

PROJECT SUMMARY

1. <u>THE PROPOSAL</u>: Augustin Plains Ranch proposes to provide the Middle Rio Grande with an additional annual average of 54,000 acre-feet of high quality water from the Augustin Plains funded through a Private Sector Initiative.

The State needs to take no financial risk in the development and construction of the project.

The proposal adheres to the tenets of the New Mexico Constitution that all water in the state belongs to the public and, to the extent that it is unappropriated, is available for appropriation according to state law.

- 2. <u>CRITICAL WATER NEEDS</u>: There are critical needs for the water in the Middle Rio Grande today:
 - According to the Middle Rio Grande Regional Water Plan approved for publication by the ISC in 2004, the region has been overspending its water budget by unsustainably mining its aquifers by an average of 55,000 AFY, during a period (before 2000) when average rainfall exceeded the long term average by 15 to 18%. Projections to 2050 in the Water Plan indicate that water withdrawals will increase by nearly 120,000 AFY in spite of a 65,000 AFY projected decrease in the use of water by irrigated agriculture.
 - Through the Congressional power granted the US Fish and Wildlife Service in the enforcement of the Endangered Species Act, the Bureau of Reclamation and other agencies have been forced for the past several years to put water that would otherwise be used for irrigation and municipal purposes back into the river. These actions, designed to satisfy federal requirements and protect ecosystem resources, ended up denying New Mexico water users of their rights and costing taxpayers millions of dollars.
 - The Rio Grande is significantly overtaxed particularly in periods of drought, creating a severe threat to the environment. The project will allow State authorities to add water to the river when needed, providing relief to endangered species and increasing possibilities for tourism and recreation.

3. JOBS AND ECONOMIC GROWTH:

- The cost of the project is estimated at \$600M. With an economic multiplier of 2X, the benefits to the State of the construction alone would exceed \$1 Billion.
- The project would increase the tax base of Catron County and provide significant economic benefits to the area.
- The project would enhance water security for all communities along the pipeline right of way, some of which such as Magdalena are finding it increasingly difficult to sustainably produce water for their community.



- The project would increase the availability of water to agriculture throughout the Middle Rio Grande by providing the Bureau of Reclamation with a water management alternative other than restricting irrigation.
- The project would provide growing urban areas such as Rio Rancho with much needed certainty with respect to the cost and availability of water for their future needs.
- Conjunctive management of project water with all other sources available to the Middle Rio Grande will benefit all communities, large and small.
- 4. <u>RENEWABLE SUPPLY</u>: This is a rare opportunity to gain a renewable water source. Over 1 million acre feet of annual rainfall is lost to evaporation. We propose to construct enhanced recharge facilities which will collect runoff that would otherwise evaporate in the Plains of Augustin. This water will augment the groundwater in the aquifer and offset the amount that is pumped from our wells.
- 5. <u>ENVIRONMENTAL AND ECONOMIC EFFICIENCY</u>: Leveraging off the Augustin Plains high elevation and ample sunshine, the project will operate on hydropower and solar renewable energy only. Because the project does not require expensive fuel pumping or water treatment; operation and maintenance costs will be well below current levels, resulting in significant savings for municipal utilities
- 6. <u>AVOIDANCE OF FUTURE CONFLICTS</u>: Water in the western US is overappropriated and the long term supply of many states is threatened. The APR project gives New Mexico the opportunity to secure its own water, not subject to any compact obligation, and prevent unnecessary conflicts between domestic users, commerce, industry, agriculture, and the environment.