

**Arizona State University** 

# Arizona's changing water landscape

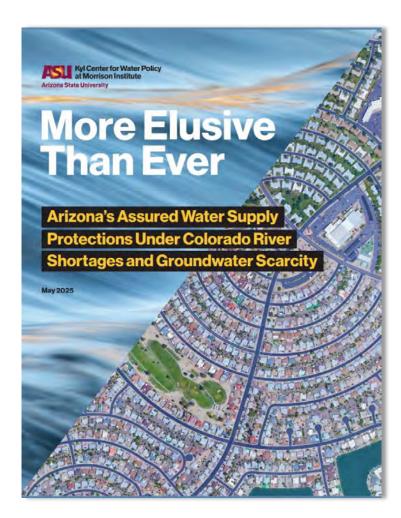
Sarah Porter - November 12, 2025

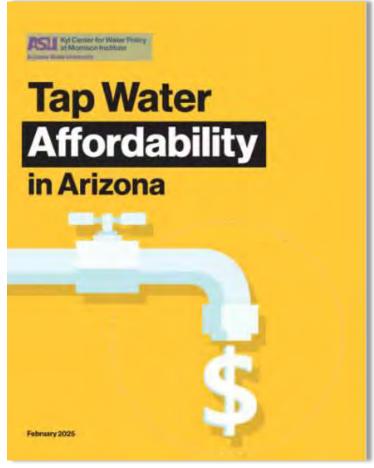


# Mission: promote informed public dialogue on critical water issues in Arizona and the West

- neutral & non-partisan
- research & analysis
- historical understanding

#### **Recent Publications**







Kyl Center for Water Policy at Morrison Institute

**Arizona State University** 

Agre grou

An In Triba waiv

on w cont

or a

H005 Nort

Includ mel popu Links

offer

rega

tor is

Whin

January 2025

#### Yavapai-Apache Nation Water Rights **Settlement Agreement**

Kyl Center for Water Policy at Morrison Institute

**Arizona State University** 

#### HOW ARIZONA MUNICIPAL WATER PROVIDERS ARE REGULATING LARGE-VOLUME WATER USERS

Recognizing the need to manage water supplies sustainably and cognizant of public concerns about long-term availability, at least nine large municipal water providers in Arizona have passed ordinances imposing restrictions on water deliveries to large water users. The City of Chandler was the first to do so, in 2015, and the City of Tucson is the latest, in August 2025. And at least one private water provider, EPCOR, has received approval from the Arizona Corporation Commission to limit larger-volume water uses in its service areas throughout the state

Part I of this report discusses considerations for municipal water providers related to regulating large-volume users, Part II summarizes our findings on the measures providers have taken to regulate large-volume water users and Part III details ten measures that have been implemented in Arizona in response to large-volume water users.

#### I. Considerations Related to Regulating Large-Volume User:

Authority to Limit or Condition Service. A municipal water provider has a legal duty to provide fair and impartial water service within its water service territory. This does not mean, however, that the provider cannot condition service on certain terms or even decline to serve a particular use. Rather, it means that the provider must treat customers in the same circumstances generally the same and may not deny water service or require terms and conditions in an arbitrary and capricious manner. A municipal water provider has latitude to determine the means under which water service will be provided within its service territory, if at all, so long as the requirements are fair and impartial

Arizona's municipal water providers have long required customers to meet infrastructure standards to gain water service. For example, they commonly require on-site water pipeline tanks, hydrants and fire sunpression systems to be a particular size, material and configuration. They also require customers to meet financial terms and conditions such as the timing and method of payment for service and size of deposits

Water Supply Constraints. Relatively new, however, are requirements related to water resources management. Arizona water providers generally manage their water portfolios carefully, with the intent to provide safe and reliable water service for current and future customers within their service territories. Water providers scrutinize projected water demands for proposed developments - including for large-volume water uses, such as those associated with the high-tech industry - to determine whether they can be accommodated without

<sup>2</sup>Veach v. City of Phoenix, 102 Ariz. 195, 197 (1967

Notably, the City of Peoria adopted "Principles of Sound Water Management" in 2007. Policy #6, "Land Use and Water Management' tied land use with water use



# Arizona Water Blueprint

azwaterblueprint.asu.edu



**Some Basics** 

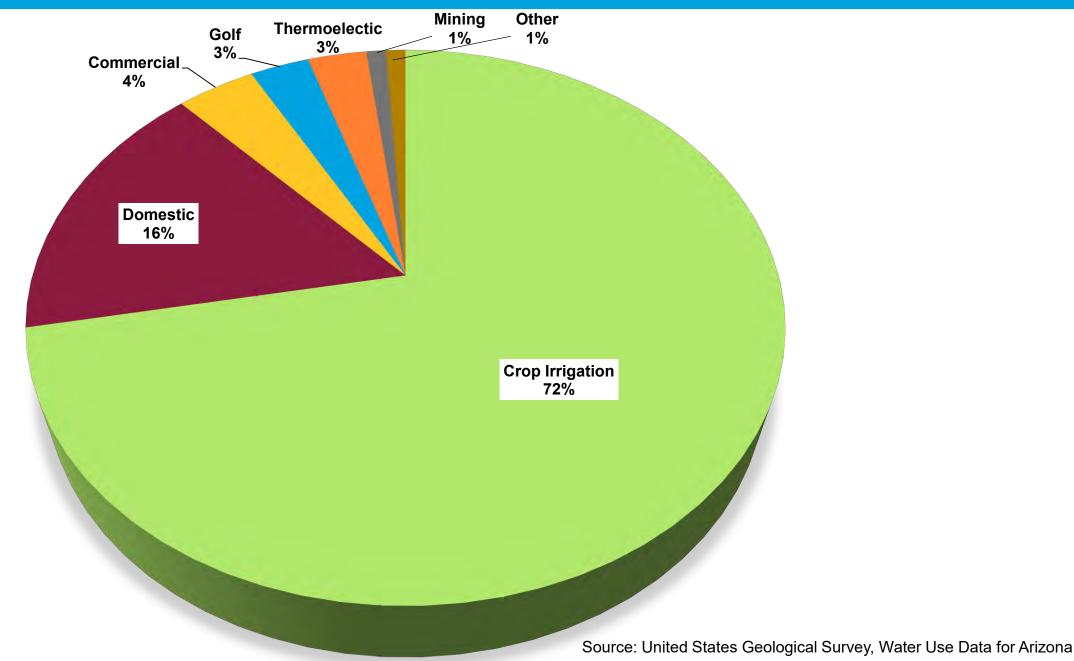
The Challenges

Responses to the Challenges

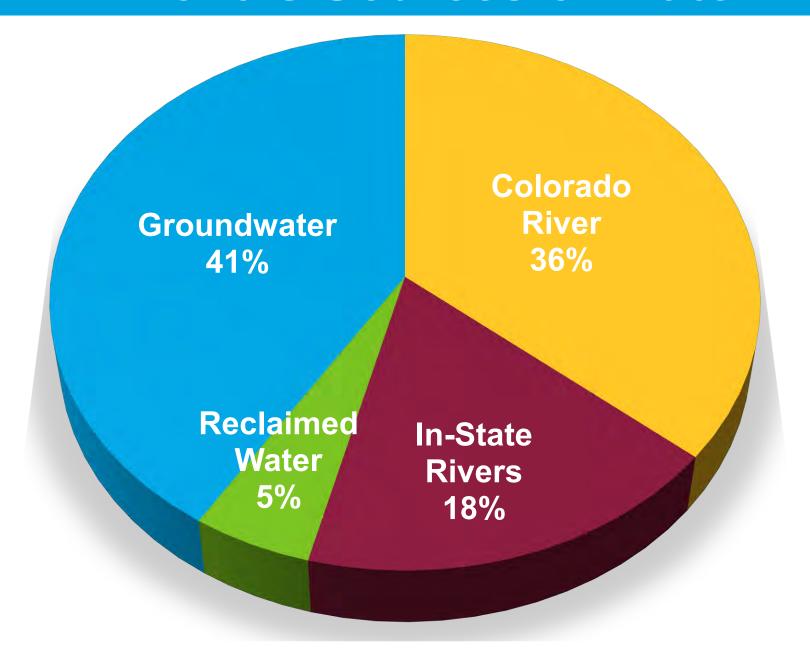
What's next

# Some Basics

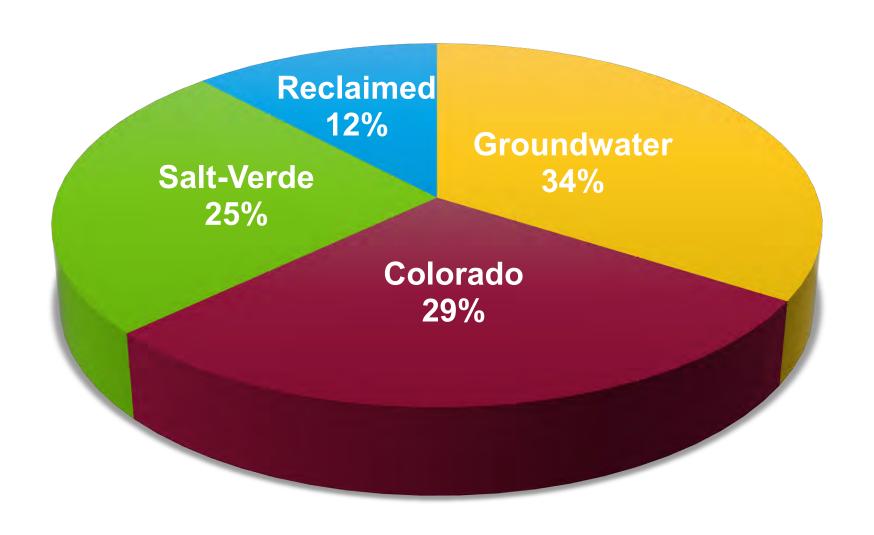
## Water Use in Arizona



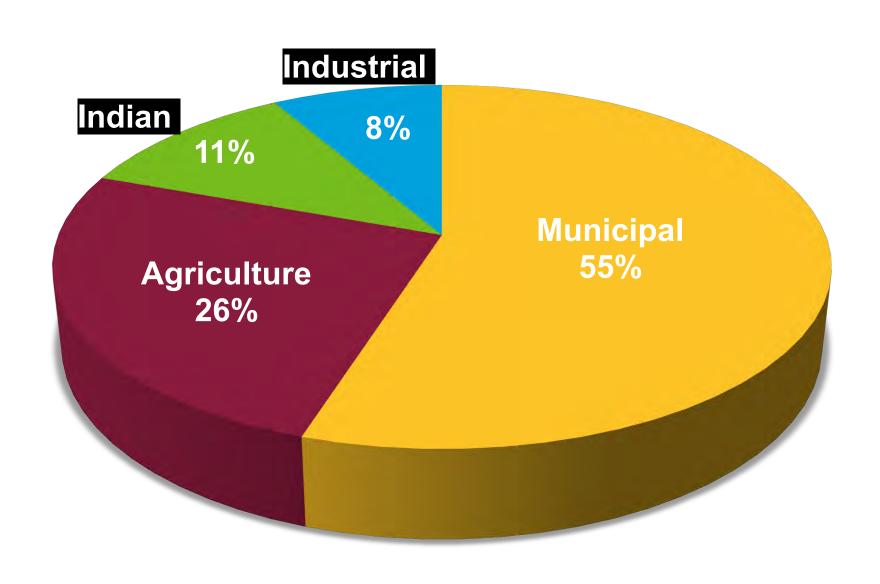
#### **Arizona's Sources of Water**



#### Phoenix Area Sources of Water



#### Phoenix Area Water Demand by Sector



# PINAL MARICOPA

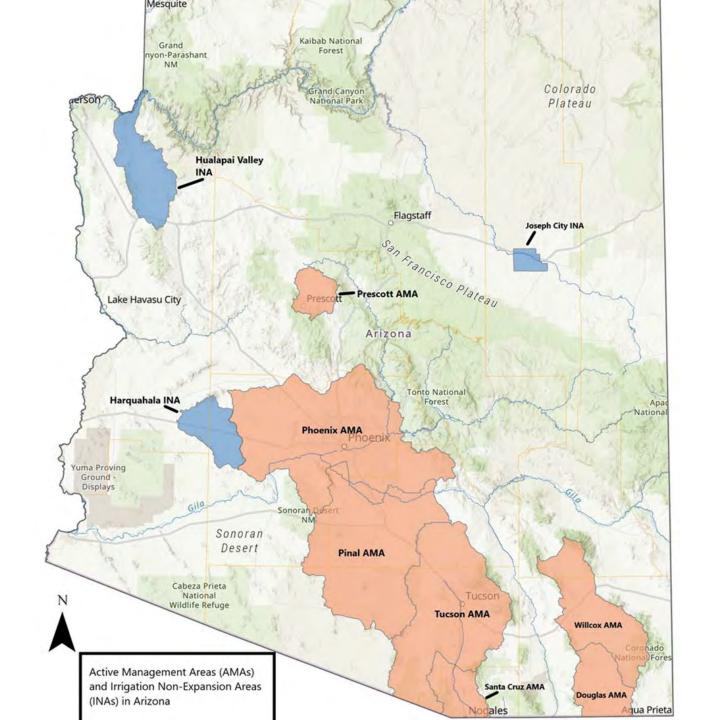
Colorado River water is used along the mainstem and in Central Arizona.

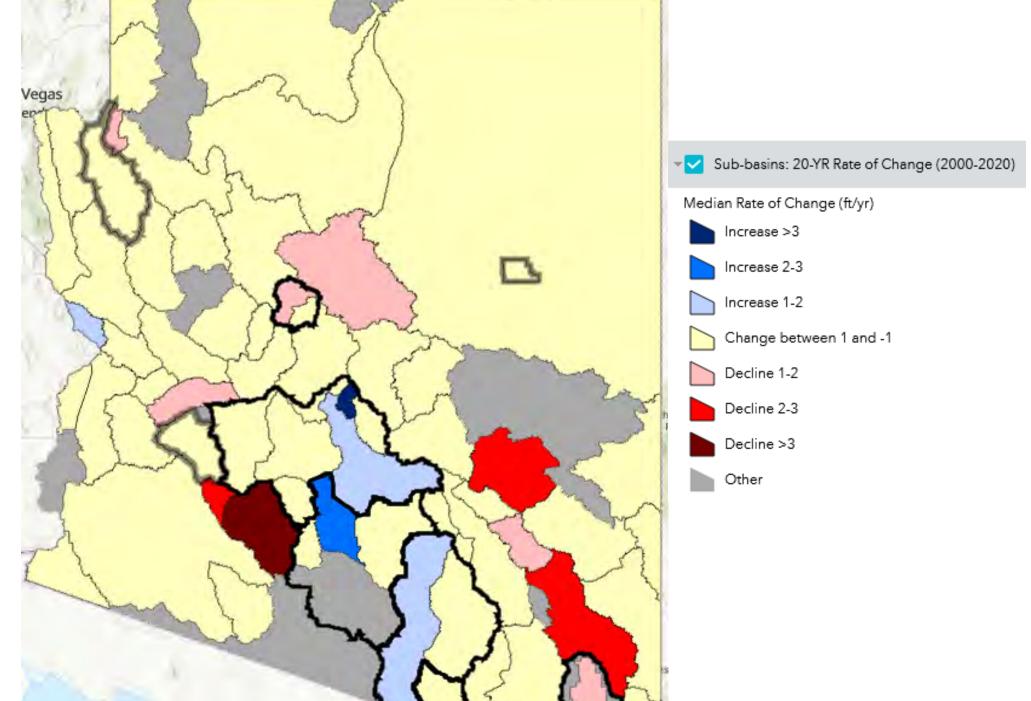
Groundwater use is regulated only in AMAs and INAs.



# Challenges

# Rural Groundwater

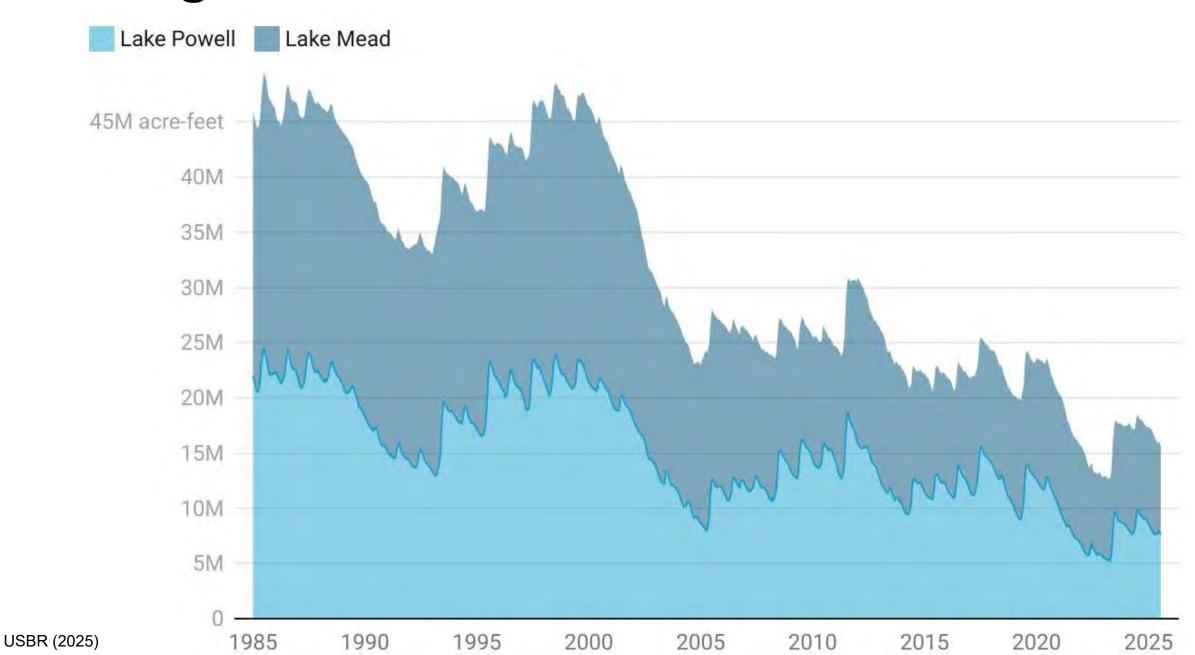




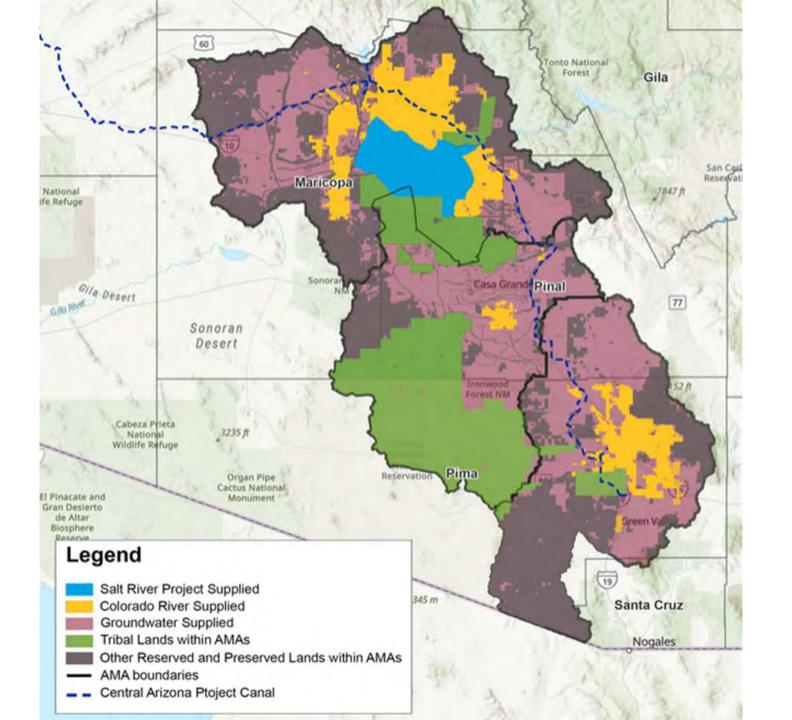
Source: Arizona Water Blueprint

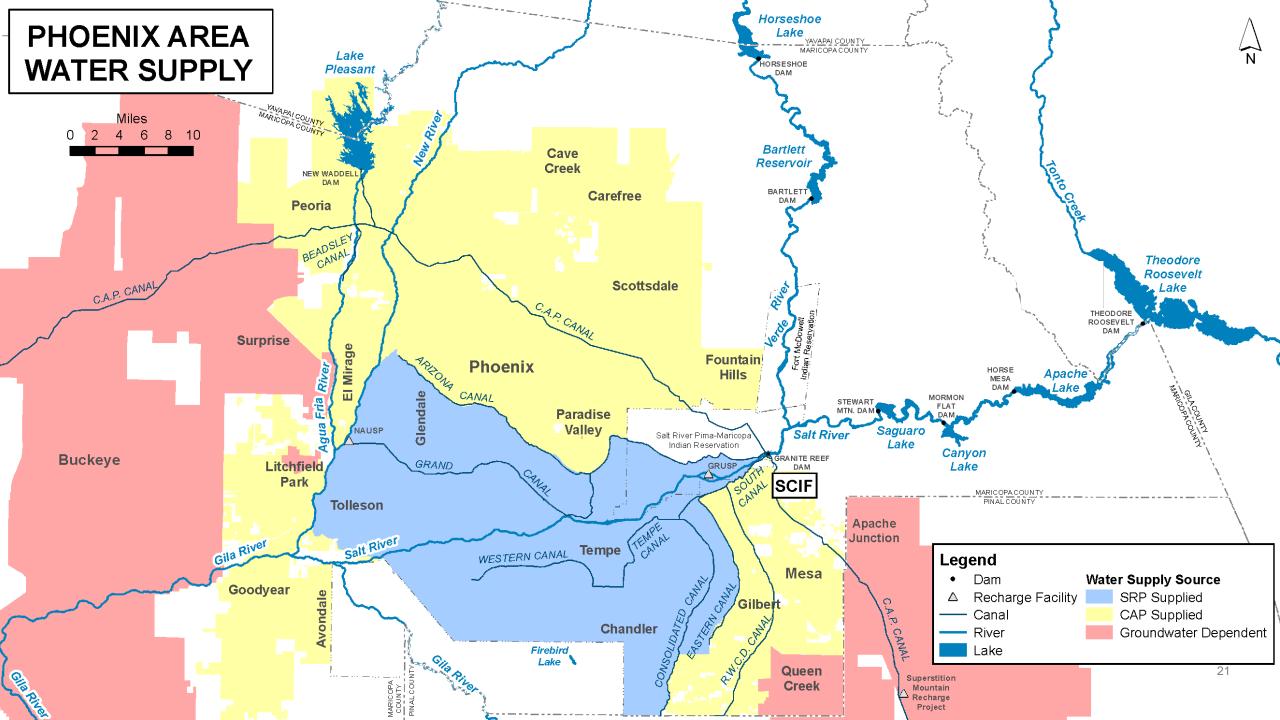
## Colorado River

#### Storage in Lakes Powell and Mead, 1985 - 2025



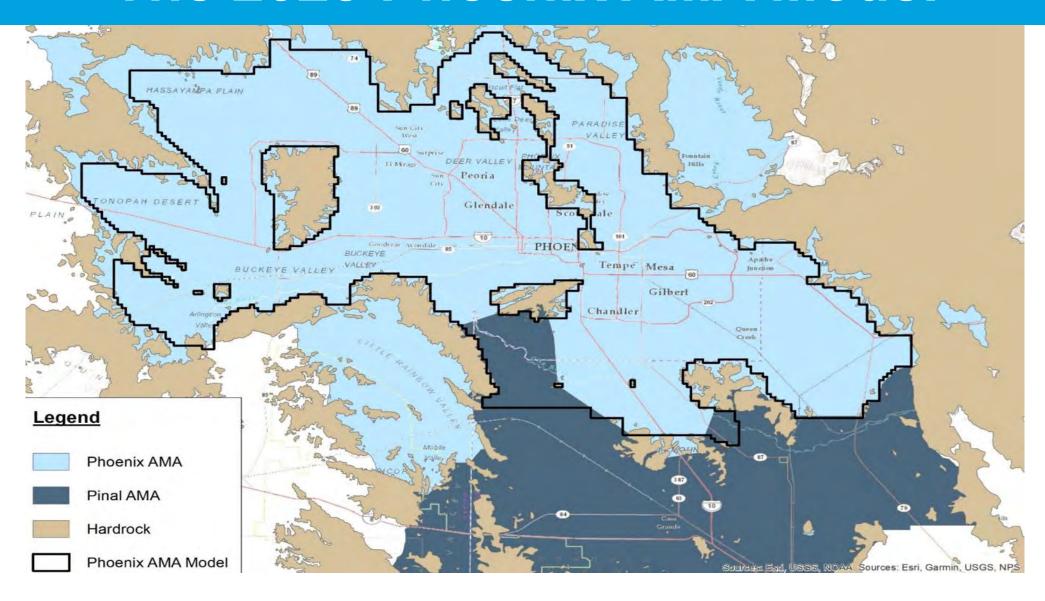






# Assured Water Supply

## The 2023 Phoenix AMA Model



### What is an Assured Water Supply?



#### **Determination by ADWR that:**

- 1) sufficient water of adequate quality is physically, continuously and legally available to meet demand for 100 years
- 2) any projected groundwater use is consistent with AMA management plan -- and --
- 3) provider has financial capacity to build facilities, treat and deliver the water.

#### How do developers meet AWS requirements?

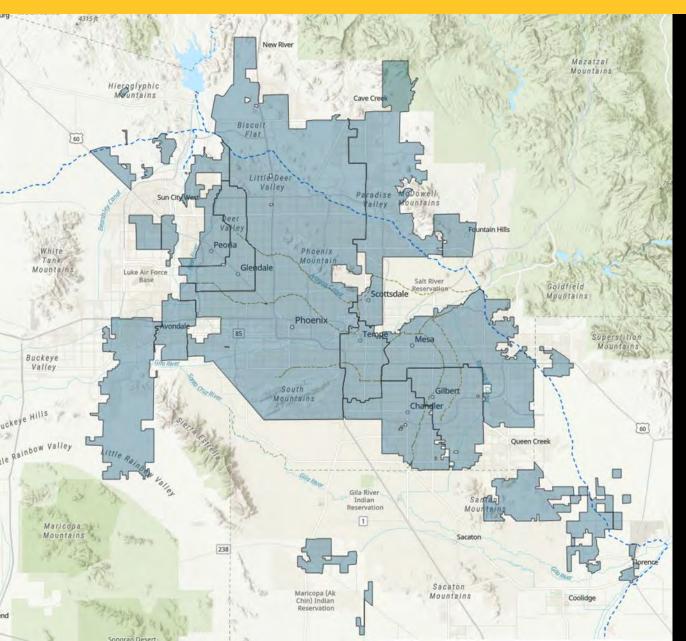


1) Letter of Commitment from AWS Designated Provider

-- or --

2) Certificate of Assured Water Supply from ADWR

## Phoenix AMA AWS Designated Providers



#### **Designated Providers in Phoenix AMA**

**Phoenix** 

**Avondale** 

Chandler

**El Mirage** 

Gilbert

**Glendale** 

Goodyear

Mesa

**Peoria** 

**Scottsdale** 

**Surprise** 

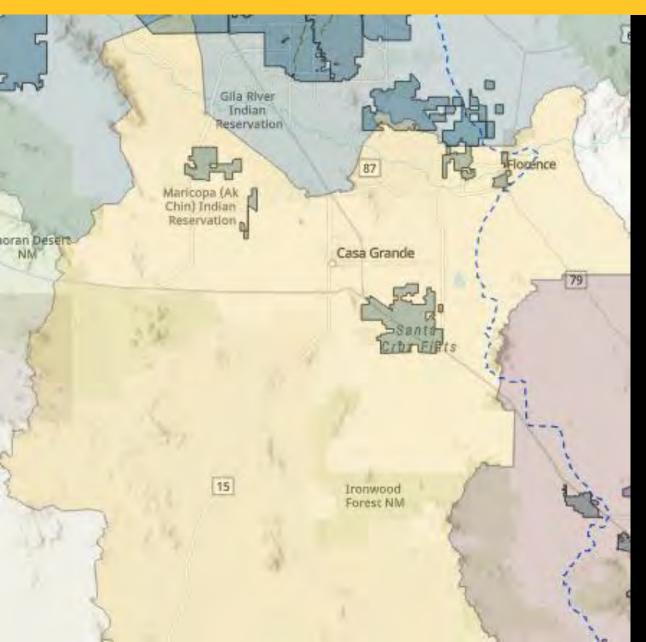
Tempe

**EPCOR Fountain Hills** 

**EPCOR San Tan** 

**Apache Junction Water Co.** 

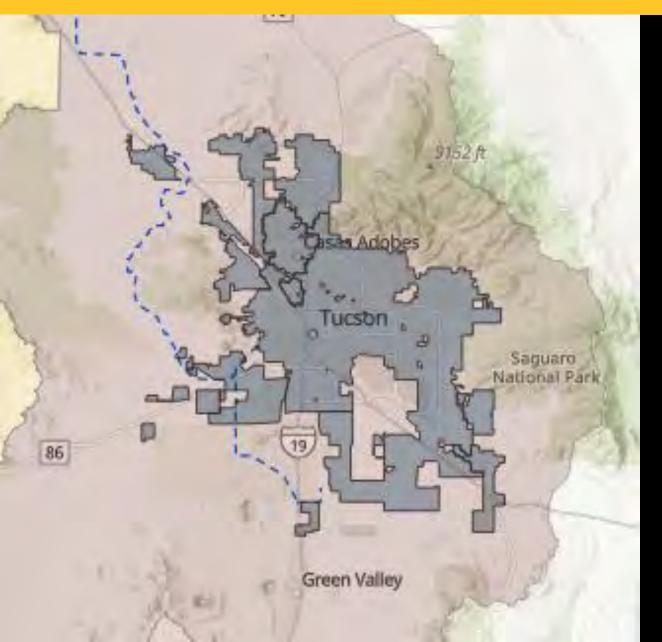
## Pinal AMA AWS Designated Providers



**Designated Providers in Pinal AMA** 

Florence
Eloy
Global Water Co. Santa Cruz
Casa Grande
EPCOR San Tan

### **Tucson AMA AWS Designated Providers**



**Designated Providers in Tucson AMA** 

Tucson

Marana

**Oro Valley** 

Flowing Wells ID

**Metropolitan DWID – Main** 

**Metropolitan DWID – West** 

**Metropolitan DWID – Diablo Village** 

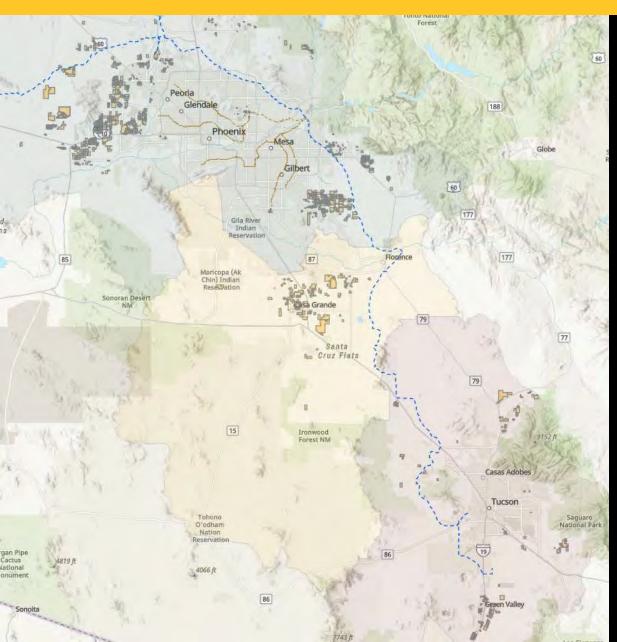
Sahuarita Water Co.

**Spanish Trail Water Co.** 

Vail Water Co.

**Willow Springs Utilities** 

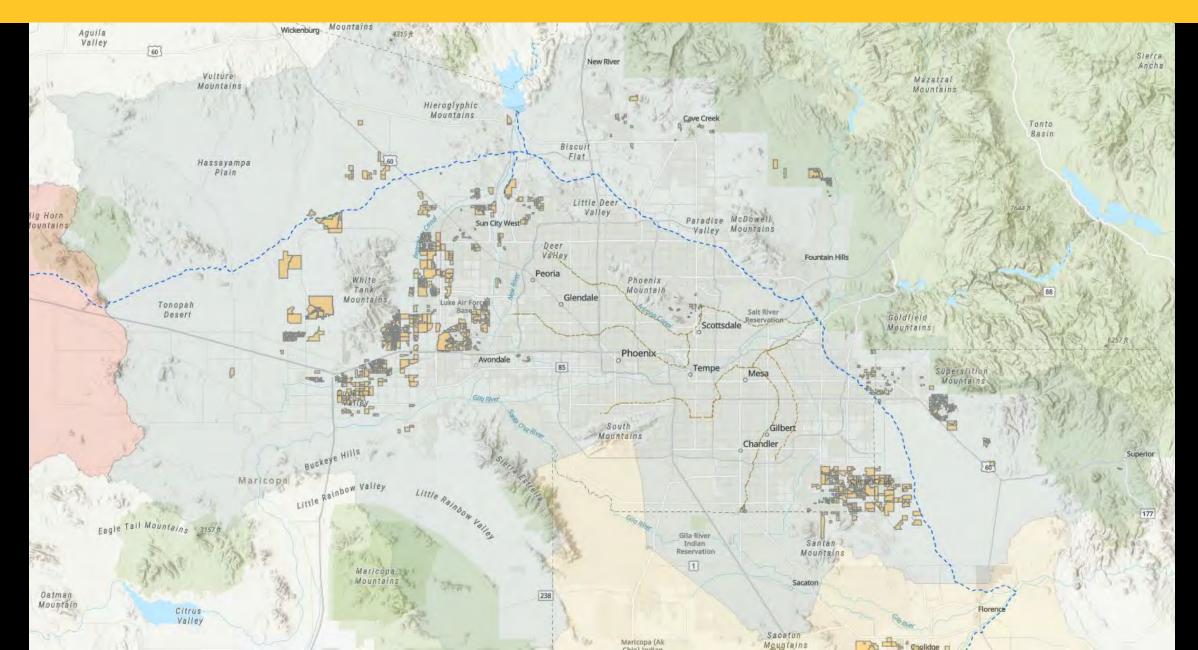
### **Outside of AWS Designated Providers**



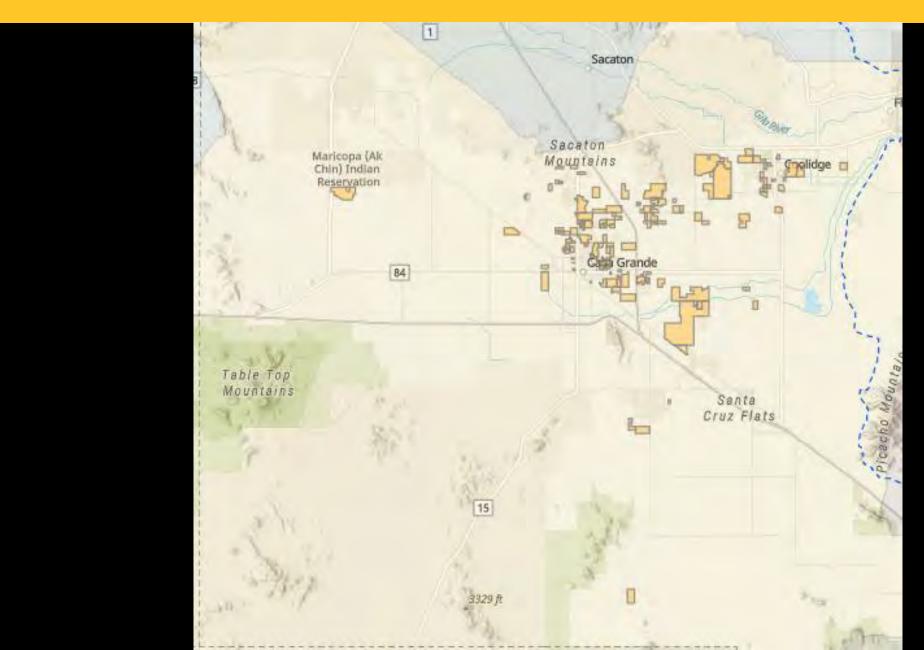
**Certificates of Assured Water Supply** 

- Required for any subdivision within AMA of 6 or more lots for sale.
- Historically, developers have preferred local groundwater to meet AWS requirements.
- No periodic review of Certificate (once and done).

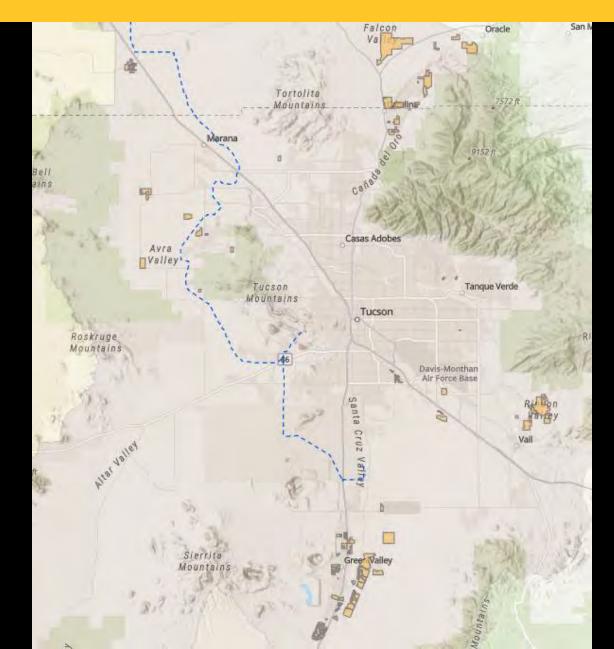
#### **Phoenix AMA AWS Certificates**



### **Pinal AMA AWS Certificates**



### **Tucson AMA AWS Certificates**



# What are the responses?

# CAPITOL TIMES

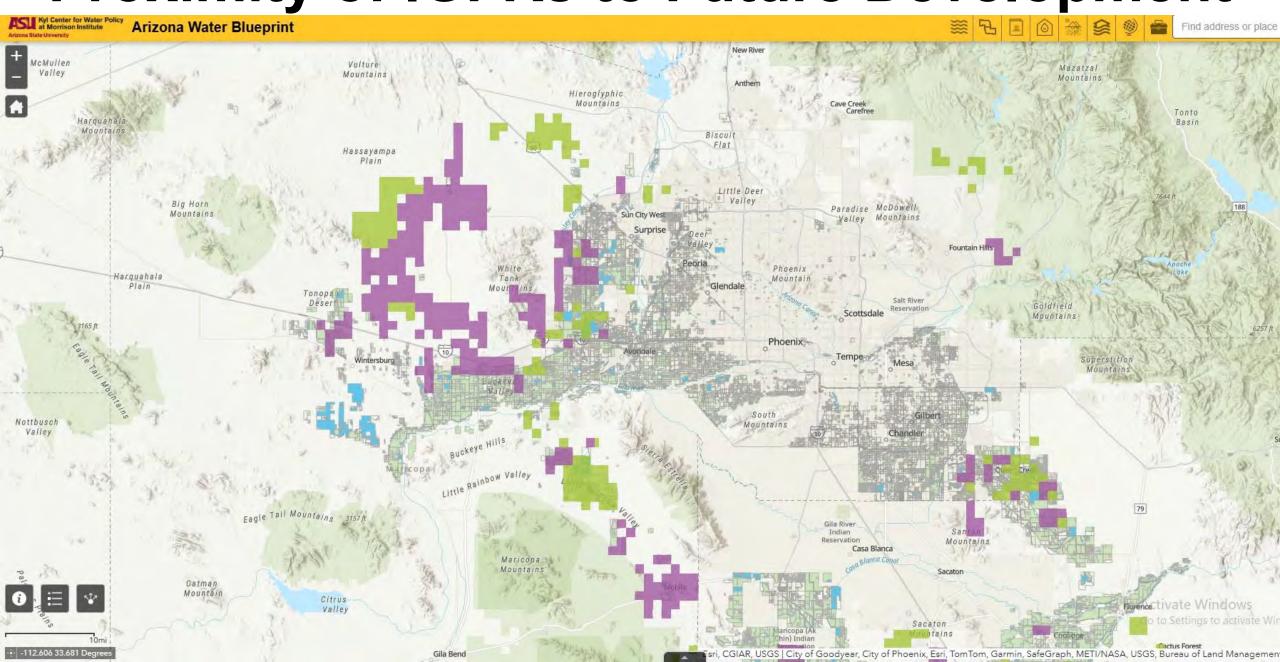
## 'Ag-to-Urban' clears Legislature, paves way for new water strategy

Jamar Younger // June 28, 2025

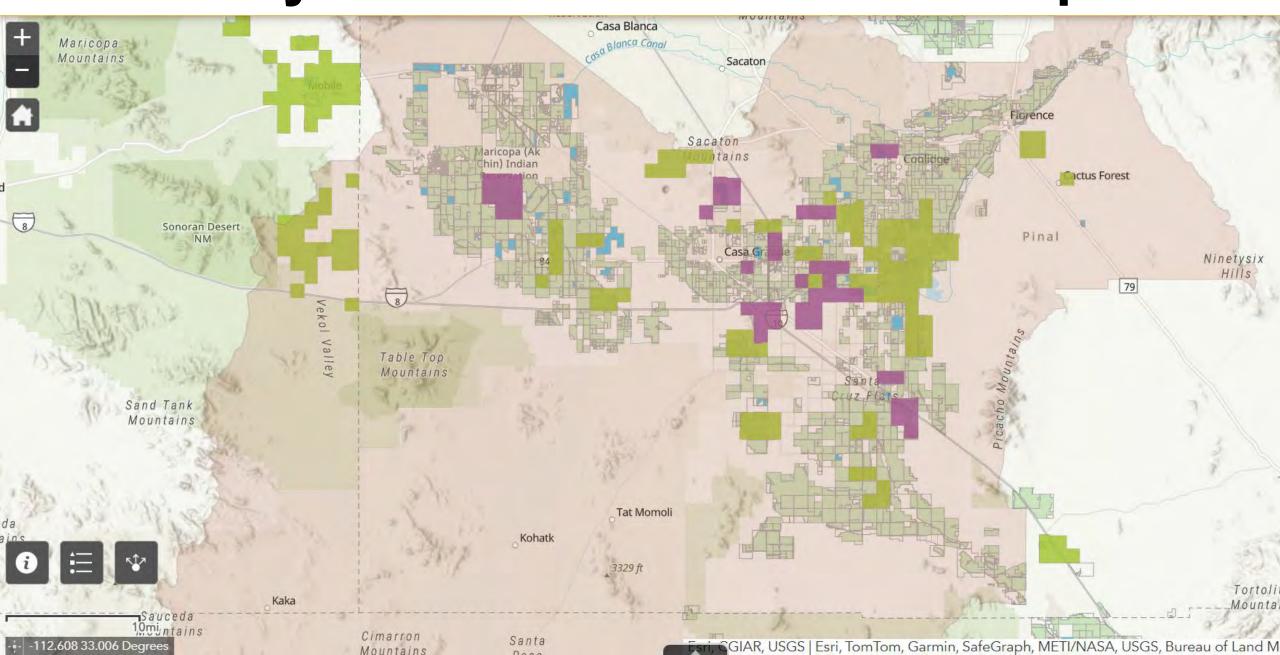
When the legislation passed the Senate on June 19, Shope hailed it as the most consequential groundwater measure since the Groundwater Management Act of 1980.

'The Ag-to-Urban program is a win-win for farmers who are ready to retire but still want to capitalize on their land and for Arizona families looking to obtain their American dream through homeownership,' Shope said after the bill passed the Senate.

## **Proximity of IGFRs to Future Development**



## **Proximity of IGFRs to Future Development**



ĺ	Stacy Skankey (035589)	Sean T. Hood (022789) Nyla Knox (037964)
2	Scharf-Norton Center for	FÉNNEMORE CRAIG, P.C. 2394 E. Camelback Rd., Suite 600
3	1 H. J.	Phoenix, Arizona 85016 (602) 916-5000
4	Phoenix, Arizona 85004	shood@fennemorelaw.com nknox@fennemorelaw.com
5	(602) 462-5000 litigation@goldwaterinstitute.org	
6	Attornevs for	v Plaintiff
7	Anorneys jor	1 idiniy
8	IN THE SUPERIOR COURT OF THE STATE OF ARIZONA IN AND FOR THE COUNTY OF MARICOPA	
9	HOME BUILDERS ASSOCIATION OF CENTRAL ARIZONA,	Case No.
11	Plaintiff.	
		COMPLAINT FOR
12	VS.	DECLARATORY AND INJUNCTIVE RELIEF
13	ARIZONA DEPARTMENT OF WATER RESOURCES, an agency of the State of	The Association of the Association
14	Arizona; THOMAS BUSCHATZKE, Director of the Arizona Department of Water	
15	Resources, in his official capacity,	
16	Defendants.	
17		



#### **NEWS RELEASE**

Arizona House of Representatives Speaker Steve Montenegro (R-29) 1700 West Washington • Phoenix, Arizona • 85007

Monday, March 10, 2025 FOR IMMEDIATE RELEASE

#### Arizona House of Representatives Sues Rogue Water Agency for Illegal Rules that Increase Housing Costs

STATE CAPITOL, PHOENIX – Arizona House Speaker Steve Montenegro announced today that the Arizona House of Representatives, in partnership with the Home Builders Association of Central Arizona (HBACA) and the Arizona Senate, has filed a lawsuit against the Arizona Department of Water Resources (ADWR) over its adoption of an unlawful groundwater tax that threatens housing affordability across the state.

"This is government overreach at its worst," said Speaker Montenegro. "The people of Arizona elected us to defend their interests, not allow unelected bureaucrats to impose illegal taxes that make the American Dream of homeownership even more out of reach. The 33.3% groundwater tax represents not only a blatant overreach of executive authority, but also a direct attack on hardworking Arizona families who will see the price of new homes increase by thousands. We cannot allow the executive branch to trample on the authority of the Legislature or push through extreme policies that drive up the cost of living."

The lawsuit challenges ADWR's "Alternative Path to Designation of Assured Water Supply" (ADAWS) regulations, which mandate that developers secure 33.3% more water than necessary to meet their own needs.

## What's next?

#### Cities can do a lot with a little water.

#### Community Water Use Intensity JOSEPH CITYLINA Community Water Systems: := 1 of 2 ( ) 17 Q Search... PRESCOTT AMA Water Use Intensity (AF/Acre) Prescott ADAMAN MUTUAL WATER COMPANY ⊕ Zoom to + Pan AGUILA WATER SERVICE Water Use Intensity for CITY OF PHOENIX is 1.32 Acre Feet per AMERICAN REALTY MORTGAGE COMPANY ANWAY-MANVILLE WATER COMPANY tle San Colorado River Indian APACHE JUNCTION WATER FACILITIES DISTRICT nardino untains. Tonto National ARIVACA WATER COOPERATIVE AVRA WATER COOPERATIVE ARIZONA WATER COMPANY SUPERSTITION IARQUAHALA INA Chuckwalla National ARIZONA WATER COMPANY ORACLE Salton Kofa National ARIZONA WATER COMPANY STANFIELD ARIZONA WATER COMPANY TIERRA GRANDE ARIZONA WATER COMPANY WHITE TANKS ARIZONA WATER COMPANY WINKELMAN Gila Desert BEARDSLEY WATER COMPANY All American Card Yuma Sonoran Desert BEARDSLEY WATER COMPANY Mexicali PINAL AMA San Luis Río Colorado BERNEIL WATER COMPANY CACTUS-STELLAR Cabeza Prieta CAREFREE WATER COMPANY Wildlife Refuge 1856 CAROLANNE DRIVE HOMEOWNERS CASITAS DE CASTILLIAN CATALINA VILLAGE 3 CAVE CREEK WATER COMPANY 3 [3] CHANDLER HEIGHTS CITRUS IRRIGATION DISTRICT SANTA CRUZ AMA 1345 m CIRCLE CITY WATER COMPANY Puerto Peñasco CITY OF AVONDALE CITY OF CHANDLER CITY OF EL MIRAGE

CITY OF ELOY

Community Water Systems Water Use Intensity (AF/Acre) 4 1.5

Active Management Areas (AMAs) and Irrigation Nonexpansion Areas (INAs)

4 < 0.5



Q

0

<<

Gila

Mountain

WILLCOX AMA

Sierra VistaDOUGLAS AMA

9473 ft

Show Low

Pinetop-Lak

7261 f

60

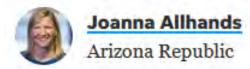
## **Augmentation Concepts in Development**

- 1) Colorado River Indian Tribes Leases
- 2) Roosevelt Dam Storage Modification
- 3) Bartlett Dam Enlargement
- 4) Advanced Water Purification
- 5) Harquahala Groundwater
- 6) Southern California Re-Use Exchange
- 7) Ocean Desalination (Exchange or Pipeline)

## azcentral.

# Arizona cities will soon import water from idled farmland. That changes things | Opinion

It's a big deal that state water officials have opened the door to groundwater transfers from the Harquahala basin.



July 29, 2025, 6:01 a.m. MT

Queen Creek and Buckeye were the first to sign up and have each gotten state approval to transport roughly 5,000 acre-feet of this groundwater annually, which collectively amounts to a million acrefeet over the next century.

That means that more than 85% of the Harquahala project's water remains available for additional purchases – and plenty of water providers besides Queen Creek are expected to vie for it, especially when the water starts flowing.

# What can you do?



#### Tools for exploring Arizona's water resources



#### The Water Blueprint Map

A comprehensive tool featuring 50+ data layers to explore Arizona's water resources and infrastructure



#### **Groundwater Level Changes**

An interactive map that shows groundwater level changes across Arizona's sub-basins



#### Colorado River Shortage

An information hub about the Colorado River shortage



#### Water Issues in Depth

Introductions to critical Arizona water issues like the use of water in rural areas and the function of watersheds

#### Sign up for updates

Want to keep learning about water in Arizona? Sign up to receive emails from the Kyl Center for Water Policy at Morrison Institute.



Arizona Arizona

About the Project

Tools for explo





evel Changes

at shows groundwater leve



Colorado River Shortage

An information hub about the Colorado River shortage



Water Issues in Depth

ntroductions to critical Arizona water issues like the ise of water in rural areas and the function of vatersheds



**Arizona State University** 

**Sarah Porter** 

s.porter@asu.edu



Arizona
Water
Blueprint

azwaterblueprint.asu.edu

