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Department of the Interior and New Mexico Central Arizona Project Entity Sign Agreement to Further Evaluate a Gila River Water Project

PHOENIX –Principal Deputy Assistant Secretary of the Interior for Water & Science Jennifer Gimbel today signed an agreement with the New Mexico Central Arizona Project Entity (CAP Entity) that initiates a process to thoroughly evaluate the full range of proposed water management alternatives for the upper region of the Gila River and examine their impacts and costs. Today's agreement is the result of a decision by the State of New Mexico to move forward in evaluating a potential diversion project. It does not constitute a green light for the proposed project or any other water management alternative. Rather it is a procedural step that lays the framework for further evaluation.

"No final decision has been made on the construction of a dam along the upper region of the Gila River nor has any decision been made about any non-diversion alternative to a dam," said Gimbel, who oversees the Bureau of Reclamation, the U.S. Department of the Interior agency that will lead the evaluation of alternatives for the New Mexico Central Arizona Project Unit. "Interior is ensuring that a robust review process will be completed under the National Environmental Policy Act, the Endangered Species Act, the National Historic Preservation Act, and other environmental laws before a final decision is made. This review process will include early development of a full-range of alternatives to meet water supply needs in southwestern New Mexico, which will inform the CAP Entity, Interior, and the public as analysis proceeds and will provide ample opportunities for public participation," said Gimbel.

By statute, the Gila River Water Project is a mechanism to make water available for use in New Mexico and is one of a number of projects in the Colorado River Basin that are part of Reclamation's Central Arizona Project. Under the Arizona Water Settlements Act of 2004 (2004 AWSA), the Secretary of the Interior does not have the discretion to deny signing the agreement to further evaluate the Gila River Water Project. The discretion to approve or not approve a project occurs during the environmental review process pursuant to applicable laws and policies.

As authorized by the 2004 AWSA, the State of New Mexico was given the ability to decide whether or not to further consider the construction of a diversion unit along the Gila River. On November 24,



2014, the State notified the Secretary of the Interior that it intended to pursue this option. This notification triggered a one-year statutory timeline to execute an agreement between Interior and the New Mexico Central Arizona Project Entity.

Although many of the terms in the agreement are prescribed by and required under federal law, Interior and the CAP Entity negotiated supplemental terms that specify activities that the CAP Entity and the Bureau of Reclamation will undertake during evaluation of the water management proposal, including activities related to analysis, planning, and potential contracting as well as the environmental review.

Through the National Environmental Policy Act process, the Bureau of Reclamation, working with the New Mexico Interstate Stream Commission, as co-lead under the 2004 AWSA, Tribes, and other federal and non-federal cooperating agencies, will assess possible impacts and necessary mitigation efforts for each alternative identified. The process will include extensive dialogue with and input from stakeholders and the general public. Topics for analysis in the review process will be addressed during public scoping, but will include impacts to fish and wildlife, hydrology, land use, economics, cultural resources, recreation, and ecosystem services. The agreement also calls for cost-benefit analysis of all alternatives in accordance with Federal Principles, Requirements, and Guidelines for Water and Land Related Resources Implementation Studies. The comprehensive analysis will assess economic feasibility and financial capability as part of the Federal decision-making process.

Once the evaluation process concludes, as required under law, the Secretary of the Interior will issue a Record of Decision regarding a final alternative for the project as soon as before December 2019 but no later than December 2030.

BACKGROUND

The Colorado River Basin Project Act of 1968 authorized the Secretary of the Interior to enter into contracts with New Mexico water users for the consumptive use of Gila River water based upon the delivery of an equivalent amount of CAP water to downstream users in Arizona. The 2004 AWSA modified terms of the 1968 act, reducing the amount of Gila River water that can be diverted, and provided funding for construction of a New Mexico Unit or other water utilization alternatives.

The Central Arizona Project is a multipurpose water resource development and management project that provides irrigation, municipal and industrial water, power, flood control, outdoor recreation, and environmental enhancement. The project also provides delivery of Tribal homeland water, partial settlement of Indian water rights claims, and economic benefits accruing from the leasing of Indian agricultural water rights to municipal entities.

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