to its firming agreements with the Community.⁷ This amount includes 105,390 acre-feet of withdrawal fee credits accrued from water stored at the Gila River Indian Irrigation and Drainage District Groundwater Savings Facility, 22,996 acre-feet of firming credits accrued on-Reservation, which reflects 21,004 acre-feet utilized in 2022 and 2023, and 33,790 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 2024 water orders, the firming volume is 6,170 acre-feet. As in 2022 and 2023, 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 2024

Year	Firming Credits Developed			Firming Credits Used in 2023 (AF)		Remaining Balance (AF)
	Firming Credits Developed (AF)	Cost/AF	Total Cost	Through CY 2023	CY 2024 ¹	
2015	16,000	\$157.00	\$2,512,000	16,000	0	0
2016	12,000	\$161.00	\$1,932,000	5,004	6,170	826
2017	7,000	\$164.00	\$1,148,000	0	0	7,000
2018	9,000	\$160.00	\$1,440,000	0	0	9,000
Total	44,000		\$7,032,000	21,004	6,170	16,826

¹ Based on CAWCD's final accounting of 2024 water orders.

⁷ 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 December 30, 2027. This water is intended to be leased by cities in the Phoenix AMA.⁸ 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's enforceability date is April 15, 2029. Since these settlements are not yet enforceable, the AWBA does not have a firming requirement in 2024. Withdrawal fee LTSCs can be made available for this purpose when needed.

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 2023, the Arizona Department of Water Resources informed the AWBA that there was no replenishment obligation for the 2022 reporting year. Therefore, credits will not be extinguished for this purpose in 2024. 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 2024. 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 be distributed either to CAWCD for recovery and delivery of firming water to subcontractors or to subcontractors who have entered into a firming agreement with the AWBA and elected to receive LTSCs in a given shortage year.

⁸ Lessees receiving firmed CAP NIA water under the Quantification Agreement include the cities of Avondale, Chandler, Gilbert, Glendale, Mesa, Peoria, Phoenix and Tempe.

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 2024.

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.⁹ 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.¹⁰

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.¹¹ 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 2024.

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. 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 the Pinal AMA. This allows storing entities the ability to recover and use the water in the AMA where they are located. The AWBA agreed to exchange up to 43,225 acre-feet of LTSCs per year (from 45,500 acre-feet of storage less 5 percent cut to the aquifer) for the three-year period. However, since 2020 and 2021 were non-shortage years, the exchange will only apply to water stored in 2022. Legislation authorizing the AWBA to exchange its water management LTSCs for this purpose expires December 31, 2026. Therefore, all exchanges must be completed by this date. LTSC exchanges are anticipated to begin in 2024. **Table 2** reflects the LTSC debit from the AWBA's accounts in the Phoenix and the Tucson AMAs, and the LTSC

⁹ Amended Agreement to Firm Future Supplies between the AWBA and MCWA executed March 17, 2010.

¹⁰ AWBA Resolution 2010-1.

¹¹ SNWA may request up to 20,000 acre-feet in the initial year and up to 30,000 acre-feet in the second year.

credit to the AWBA's account in the Pinal AMA should the total volume of LTSCs be exchanged in 2024.

Achievement of Goals and Obligations

In summary, the AWBA will extinguish 6,170 acre-feet of firming credits to satisfy a firming obligation to the Community. This is the only firming requirement for the AWBA in 2024. **Table 2** identifies the volume of credits accrued by the AWBA as of December 2023, the estimated credits used to meet AWBA objectives, and the balance of remaining credits.

PUBLIC REVIEW AND COMMENT

AWBA staff presented the 2024 Plan to the public in conjunction with the Groundwater Users Advisory 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 Phoenix and the Tucson AMAs, there were questions from Council members regarding future LTSC purchases, but no questions from the public. Staff explained that purchase opportunities have become more challenging under a tightening market. Staff added that the AWBA does not have LTSC purchase agreements for 2024. In the Tucson AMA, the Council asked from whom the AWBA had purchased LTSCs in the past. Staff listed the City of Tucson, the Tohono O'odham Nation, and the Ak-Chin Indian Community. The Tucson AMA Council also expressed words of support for the AWBA. In the Pinal AMA, there were neither questions nor comments.