

The Rio Grande Project

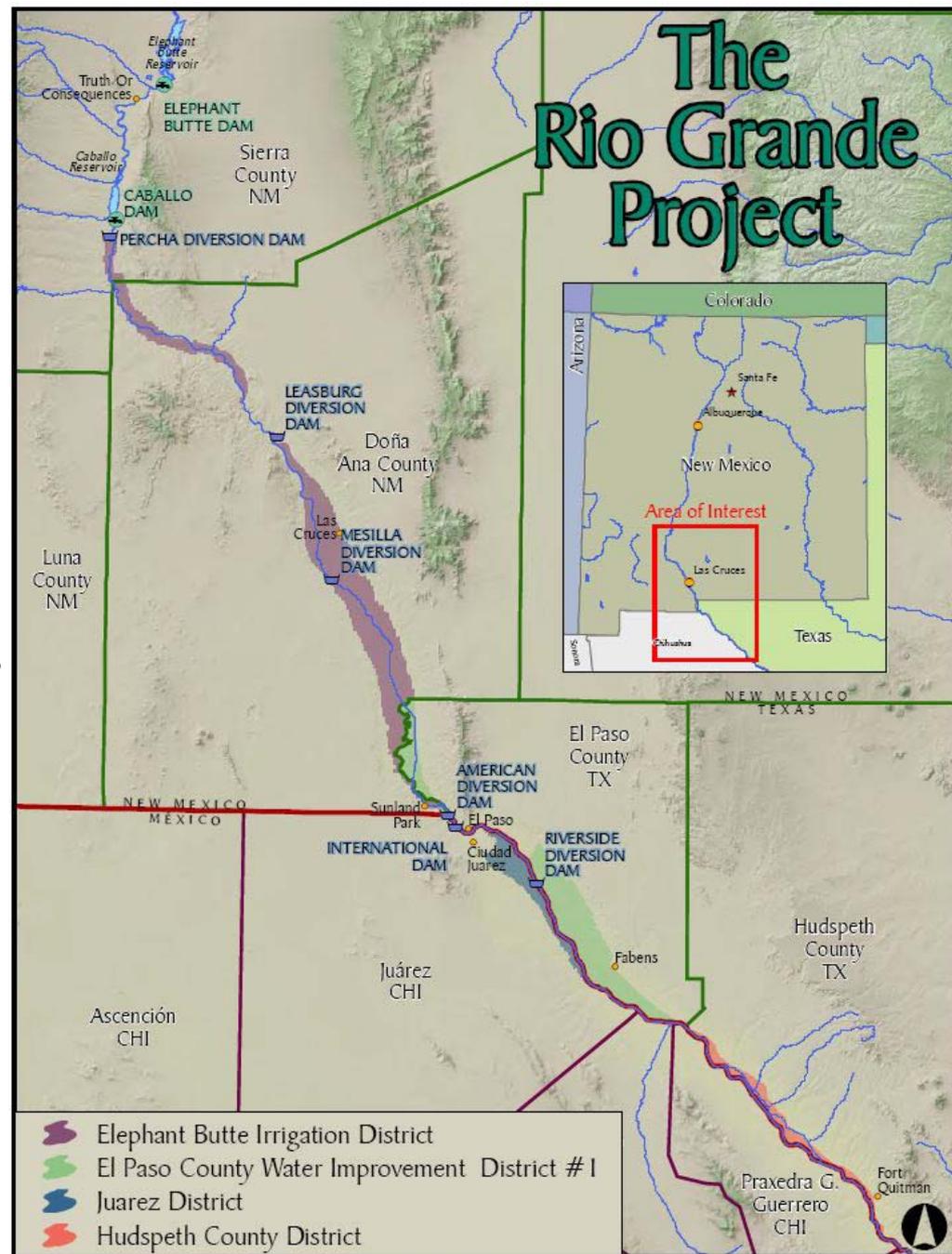
Delivers up to 60,000 acre-feet per year to Mexico

Federally Authorized Irrigable Area:

Total U.S. Project Acreages = 155,000 Acres

New Mexico – EBID = 88,000 Acres (57%)

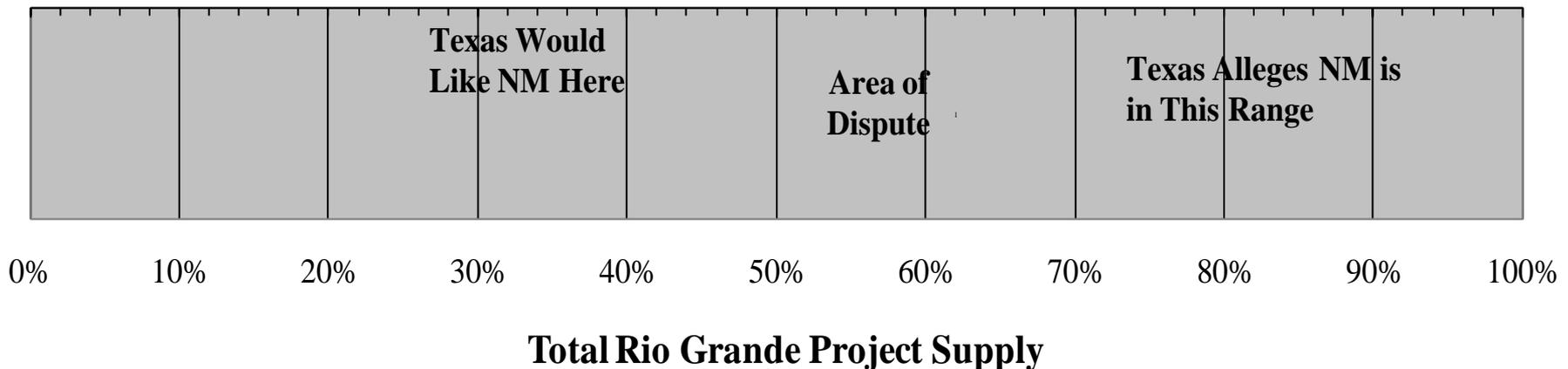
Texas – EPCWID#1 = 67,000 Acres (43%)



Lower Rio Grande Water Dispute (2004)

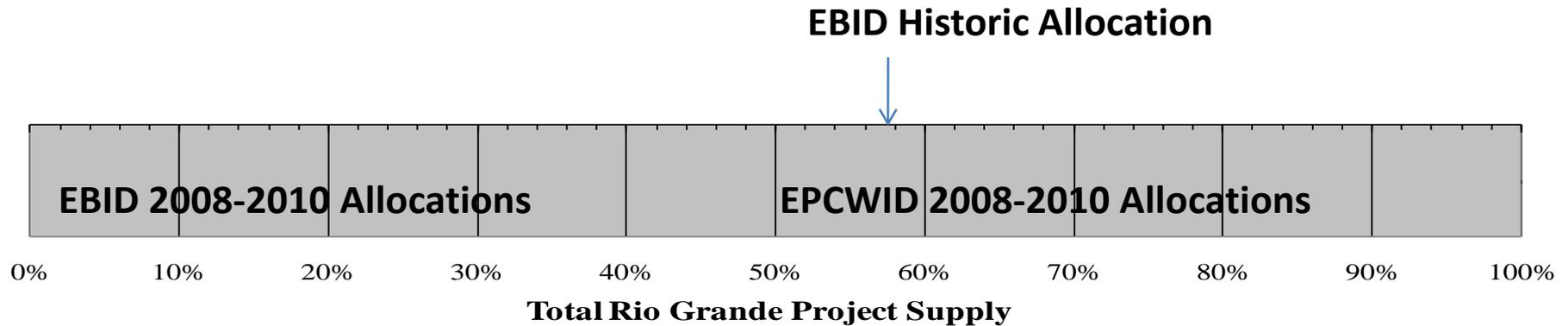
✓ *Texas Alleged*

- ✓ New Mexico was using some of Texas' share of Lower Rio Grande water
- ✓ New Mexico was unlawfully degrading the quality of water delivered to Texas
- ✓ Texas wanted its water supply directly from the reservoir, exclusive of New Mexico return flows



The 2008 Operating Agreement: Allocation of Project Water (2008-2010)

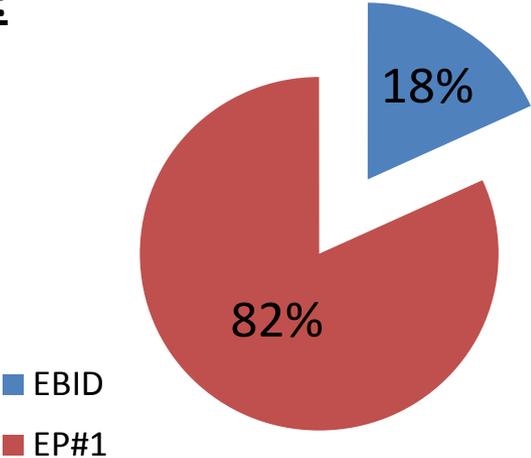
- ✓ The Rio Grande Project Annual Allocations to the Districts changed significantly:
 - ✓ EBID used to be allotted 57 percent of the Project Supply,
 - ✓ From 2008-2010 they were allotted about 38 percent
 - ✓ EPCWID used to be allotted 43 percent,
 - ✓ From 2008-2010 they were allotted about 62 percent



2008 Operating Agreement: 2011 Project Allocations (Thru May)

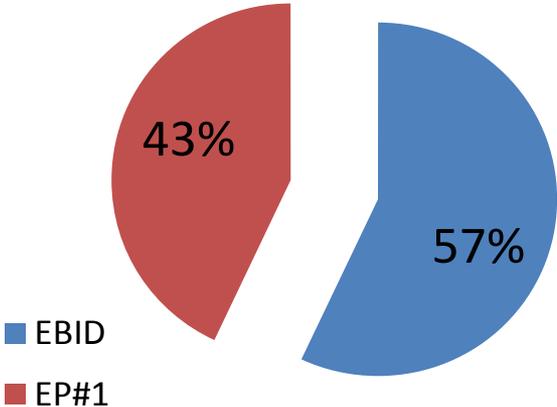
Under 2008 Operating Agreement:

	Usable Water in RG Project	Allocation		
		EBID	EP#1	Mexico
End of May 2011	AF 333,250	AF 55,750	AF 251,200	AF 19,600



Historic Operations:

End of May 2011	333,250	179,000	135,000	19,600
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Compact Credit Relinquishment Evaluation

Date	No Relinquishment				100kAF Relinquishment			
	Allocations			NM Accrued Credit	Allocations			NM Accrued Credit
	EBID	EP#1	Mexico		EBID	EP#1	Mexico	
End of 2011	AF 104,500	AF 288,300	AF 23,700	AF 127,000	AF 147,600	AF 325,300	AF 32,500	AF 35,000

Another Option: Loan Credit Water to the Project (done in 1950's):

- EBID & EPCWID would both receive additional allocations this year
 - EBID would be able to provide about a foot of water per acre
- The Project would be able to repay the loan by end of December 2011
- New Mexico would maintain a credit of over 100,000 acre-feet
- 2012 Rio Grande Project allocations would be largely dependant on 2012 inflow

Estimated 2011 Storage in Elephant Butte Reservoir

