

ARIZONA

Vision with Action

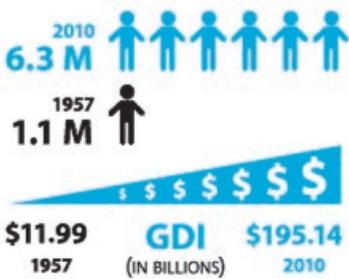
Arizona must continue to do what it has successfully done throughout its history - plan and invest in its water resources.

TOTAL WATER USE



REMAINED
VIRTUALLY
UNCHANGED

POPULATION GROWTH IN MILLIONS



From Vulnerability to Strength ... Making every drop count

With over 125 years of experience in adapting to one of the most arid climates in the nation and due to our junior priority status on the Colorado River, Arizona has been proactively building resilience and innovative water management strategies to secure adequate water for our future. Arizona's population has grown steadily over the years, to more than 5 times and our economy has ballooned to more than 17 times that in 1955, however through significant investments in conservation, reuse and infrastructure, our water use is essentially the same as it was more than half a century ago.

DRIVING INNOVATION

Arizona leads the nation with rigorous water conservation and sustainability laws that protect Arizona water users and reduce reliance on the use of unsustainable groundwater supplies in the State's most heavily populated areas. With its requirement of a 100-year renewable water supply for all new development, together with water conservation mandates for municipal, industrial and agricultural water users, Arizona's comprehensive 1980 Groundwater Management Act is known as one of the most robust water management strategies in the United States.

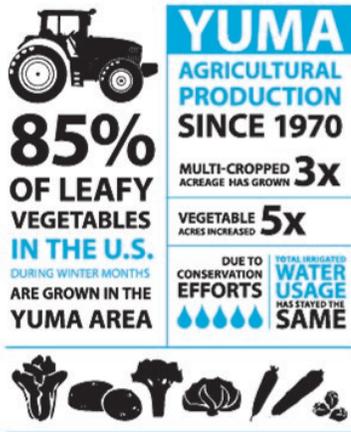
THE GROUNDBREAKING
1980
GROUNDWATER
MANAGEMENT ACT
REQUIRES

- 1 MANDATORY CONSERVATION**
FOR AGRICULTURAL, INDUSTRIAL
AND MUNICIPAL WATER PROVIDERS
- 2 100 YEAR WATER SUPPLY DESIGNATION**
- 3 NO NEW AGRICULTURE**

IN THE REGION WHERE 80%
OF THE STATE'S POPULATION LIVES

Improving the Certainty of the State's Water Supply

Arizona's engagement in collaborative long term planning and comprehensive strategies has allowed for the underground storage of over 3.2 million acre-feet of water to provide back-up supplies to Arizona's municipal, industrial, and Native American water users in times of shortages on the Colorado River. Arizonans have invested more than \$250 million to build facilities, deliver, and store water underground through the Arizona Water Banking Authority for times of shortage in the Central Arizona Project and Mohave County Water Authority service areas.



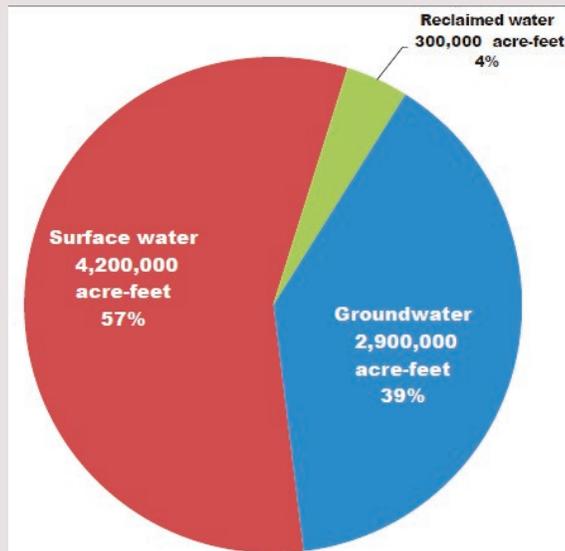
ADVANCEMENTS IN EFFICIENCY

Since implementation of the 1980 Groundwater Management Act, agricultural water users in Central Arizona have taken significant steps to implement efficient irrigation technology and delivery systems. In the CAP service area, studies show that these measures exceed the State of Arizona's mandatory 80% efficiency target through the lining of canals, laser-leveling of fields, conversion from flood irrigation to sprinkler and drip systems, and use of automated and real-time delivery systems.

Agricultural water users have invested more than \$750 million to improve irrigation efficiency, which amounts to an investment of approximately \$3,600/acre. Arizona Agriculture is a 12.4 billion dollar industry including both direct and indirect agriculture uses.

Arizona depends on a diversity of water supplies:

- **Surface water**
 - Colorado River
 - In-state surface water
- **Groundwater**
- **Reclaimed water**



Arizona's Continued Commitment:

To enhance our current water conservation, reuse, and infrastructure projects. Arizona's water planning leaders are committed to continuing to be proactive in developing and enhancing conservation and reuse opportunities as well as developing new water supplies through augmentation and desalination. Acquiring these supplies will require new infrastructure and bold investments which are essential to Arizona successfully securing its water supplies for the future.

Above the Norm: Municipal Conservation



Municipal water users have also heavily invested in the implementation of water conservation strategies resulting in part from the adoption of the 1980 Groundwater Management Act.

Over 80 percent of Arizona's population resides in active management areas with statutorily mandated water conservation requirements.

In the areas served in whole or in part by the Central Arizona Project and the Salt River Project, cities have implemented Best Management Practices reaching 90% of the customer base.