Rio Grande, Pecos River and Gila River Issues

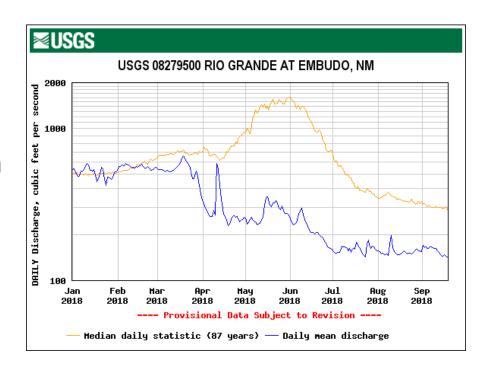
John Longworth, P.E., Director New Mexico Interstate Stream Commission

Interim Water and Natural Resources Committee Meeting
October 2, 2018



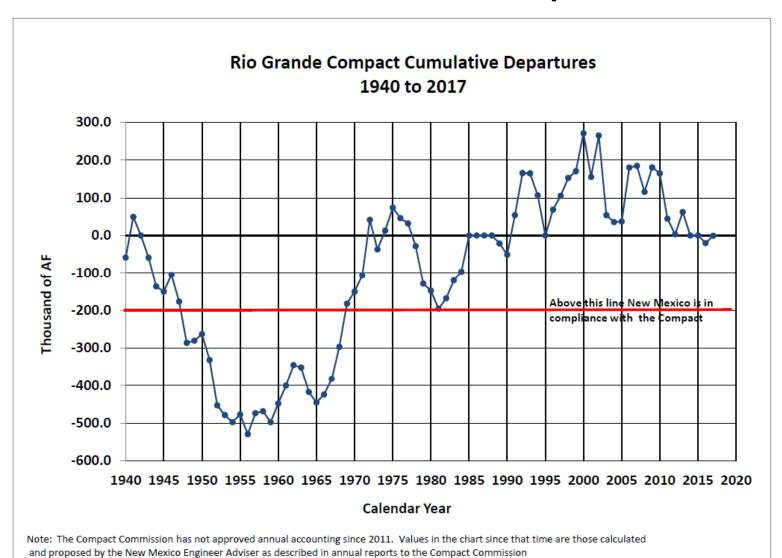
Rio Grande Basin

- Flows on the Rio Grande are much below normal.
- ISC and OSE participate in water operations conference calls with all water management agencies in the Rio Grande basin twice a week.
- ISC coordinates with OSE on alternative administration on the Rio Chama in order to protect RG Compact accounting.

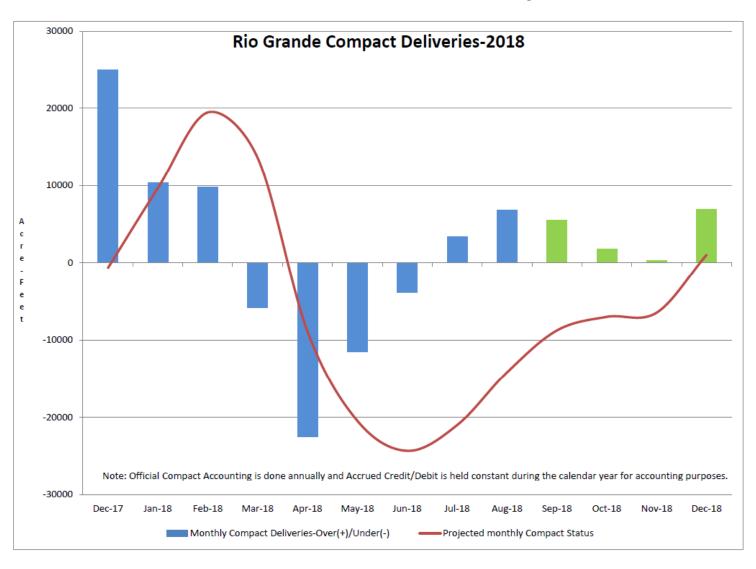




Rio Grande Compact



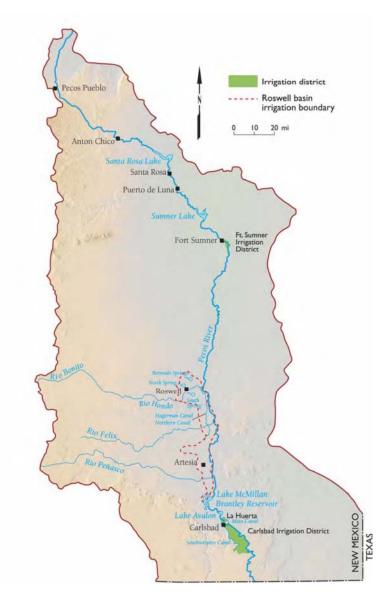
Rio Grande Compact



The Pecos River in New Mexico

Small River, lots of Western Water Woes

- Challenges include:
 - Interstate Compact disputes
 - Intrastate disputes
 - Sensitive to drought
 - Endangered Species Act



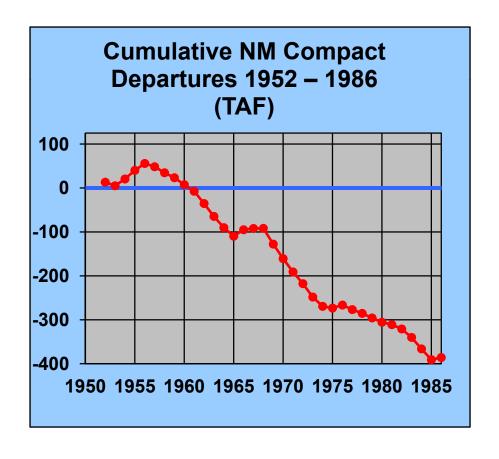
The Pecos River Compact



- December 3, 1948: signed by Texas and New Mexico
- June 9, 1949: Ratified by the U.S. and signed by President Truman

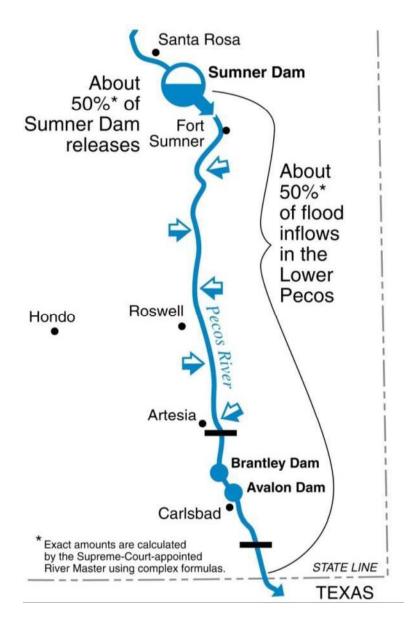
TX v NM, Org. Action No. 65

- 1974: TX sues in USSC
- 1988 Decree
 - NM found to have underdelivered to Texas ≈ 10 thousand AF/yr
 - NM required to pay \$14 million in damages
 - Federal River Master oversees deliveries to TX
 - No cumulative debt allowed



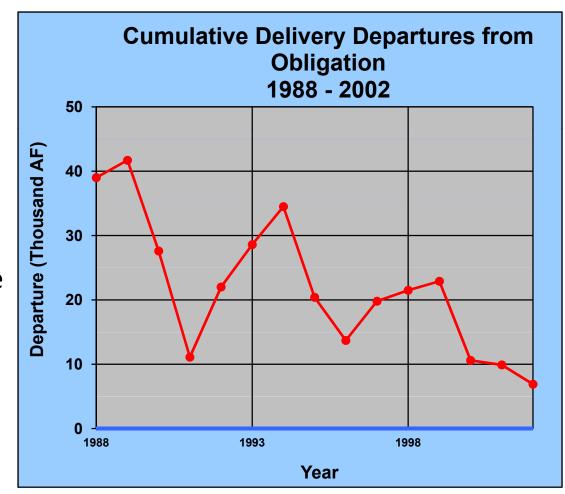
Compact Accounting

- Based on USSC River
 Master Manual
- NM obligation
 - Releases from Sumner Dam
 - Flood inflow from Sumner Dam to the state line
 - ~ 120 variables



Compact Compliance Post-Decree (1988 to 2003)

- NM acquires over \$30 million in water rights and leases during 1990s
 - Enables NM to comply with the Decree
- Conditions in early 2000s
 - Close to cumulative under delivery
 - Pecos water users came together
 - Their efforts resulted in the 2003 Pecos Settlement



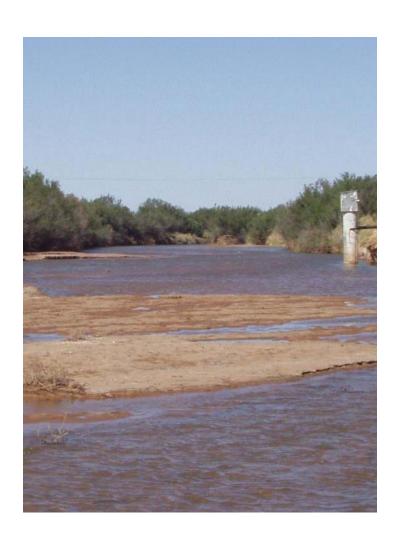
The 2003 Pecos Settlement

- State-funded program to:
 - Acquire & retire irrigation rights
 - Roswell and Carlsbad Basins
 - Build well fields for river augmentation with groundwater



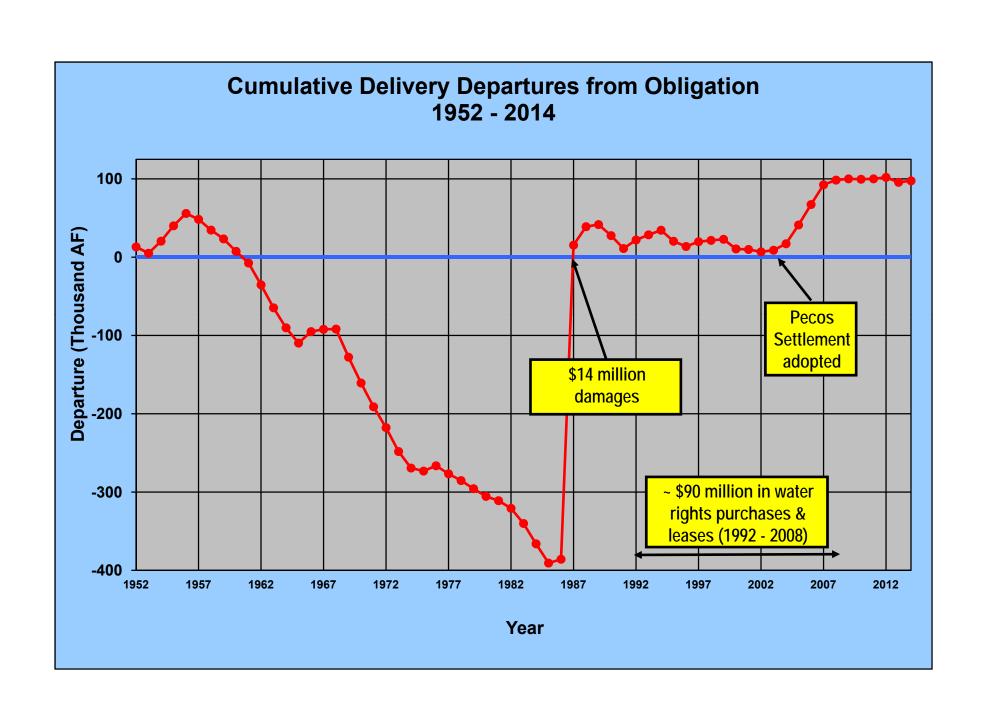
Settlement Objectives

- Permanent compliance with the Pecos River Compact and 1988 USSC Decree
- Increase and stablize water supply for Carlsbad Irrigation District (CID)
- Reduced likelihood of a priority call
 - Protects Roswell Basin groundwater users
- Bring basin back into "hydrologic balance"



NMISC's Settlement Obligations

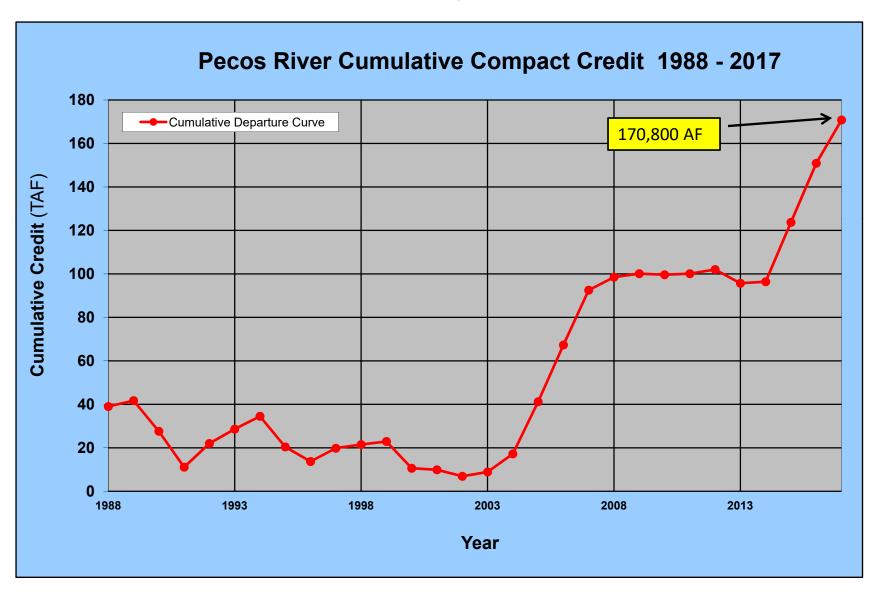
- Water Right Acquisitions
 - Minimum
 - 4,500 acres in CID
 - 7,500 acres in Roswell Artesian Basin (RAB)
 - Full Implementation (has not been completed)
 - 6,000 acres in CID
 - 11,000 acres in RAB
- Augmentation Pumping Capability
 - 15,750 acre-feet/year minimum
 - Build well fields and pipelines



2003 Pecos Settlement Costs

- ≈ \$90 million: water-right purchases/leases
 - Only minimum purchases were completed
- ≈ \$20 million: well fields & pipelines
- ≈ \$20 million: administrative costs
- ≈ \$130 million: Total one-time costs
- Ongoing O&M expenses
 - ≈ \$1-3 million/year
 - Irrigation assessments, aquifer monitoring, electricity for pumping, etc
- Additional water right purchases are necessary to fulfill Settlement requirements

Current Compact Status



Current Status with Settlement

- Settlement parties are currently working together
 - Plan for future extraordinary droughts
 - Develop additional management tools
 - Including improved well field operations
 - Pumping schedules + equipment
 - Working on an "Operational Readiness Test"
 - Working towards increased surface water supply for CID

2014-2015 Storage of Water for Texas in Brantley Reservoir



- Resulted from an extreme precipitation event in September 2014
- Only time in history of the Compact that TX stored water in NM

Federal River Master Resolution

- TX & NM disputed accounting of water stored for Texas in NM
- Federal River Master powers under the 1988 USSC
 Decree were utilized
 - Quasi-judicial process (Federal control)
- NM prevailed and was credited for 16.6 thousand acre-feet for evaporative losses
 - October 10, 2018 = deadline for Texas to appeal to the USSC

Pecos River Conclusions

- Small River, lots of Western Water Woes
 - TX v NM, Org. Action No. 65
 - The 2003 Pecos Settlement
 - Storage of water for Texas in Brantley Reservoir

Update On The Gila River/The 2004 Arizona Water Settlements Act

Introduction

- NMISC's Major Decisions related to AWSA
- NEPA Update
- FY18 Fiscal Summary
- FY19 Fiscal Projection
- Total FY12-19 Fiscal Summary as of 9/25/18
- Conclusion

NMISC's Major Decisions related to AWSA

Decision	Accomplished in
Notify the U.S. Secretary of Interior that NM intends to pursue construction of a NM Unit by December 31, 2014	November 2014
Request to become a "joint lead" with U.S. Bureau of Reclamation in the National Environmental Policy Act (NEPA) process related to the NM Unit	February 2015
Designate the New Mexico CAP Entity	July 2015
Fund non-NM Unit projects in Southwest NM to meet water supply demands	2014-2015
Administer \$66M (adjusted for inflation to \$90.4M) that is being deposited by Reclamation into a fund called the "New Mexico Unit Fund"	Ongoing since 2012
Invest monies available in the Unit Fund	August 2016

NEPA Update

- Notice of Intent published in the Federal Register on June 12, 2018
- 8 scoping meetings between July 2 and July 13, 2018
 - Five in NM: Albuquerque, Silver City, Cliff, Glenwood, Virden
 - Three in AZ: San Carlos, Chandler, Safford
- A total of 355 people attended the meetings
- 1,444 comments from 560 submissions received
- EIS schedule:
 - Draft EIS scheduled for March 2019
 - Record of Decision: December 31, 2019

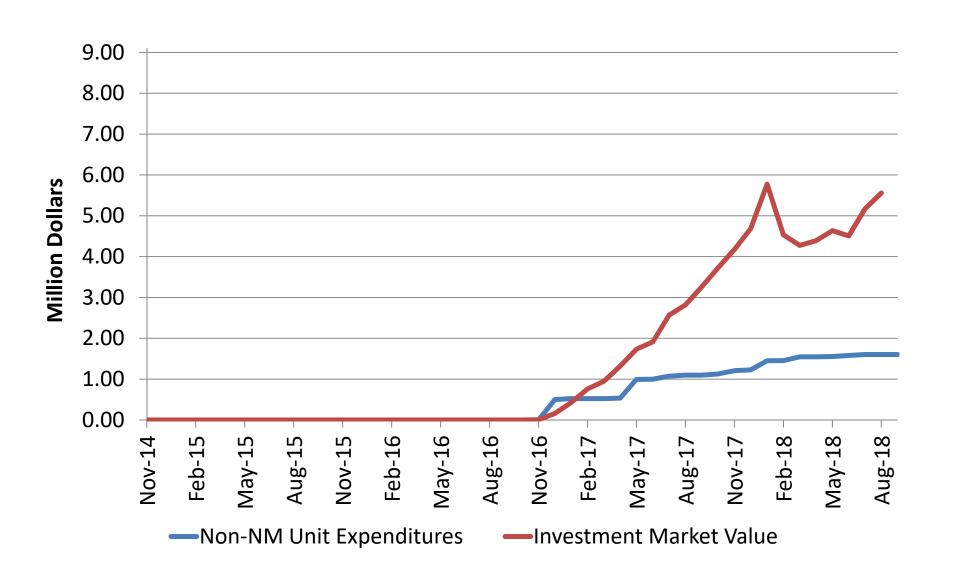
FY18 Summary

- NMISC AWSA budget expenditure
 - Operating budget: \$214,000
 - Technical services: \$629,000
 - Legal services: \$43,000
 - Other: \$2,000
- Reclamation's NEPA budget expenditure: \$510,000
- NM CAP Entity's budget expenditure: \$386,000
- Non-NM Unit projects expenditure: \$530,000
- Market value increase from investment: \$2.59 million

FY19 Projection

- NMISC AWSA budget
 - Operating budget: \$315,000
 - NEPA support (excl. Reclamation's budget): \$200,000
 - Technical services: \$500,000
 - Legal services: \$135,000
- Reclamation's NEPA budget: \$1.34 million
- NM CAP Entity budget: \$700,000
- Non-NM Unit projects expenditures: Unknown
- Market Value Increase from investment: Unknown

FY19 Projection: Non-NM Unit Expenditure and Investment Market Value



Total FY12-19 Summary as of 9/25/18

- NMISC AWSA budget expenditure as of 9/25/18
 - Operating budget: \$1.6 million
 - NM Unit conceptual engineering + water modeling: \$1.46 million
 - Studies (includes non-NM Unit vetting): \$3.8 million
 - Legal services: \$519,000
 - Other: \$109,000
- Advance to Reclamation: \$4.4 million
 - Expended as of 6/30/18: \$510,000
 - Obligated but not Expended as of 6/30/18: \$2.4 million
- NM CAP Entity's expenditure as of 9/25/18: \$1.32 million
- Non-NM Unit projects expenditure as of 9/25/18: \$1.6 million
- Market value increase from investment as of 8/30/18: \$5.6 million

Gila River Conclusion

- NMISC's current roles:
 - Continue to administer the NM Unit Fund
 - Consider, approve, and process Reclamation's NEPA budget for the NM Unit pursuant to the Funding Agreement
 - Consider, approve, and process CAP Entity's budget
 - Administer 16 non-NM Unit projects
 - Act as the Joint Lead in the NEPA process with Reclamation
 - Prepare the Environmental Impact Statement (EIS) and other required documents
 - In accordance with the MOU signed between the Joint Leads in November 2016
 - The NMISC is <u>NOT</u> the "project proponent"
 - NM CAP Entity is the "project proponent"