Western Resource Advocates evaluated the potential for various strategies to meet Southwestern New Mexico’s water needs for 2050 and found that conservation and reuse can meet the entire “gap” between the existing urban and domestic water supply and future demand with the least cost to customers and no additional cost to state taxpayers.¹

For over a decade, New Mexico has been evaluating strategies to best meet the water needs of Southwestern New Mexico’s communities. Federal funding, available through the Arizona Water Settlements Act (AWSA), can be used to help achieve a more reliable water supply. Southwestern New Mexico’s Water Planning Region, which encompasses Catron, Grant, Hidalgo and Luna counties, is projected to grow by 30,000 residents by 2050. With existing water supplies and additional permitted water rights totaling 16,695 acre feet, the urban and domestic sectors in the region will need an additional 35 acre feet of water per year in order to meet their projected future demand.

The Interstate Stream Commission (ISC) and other stakeholders have been considering a $400-500 million Gila River water supply project to divert and use 10,000 acre-feet of water – enough water to meet the needs of a city the size of Santa Fe. The proposed Gila diversion project could secure up to $136 million in federal subsidies under the AWSA, but the project would still require at least $300 million in additional funds.

Western Resource Advocates’ analysis shows that this $300 million cost would burden water customers in Southwestern New Mexico by raising the average household’s annual water bill from $200 a year to over $630 a year. If the local population grows at a slower rate than projected, the average household’s bill could be as high as $790 per year. **Tripling or quadrupling the water bill is politically and socially impractical.**

Since customers may be unable or unwilling to pay this cost, the $300 million bill (which excludes the federal subsidy) would likely need to be paid by state taxpayers.

¹ The term “urban and domestic” sectors, as used in this paper, includes all public water supply systems, as well as the self-supplied (SS) commercial and self-supplied residential sectors of the Southwestern New Mexico Water Planning Region.

**EXECUTIVE SUMMARY**

**Southwestern New Mexico only needs to secure an additional 35 acre feet of water per year to meet its future urban and domestic water demand.**

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This diversion project would require every resident of New Mexico to pay $145. This capital project option would burden the entire state, while more reliable, affordable solutions exist.

There are better, faster, and significantly cheaper ways to meet the water supply “gap.” Western Resource Advocates’ research found that the entire “gap” between existing cities’ supplies and new demands can be met with conservation. Our research also found that adding investments in recycled water and converting existing municipally-owned agricultural water rights to municipal use as already planned by cities within the region would provide 7,000 acre-feet of water in excess of 2050 anticipated demands. Based on our analysis,

- Southwest New Mexico’s existing communities can reduce water demands by an average of 33% in the next 40 years through water conservation. By dedicating a little more than half of active water conservation savings to meeting future needs, 2,370 acre-feet of additional water supply will be made available annually by 2050.
- Reuse or recycled water supplies can meet growing demands. Based on stakeholder proposals submitted to the AWSA, new reuse can supply approximately 1,050 acre-feet per year by 2050.
- The development of a regional infrastructure system to improve access to public water supplies is critical to providing drinking water for communities that need it.
- The City of Deming owns 3,780 acre-feet of consumptive use in irrigation water rights that it plans to convert to municipal use in the future. Even though these transfers do not exemplify the most flexible and innovative ag/urban cooperation strategies, the City of Deming’s water supply assets and plans need to be accounted for in a water supply and demand gap assessment for the region.

Western Resource Advocates recommends Southwestern New Mexico meet future water needs by prioritizing water conservation and maximizing the role of reuse to save taxpayers money, ensure a strong recreational economy and protect the Gila River for future generations to enjoy.

2 Almost one-third of this reduction would require no effort from water providers, for it would be achieved from passive conservation that results from new development and the replacement of inefficient appliances and fixtures over time.