



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

DEC 20 2019

Mr. Anthony Gutierrez
Executive Director-NM CAP Entity
P.O. Box 386
Cliff, NM 88028

Dear Mr. Gutierrez,

Thank you for your letter of August 20, 2019 to Secretary Bernhardt requesting the extension of the funding deadline for the New Mexico Unit of the Central Arizona Project (NM Unit) described in the Arizona Water Settlements Act of 2004 (the Act). The Department of the Interior is committed to supporting the management and development of water supplies critical to communities, farms, and the environment. The Department understands the importance of the water supplies authorized for diversion by the State of New Mexico under the Act to the rural communities of southwestern New Mexico.

Section 212(j) of the Act establishes the standard for any extension stating:

If New Mexico exercises all reasonable efforts to obtain the issuance of such Record of Decision, but the Secretary is not able to issue such Record of Decision by December 31, 2019, for reasons outside the control of the State of New Mexico, the Secretary may extend the deadline for a reasonable period of time, not to extend beyond December 31, 2030.

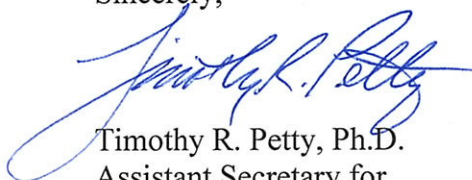
In considering your extension request on behalf of the New Mexico Central Arizona Project Entity (Entity), the Secretary has considered the Entity's letters of September 17, 2019 and October 30, 2019, and the information provided by the Entity in the October 24, 2019 meeting in Washington, DC. The Secretary has also considered the chronology of events related to the NM Unit starting from passage of the Act to date.

The State of New Mexico has had 15 years since the enactment of the Act to identify a feasible project and obtain a Record of Decision to meet the deadline for the additional funding as defined by the Act. The slow pace of progress by the State since the passage of the Act shows a lack of urgency and priority by the State for delivering water supplies to rural communities that could be served by the project. Even today, a feasible project with necessary funding and contractual commitments has not been identified to enable project success. After careful consideration, I regret to inform you that due to the State's failure to make progress, an extension of the deadline identified in Section 212(j) of the Act will not be granted.

It's a disappointment this project, that would bring critical water supplies to rural communities in New Mexico, has faced such scrutiny and a lack of support from the State of New Mexico. Water supply infrastructure is a priority of this Administration, and the Department of the Interior is committed to helping deliver reliable water supplies to rural communities. The State's lack of action undermines the importance of the water supplies provided by the NM Unit in ensuring that rural communities in southwestern New Mexico have the water security necessary to thrive and grow.

Because the extension applies only to funding under Section 212(j) of the Act, the Entity retains the option to pursue the NM Unit with other funding sources, including funds available under Section 212(i) of the Act. The Department understands the importance of developing water infrastructure in the West, especially to communities and farms in southwestern New Mexico.

Sincerely,

A handwritten signature in blue ink, appearing to read "Timothy R. Petty".

Timothy R. Petty, Ph.D.
Assistant Secretary for
Water and Science

cc:

The Honorable Michelle Grisham
Governor of New Mexico
Santa Fe, New Mexico 87501

The Honorable Martin Heinrich
United States Senate
Washington, DC 20510

Senator Tom Udall
United States Senate
Washington, DC 20510

Representative Xochitl Torres Small
U.S. House of Representatives
Washington, DC 20515