



March 5, 2025

Via email

Arizona Department of Water Resources  
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**RE: Response to Request for Feedback on Informal Draft Ag-to-Urban Proposal**

EDF Action serves the public interest in Arizona, with 90,000 Arizona members across the state. We work with communities, cities, agriculture, Tribes, industry, governments, and other groups to find solutions to pressing water challenges. Our mission is water security for all people, now and into the future.

We appreciate the Department's efforts to develop the Draft Ag-to-Urban Proposal (Draft Proposal) presented on February 26, and we are grateful to Department staff for facilitating a robust informal stakeholder process that has enabled the development of the Draft Proposal to this point. EDF Action is supportive of the direction of the Draft Proposal. We respectfully offer the following initial comments below.

**Era of limits**

- The Department rightly acknowledged during the February 26 informal stakeholder meeting that Arizona is an era of water supply limits. Colorado River deliveries have decreased with further year-over-year reductions likely in the next two years. Colorado River delivery reductions will increase Arizona's reliance on our finite groundwater supplies. Groundwater supplies are essentially unprotected across most of the state, resulting in accelerating negative impacts. In some areas where groundwater is managed, including in our state's largely urban initial Active Management Areas (AMAs), local groundwater challenges persist, and Colorado River reductions will only compound these challenges. We appreciate that the Draft Proposal seeks to address some of these challenges at a critical time. Given this context, we support the Department's data-driven, holistic approach to developing the Draft Proposal in careful consideration of localized impacts and broader water supply limitations.
- We see significant opportunities to advance water security and water reliability for the state, despite the challenges that come with an era of limits. We appreciate the Department's effort to explore an ag-to-urban concept as one of these potential opportunities. Ongoing

work on the Draft Proposal within an “era of limits” frame of reference is critical to ultimately ensure a final program that supports both existing and future residents’ access to the reliable, affordable water supplies that are the foundation for our state’s economy and livelihoods. Accordingly, we support the notion that any new program should not create a new groundwater withdrawal right and should require any water use to meet existing Assured Water Supply (AWS) program requirements, including consistency with the AMA Management Goal and associated replenishment obligations.

### **Adaptiveness, flexibility**

- We appreciate the need to tailor any program to individual AMAs and address specific data-informed considerations for each AMA in order to understand localized impacts. As such, we support initially limiting the program to the Pinal AMA and Phoenix AMA, where the Department’s modelling has demonstrated existing unmet demand and where the Department has already developed analyses to understand the impacts of potential program components.
- Building adaptiveness into any program is an important consideration. A sunset review that allows for evaluation of program performance and presumably also includes opportunities for future adjustments to ensure positive impacts over time is a step in the right direction. This component of the Draft Proposal also helps to ensure any final program delivers on goals, including generating tangible groundwater savings.
- We appreciate the creative proposed approach to issue Physical Availability Conservation Credits (PACCs) as a lump sum, rather than an annual sum. We believe this approach could allow for greater flexibility and more options in local water resources planning. We look forward to further exploration of this promising concept.

### **Fairness, holistic approach**

- We support the direction of the Draft Proposal limiting applicability to designations. Designated providers must assure water supplies for all current and projected uses within the Designated Service Area. Unlike Certificates of Assured Water Supply, designations include all water use sectors – promoting fairness across economic sectors. For these and other reasons, the designation framework allows for comprehensive local water resources planning, opportunities to reduce unreplenished pumping, and opportunities to mitigate future water supply costs that could otherwise fall squarely on homeowners.

### **Real water, not paper water**

- In the Draft Proposal, one proposed criteria of the test to determine which lands may be eligible under the program is that the land has been irrigated with groundwater pursuant to an Irrigation Grandfathered Right (IGFR) in any three of five years prior to relinquishment. We appreciate that this condition is based on actual groundwater use on IGFR lands, in

keeping with the need to reduce current unreplenished groundwater pumping. We encourage ongoing dialogue to ensure that only real-world water use is accounted for and included in the program.

- Additionally, we appreciate the requirements in the Draft Proposal that eligible IGFRs have no negative flex account balance, have up-to-date annual reports, pass a model review step, and be in compliance with conservation requirements. These components are consistent with the need to ensure proper guardrails and only real-world water use is included in the program. We look forward to ongoing dialogue in support of this direction regarding eligibility.

EDF Action, on behalf of our 90,000 Arizona members, is grateful to the Department for the opportunity to provide these initial comments. We appreciate the ongoing consideration in the development of the Draft Proposal of the principles outlined by the Governor's Water Policy Council relating to any AWS proposals:

- Protect the strength and integrity of the AWS program;
- Enable future growth without reliance on mined groundwater;
- Do not reduce the 100-year requirement or increase the depth to which groundwater may be pumped;
- Ensure there is water before growth; and
- Protect consumers.

We look forward to continued engagement with the Department and all stakeholders to build out the proposal.

Sincerely,



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