SRP Watersheds and Forest Restoration

Presentation to



Bruce Hallin Director Water Rights and Contracts



February 19, 2016

SRP Total Electric Resource Mix

□ Salt River Project
Agricultural Improvement
and Power District
(1937)

✓ 2,900 mi² electric service area

√ > 1,000,000 customers





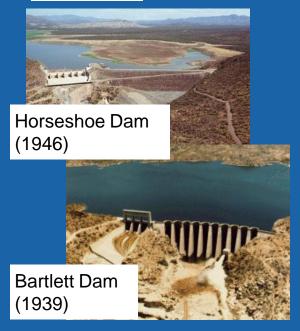
SRP Surface Water Sources



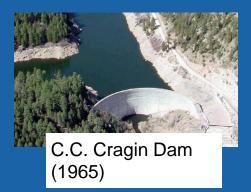


SRP Reservoir System

Verde River



East Clear Creek



Horse Mesa Dam (1927)

Mormon Flat Dam

(1925)

(1911)

Roosevelt Dam

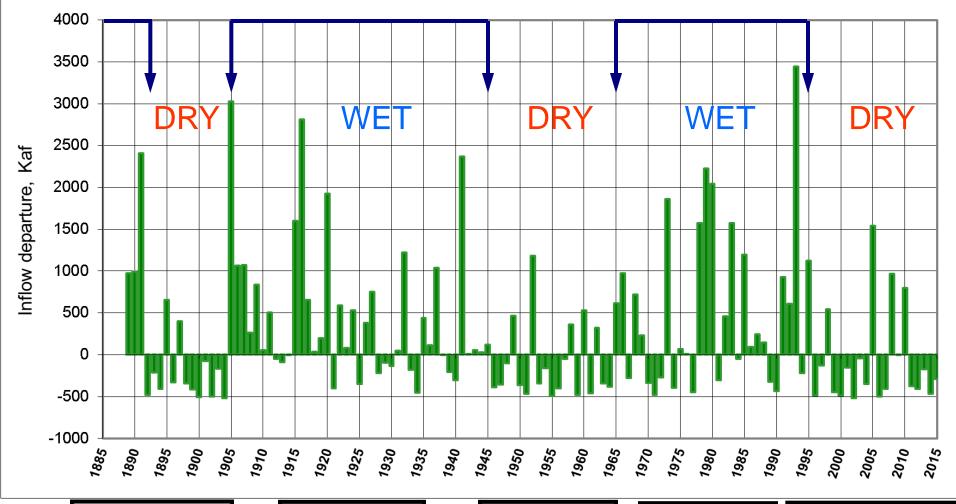
Salt River

Stewart Mtn Dam (1930)



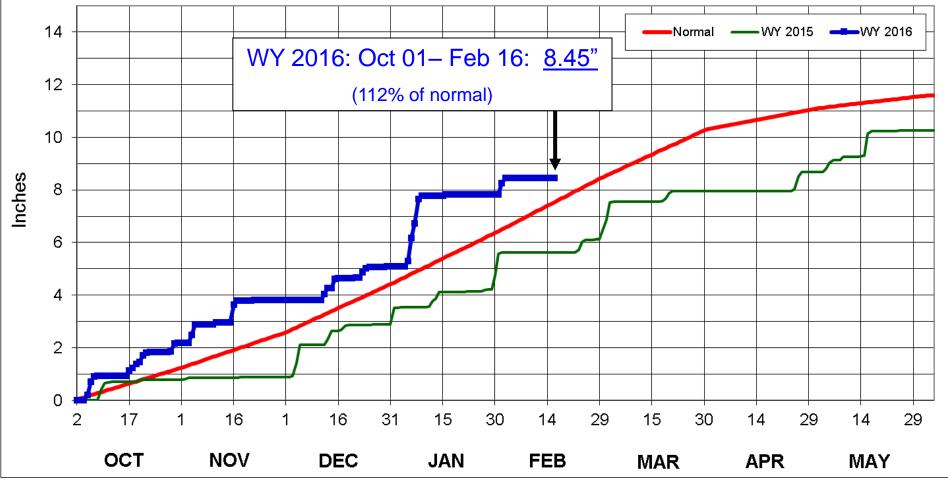
Salt+Tonto+Verde WINTER (Dec-May) INFLOW:

Departure from Median (650 Kaf)



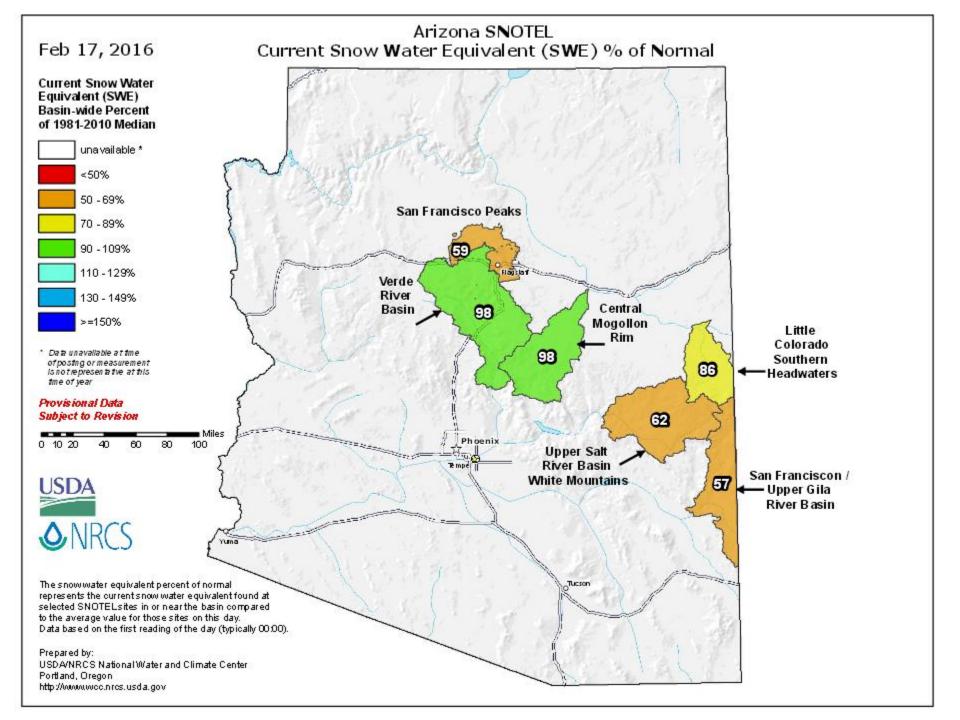
1892-1904: 2 wet, 11 dry 1905-45: 28 wet, 13 dry 1946-64: 5 wet, 14 dry 1965-95: 19 wet, 12 dry 1996-2015: 4 wet, 16 dry

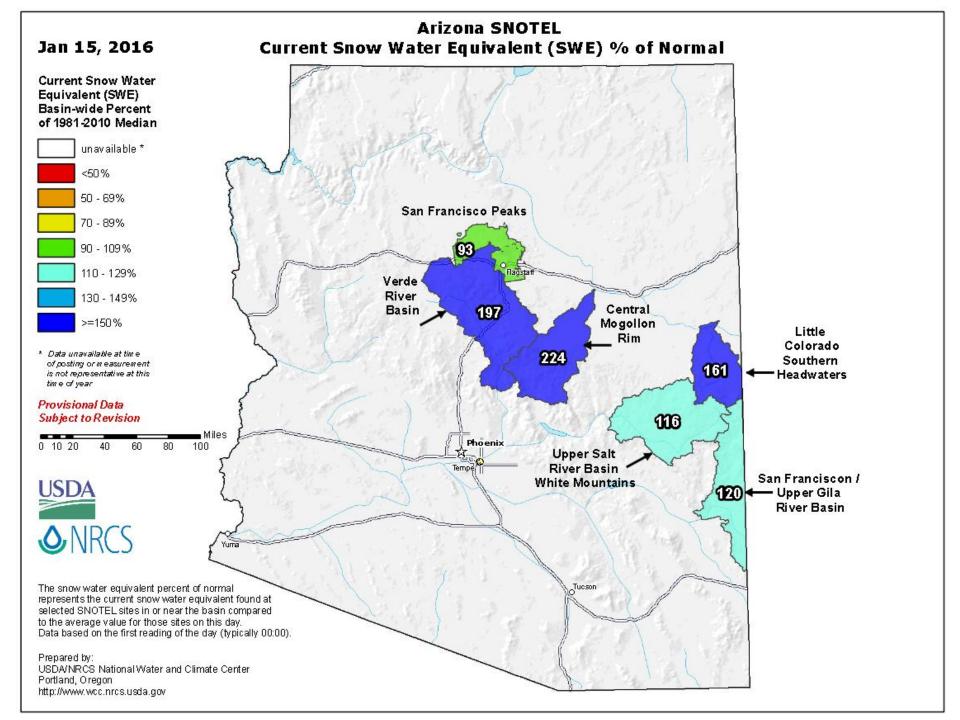




 OCT '15: 2.19" (normal=1.3")
 NOV '15: 1.62" (normal=1.4")
 DEC '15: 1.28" (normal=1.9")
 JAN '16: 3.17" (normal=2.0")
 FEB 01-16: 0.19" (normal=1.9")

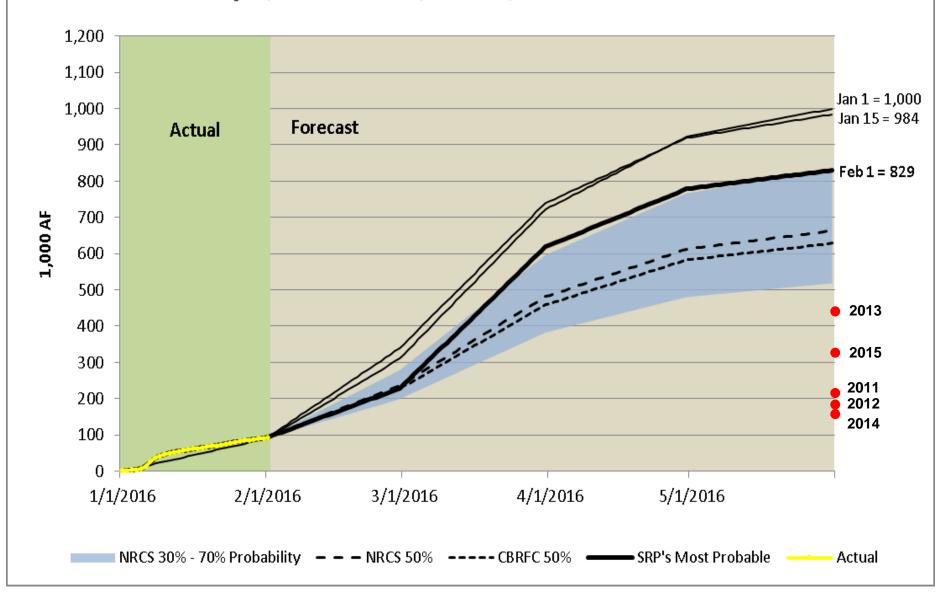
 16th wettest
 34th wettest
 56th driest
 19th wettest

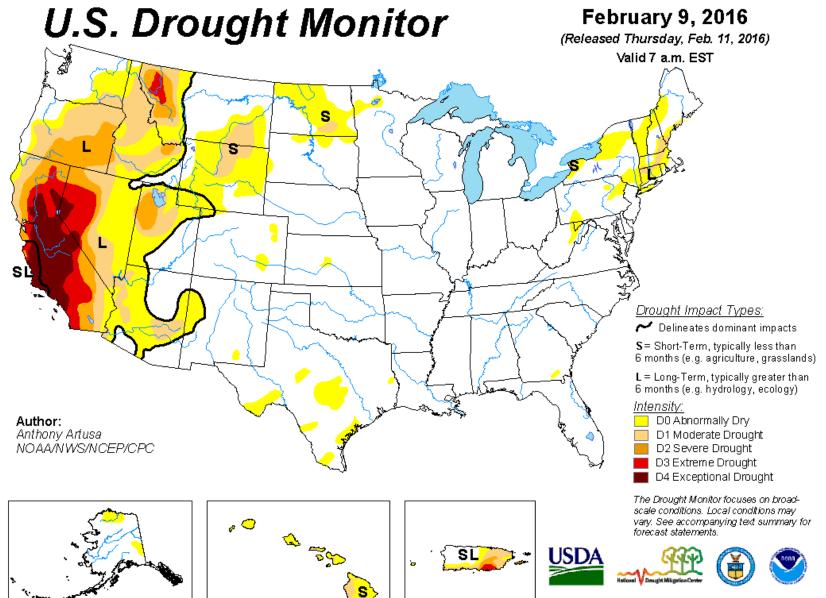






February 1, 2016 - Salt, Tonto, Verde Runoff Forecast





http://droughtmonitor.unl.edu/

Water in the News



As the River Runs Dry:

The Southwest's water crisis

Risks of CAP shortages next year

Sacramento wants to grow;

will drought say no?





California governor orders first ever water restrictions

Arizona Preparedness Supply Diversity through Infrastructure Investments



Roosevelt Dam



CAP/SRP Interconnect

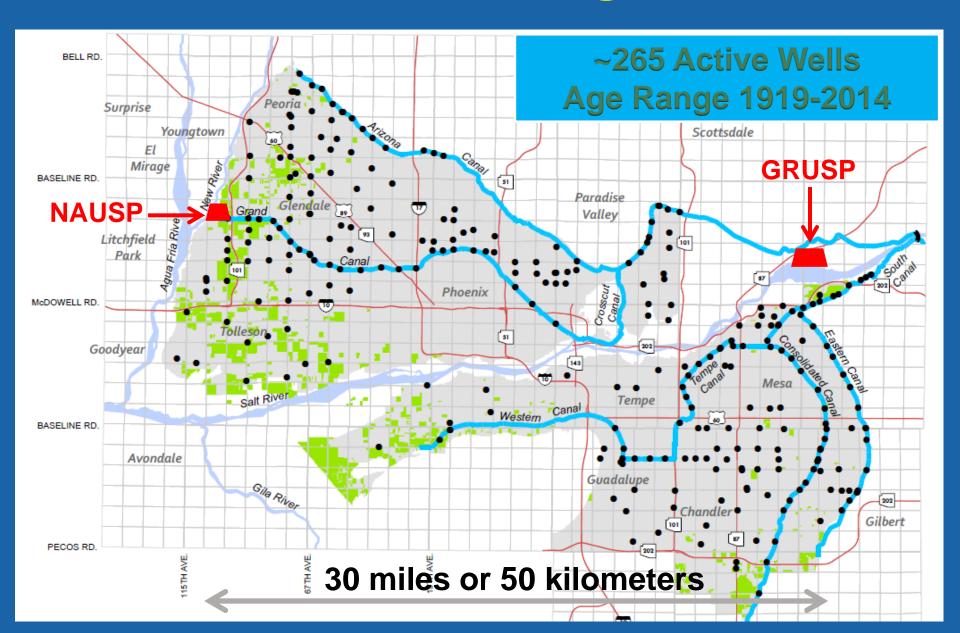


CAP Canal



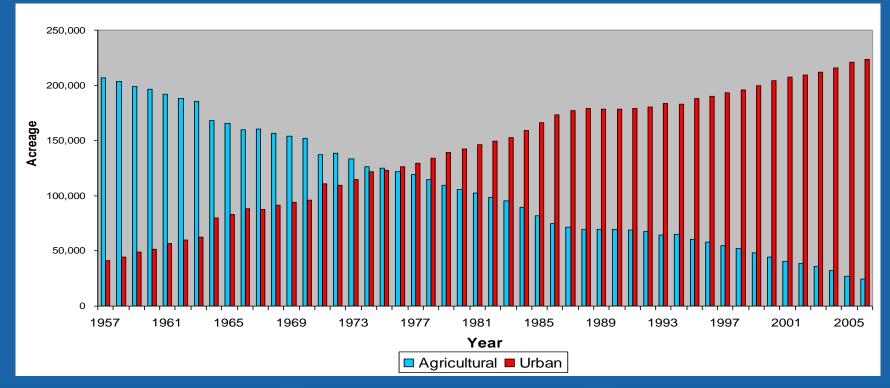
New River-Agua Fria River Underground Storage Project (NAUSP)

SRP Wells & Recharge Facilities



SRP Lands Are More than 90% Urban

Major transition from agricultural to urban land use from 1957 - 2006











Water Conservation Expo

 Largest one-day distribution of smart controllers in the nation

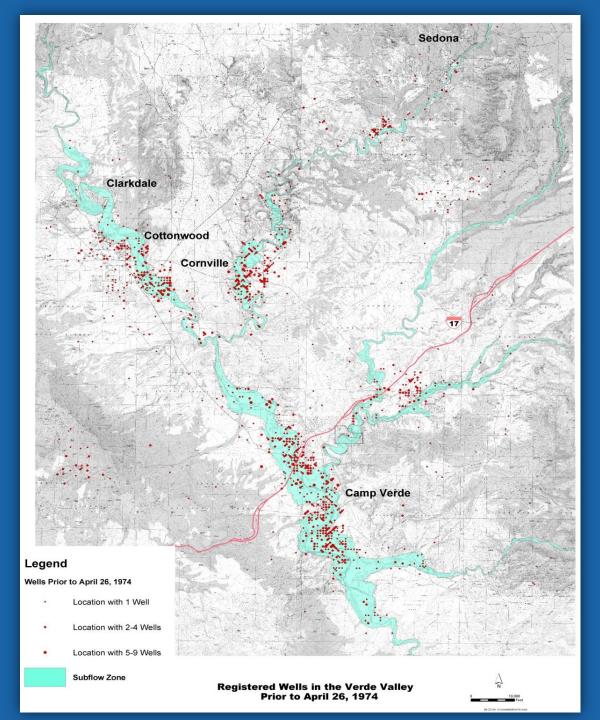


- Nearly 4,000 controllers distributed in 8 years
- Approximate water savings of 330 million gallons
- Educated 6,300 customers









Verde Valley (1974)

1,900 Wells

Sedona Clarkdale Cottonwood Cornville Camp Verde Wells as of Januarry, 2015 Location with 1 Well Location with 2-4 Wells Location with 5-9 Wells Location of 10-14 Wells Location of 15-19 Wells Subflow Zone

Verde Valley (2015)

7,612 Wells

Active Production Wells in the Verde Valley as of January, 2015



General Stream Adjudication 40 Years and Counting...





Kyoto Protocol



1970s

Courts are petitioned to adjudicate water rights on the Salt, Verde and San Pedro Rivers

1989

Berlin Wall is torn down

1997

Dolly the sheep is cloned

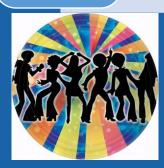
2001

The Kyoto Protocol on global warming is signed by 178 nations 2007

Apple releases the iPhone

2016

Arizona's water rights remain unadjudicated







Water Rights Resolution

- Adjudication reform
- American Indian water right settlements
- Non-Indian water right settlements

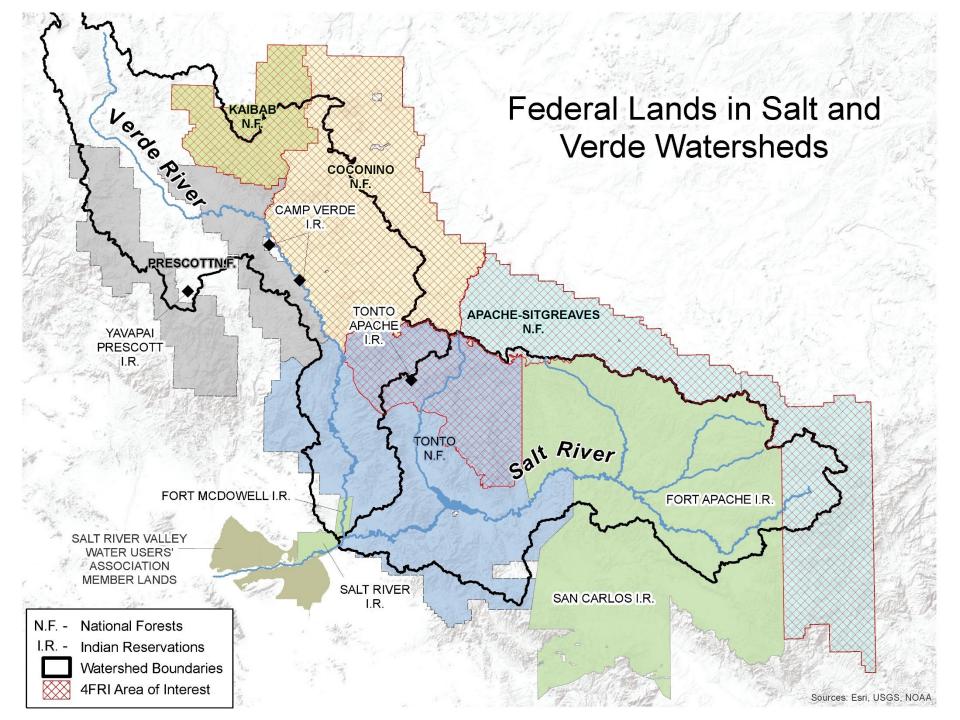


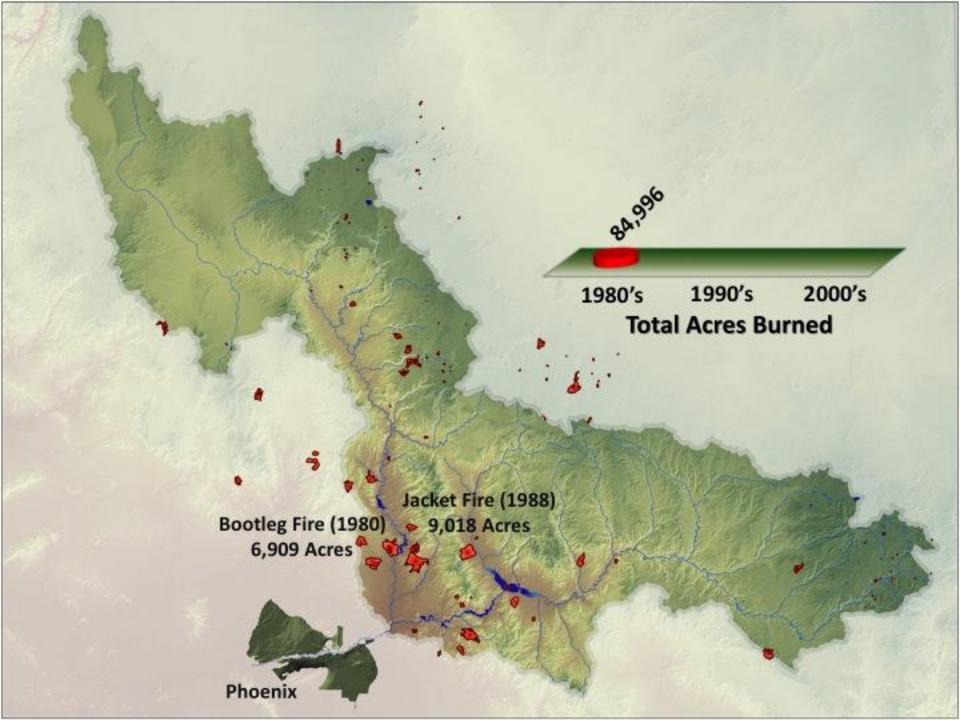


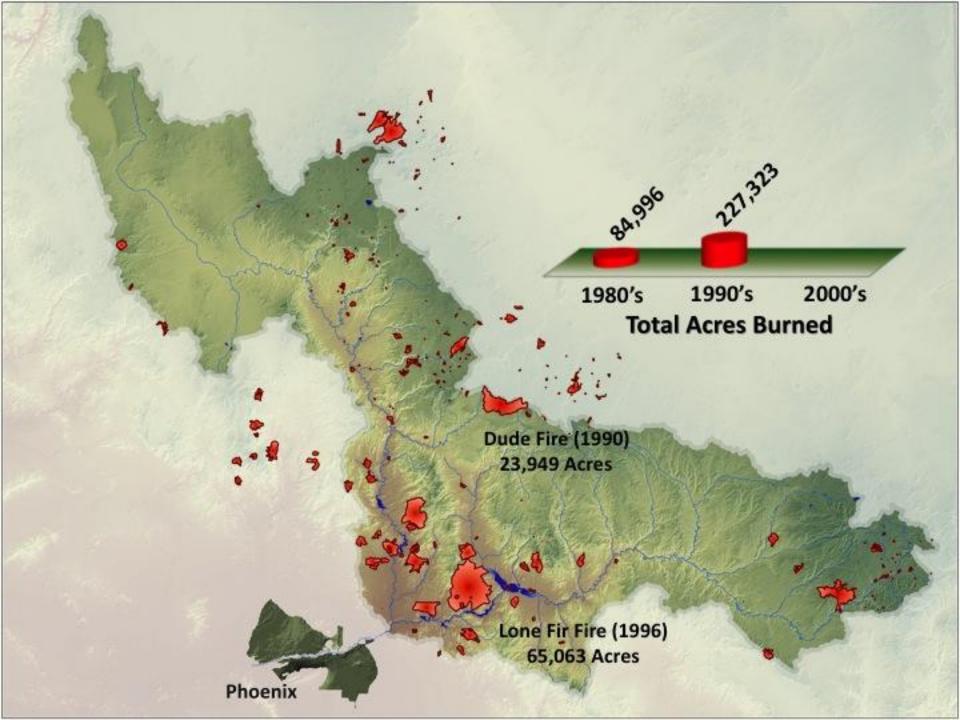


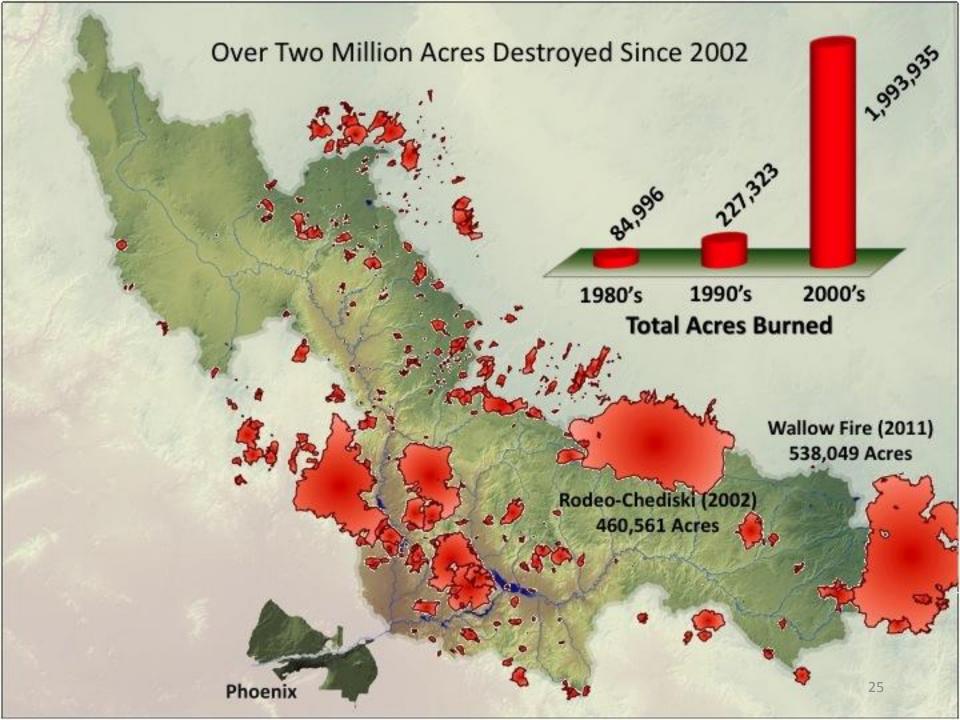


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The Problem Unhealthy Forests









Result Catastrophic Wildfires







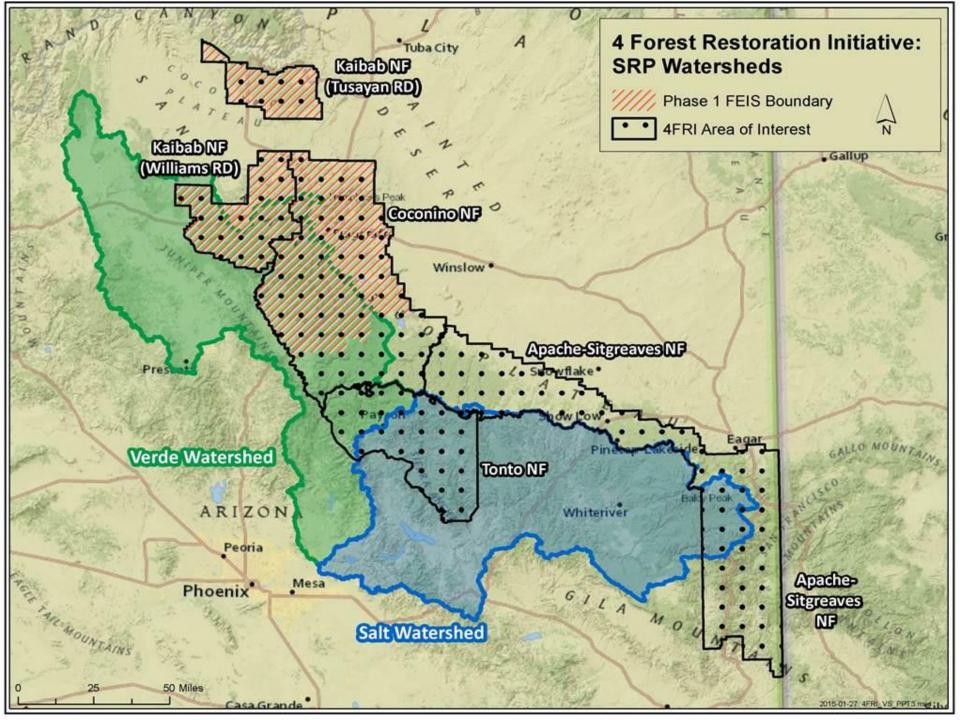


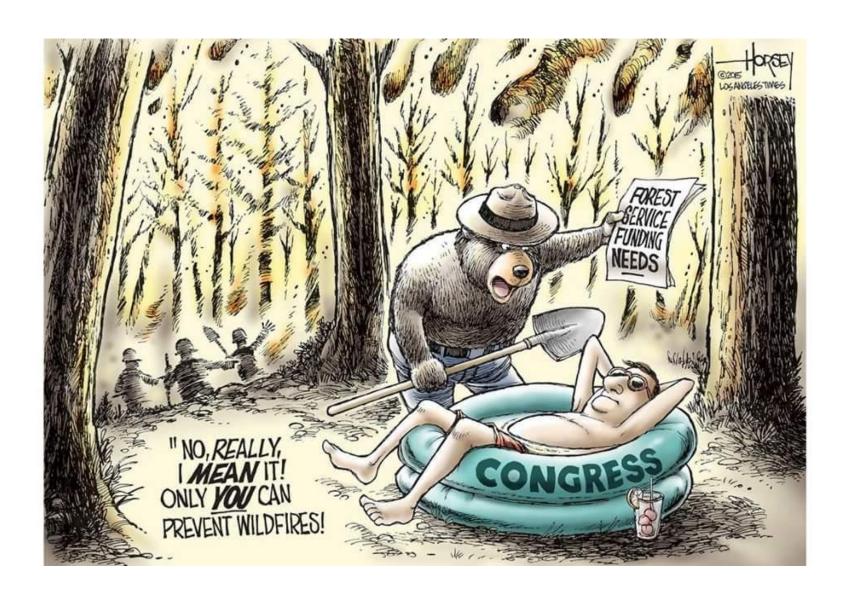
Water Resource Impacts



Making the Business Case Pay some now, or a lot later?

- ✓ Denver Water \$60 million recovering from wildfire
- ✓ Rodeo-Chedeski \$308 million total costs
- ✓ City of Phoenix \$18 million+ upgrades to Val Vista Treatment Plant, safe drinking water standards
- ✓ Flagstaff voters \$10 million bond
- ✓ Mokelumne Watershed \$126 million avoided costs by investing in watershed health



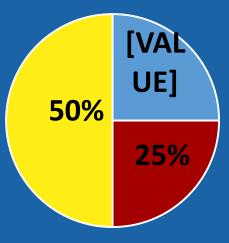


Legal Barriers to Restoration

- Lengthy NEPA planning process
- Objection and Litigation process create uncertainty in planning
- Fire borrowing diminishing restoration budgets
- Endangered species laws delay fuels reduction treatments in heavily forested areas

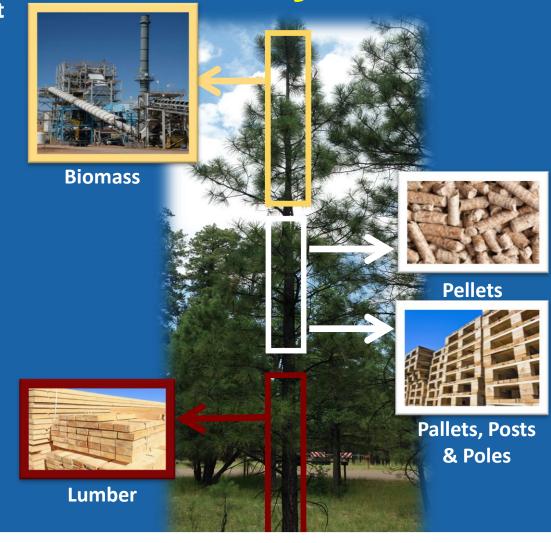
Challenge: Re-establish Forest Products Industry

Proportion Removed from the Forest



- Pellets, Pallets, Poles
- Lumber
- Biomass

Material Removed from the Forest 25 Bone-Dry tons per acre 16" tree diameter and smaller





Watershed Restoration Benefits

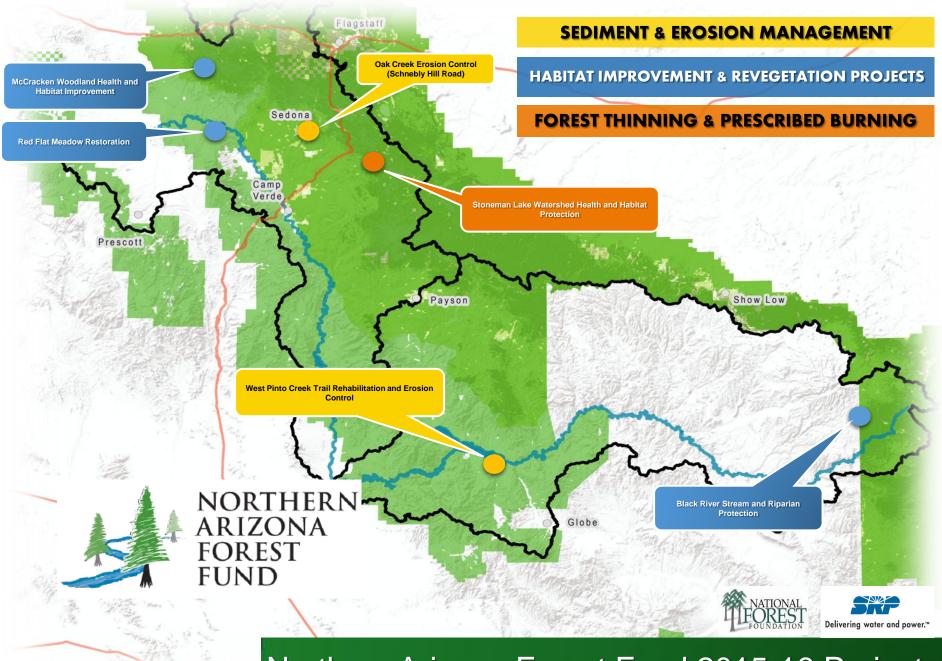






- Mount Baldy





Northern Arizona Forest Fund 2015-16 Projects

Current Accomplishments and Watershed Partners

Almost \$2 Million Invested!















City of Phoenix



PEPSICO



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