

List of Ideas Identified by the Post-2025 AMAs Committee for Possible Solutions November 8, 2021

From June to September 2021, the Post-2025 AMAs Committee met to generate ideas for solutions and strategies to address three of the Committee's six identified issues. These three issues have a common nexus across all the AMAs – Groundwater in the Assured Water Supply Program, Unreplenished Groundwater Withdrawals, and the Hydrologic Disconnect. The following list identifies each of the ideas suggested by Committee members.

It is recognized that this is a tight timeframe and so the Co-Chairs are using the following criteria to initially consider ideas that:

- Address more than one challenge or opportunity
- Gain general overall support from the Committee
- Are politically viable in 2022 considering ADWR and/or legislative leadership

The first section of ideas includes proposals that the Co-Chairs have identified for initial consideration that meet the above criteria. They include items that may be legislative, policy, and/or rules.

We are seeking input by the Committee on items #2 and #3 of the criteria on October 27, 2021 and November 9, 2021. Then the items will move for discussion and action by the Governor's Water Council on November 30, 2021. The items that are legislative would move to a legislative stakeholder process for potential action in 2022. All ideas that were heard during our "solutions" phase have been captured and those items that do not meet the criteria are listed in the second section of this paper for potential additional discussion in 2022.

Proposals identified by the Post-2025 Co-Chairs for 2021 Package

The Co-Chairs are viewing this first section of proposals as a package of legislation, rules and policy that would be collectively presented to the Governor's Water Council on November 30, 2021.

Improve the Regulatory Process for Recharge & Recovery

Stakeholders in all AMAs have encountered significant regulatory obstacles in permitting new recharge facilities and renewing the existing permits of operational recharge facilities. Regulatory concerns also have been raised about recovery in general to encourage recovering in areas of the AMA that are not experiencing ground water level declines as well as how recovery wells in and out of area of hydrologic impact are used for Assured Water Supply purposes.

Specific suggestions made by Committee members include:

- Make it easier to permit recharge facilities by changing Unreasonable Harm Standard
- Make it easier to recover by improving AOI Policy
- Improve ADWR's Recharge Program modeling procedures
- Increase the "cut to the aquifer," when recovery / replenishment is taking place in a separate subbasin from where it was stored.
- Review the interface between the Recharge Program and AWS Program to identify any potential improvements.

GWAICC Post-2025 AMAs Committee Proposals

Proposal: ADWR initiates a comprehensive review of its recharge and recovery program with input from stakeholders. The expectation is this would lead to improvements to the recharge and recovery program.

Broad support from public and private providers in the Phoenix, Pinal, and Tucson AMAs. Applicable primarily to hydrologic disconnect but also could influence the other two issues.

Express Support for Further Discussions Refining Arizona’s Approach to Augmentation

At the 10-27-21 Post-2025 AMAs Committee stakeholders raised questions on the proposal to establish a mechanism or structure for augmentation in the AMAs. Stakeholders sought clarification on the goal of the structure – e.g., did it seek to find more water? To allocate water that had been found? To administer a fund? Etc.

Stakeholders also noted that there may already be frameworks in place for regional augmentation, for example: individual entities are already able to collaborate and joint-finance augmentation projects, WIFA can fund augmentation through the Water Supply Development Fund, regional augmentation authorities like PCWAA are already established, ADWR already has the authority to retire irrigation grandfathered rights, and the groundwater withdrawal fees are [already authorized](#) for augmentation funding.

Recognizing that there are already numerous mechanisms in place to facilitate augmentation, as well as acknowledging that new proposals continue to be discussed, the Co-chairs have revised this proposal to a recommendation that refinement of a statewide approach to augmentation continue to occur through discussions of the Long-term Water Augmentation Committee.

Proposal: The Post-2025 Committee recommends to the Governor’s Water Council that continued discussions be held in the Long-Term Water Augmentation Committee refining Arizona’s strategic approach to augmentation.

Remove WaterBUD Restrictions

Current statutes prevent the accrual of Long-Term Storage Credits for certain entities that are pumping groundwater. This statutory provision was an early component of the underground storage statutes to encourage direct use of renewable supplies. Removing "WaterBUD" would allow entities to accrue and buy LTSC regardless of their groundwater pumping.

It was also suggested that a limited repeal – such as exempting certain LTSC exchanges among water providers – could be a more feasible starting point.

Accelerate ADEQ’s Development of Administrative Rules for Direct Potable Reuse

Demonstrate stakeholder support and community benefit for expediting the importance of direct potable reuse for Arizona's future ensuring that the regulations are in place so public and private water providers have a clear path for developing this resource. This would involve providing resources to ADEQ to fast track updating the Arizona Administrative Code on Purified Water for Potable Use.

This would assist with Unreplenished Groundwater issue and Groundwater in the AWS Program issue.

Review ADWR's Methodology for Reviewing Certificate and Analysis of AWS Applications in a Commingled Distribution System

Propose that ADWR consider enabling a developer to provide water to a water provider that can then serve that water through the provider's mixed system without regard to historic volumetric accounting policy for AWS purposes.

One issue that will be need to be addressed is clarifying how commingled water supplies would be considered if one of the supplies is affected by shortage.

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Other Proposals Identified or Submitted by Committee Members to be further discussed in 2022

Prescott AMA Exempt Wells Concepts -

- Engage with the Arizona Department of Real Estate to require lot splits and dry-lot subdivisions in the Prescott AMA to follow the same AWS rules as other subdivisions.
- Amend A.R.S. § 45-454(D) to require all new wells within a municipal or private water company service area in the Prescott AMA to meet AWS requirements.
- Provide an exemption for municipal providers in the Prescott AMA from the requirement of not causing additional drawdown from new service area wells where exempt well owners within the service area have the ability to connect to the existing service provider water system but choose not to do so.

Address the Subdividing Loophole in AWS Program for development that doesn't require replenishment

Establish a Cut-to-the-Aquifer for Annual Storage & Recovery outside of AOI

Encourage Urban Development on Agricultural Lands

Evaluate the allowable groundwater pumping depth in the AWS Program, currently ~ 1,000' below land surface

Facilitate Groundwater Transfers

Recovery of LTSC stored in the Tonopah Area

Identification of potential aquifer recharge locations for preservation

Limitations on Groundwater Withdrawals

Increase existing fee or create a new fee for Groundwater Withdrawals that then is used to assist with replenishing groundwater pumping

Limit Unreplenished Pumping in the Industrial Sector

Revisit Conservation Requirements in Management Plans

Evaluate the AOHI associated with Groundwater Savings Facilities

Require CAGR D Replenishment within the AOI of Development

Review ADWR's Assured Water Supply Model Run Assumptions

Promote smart tax policy to decrease groundwater mining in the AMAs