



# Water to Benefit the San Juan River: The Jicarilla Apache Nation Lease Agreement

CORPORATE WATER STEWARDSHIP CASE STUDY MAY 2024

## INTRODUCTION

The San Juan River, a major tributary to the Colorado River, winds its way from the mountains of southern Colorado through New Mexico, eventually joining the Colorado River in Utah. The river has experienced significant changes in recent decades due to human activities, notably diminished flow volumes, pollution, and the disruption of native ecosystems.

As part of a collective effort to improve the health of the river and surrounding communities, the Jicarilla Apache



Map of the San Juan Watershed. Credit: U.S. Environmental Protection Agency

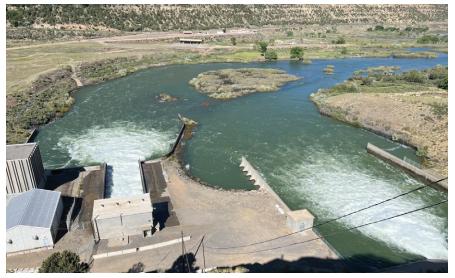
Nation (Nation), the New Mexico Interstate Stream Commission (NMISC), and The Nature Conservancy (TNC) have developed an innovative water sharing agreement. Annually, for 10 years, the NMISC will lease up to 20,000 acre-feet (AF) of water from the Nation. The water will benefit threatened, endangered, and sensitive fish and increase water security for New Mexico.

The water sharing agreement allows both the NMISC and TNC to provide funding for project implementation. The sources of public funding for the agreement include a grant from the New Mexico Office of Natural Resource Trustee, funding from the NMISC's Strategic Water Reserve program, and a grant from the National Fish and Wildlife Foundation. Private, corporate, and other philanthropic contributions support this project through grants to TNC.

#### WATER BENEFITS

Under the agreement the NMISC places an annual water order, leading to the strategic release of water at times agreed upon to best meet the purposes of the agreement. For corporations participating as co-funders, the tangible impact of their investment is directly correlated to the annual volume of water released, serving as a clear metric of the water benefit derived from the project. Within this collaborative framework, each corporate contributor may be recognized for their share of the water benefit proportionate to their financial contribution.

Moreover, because the pricing structure provides a discount as the water order increases, the collective approach to funding not only amplifies the project's impact but also achieves significant cost savings on a per AF basis. Public financial resources combined with corporate investments provides a larger order and a more favorable price. This



Water Released from the Navajo Reservoir to the San Juan River, ©Jerry Tensfield of the Bureau of Reclamation

pricing structure means that corporate contributions, by enabling larger aggregate purchases, effectively lower the cost per unit of water. Consequently, the financial efficiency of the project improves, resulting in an increase in the overall volumetric benefit and demonstrating the power of partnership in enhancing resource management and sustainability.

#### **CO-BENEFITS**

The co-benefits of this agreement stem directly from its innovative approach to water management. The collaborative effort between the Nation, the NMISC, and TNC is yielding significant benefits. These benefits, ranging from policy innovation to economic development, underscore the agreement's role as a model for future initiatives.

Co-benefits include:

- Establishing a first of its kind agreement that can be used as a model throughout the Colorado River Basin.
- Supporting the San Juan River Basin Recovery Implementation Program's efforts to recover endangered fish.
- Providing the state of New Mexico with flexibility for responding to climate change, declining river flows, and interstate water obligations.
- Facilitating temporary use of the Nation's water to support the health of the river and surrounding communities.
- Demonstrating how Tribal Nations and state governments can work together on a sovereign-to-sovereign basis, with support from conservation organizations, to find collaborative solutions that benefit multiple interests and users.
- Providing revenue for the Nation to help serve the needs of the Nation and its members.



Navajo Lake State Park; New Mexico Energy, Minerals, and Natural Resource Department



Colorado Pikeminnow, Utah Division of Wildlife Resources and the Utah Wildlife Migration Initiative

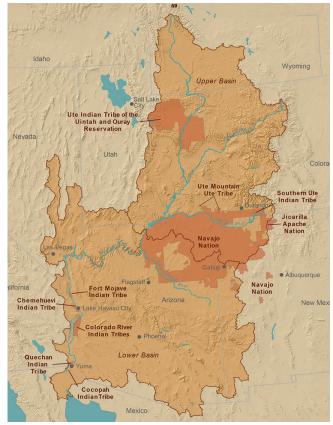


Razorback Sucker captured during San Juan River sampling, U.S. Fish and Wildlife Service

### **FUTURE PROSPECTS**

Corporate funds, when complementing state and federal resources, have the potential to significantly enhance the feasibility of costly water leases or sharing agreements. The unique advantage of corporate funding lies in its flexibility regarding the pace of expenditure, which can adapt to the specific needs and timelines of complex projects. This adaptability can be helpful in managing the unforeseen expenses and delays that might accompany regulatory approvals and stakeholder negotiations.

Looking ahead, if corporate co-funding is integrated into the early stages of innovative water management projects, it could play a pivotal role in facilitating more innovative projects of this nature. Such early involvement would not only provide a financial cushion during the critical initial phases but also set a precedent for leveraging additional funds, thereby amplifying a project's impact and reach.



Tribes of the Colorado River Basin. Credit: Ten Tribes Partnership

#### **SUMMARY**

This innovative collaboration between the Nation, the NMISC, and TNC marks a significant milestone in addressing the critical drought and water shortages facing the western United States, particularly throughout the Colorado River Basin. Corporate contributions provided an added benefit by enabling a larger volume of water to be leased at more affordable rates, thereby magnifying the project's reach and efficacy. By allowing the NMISC to lease up to 20,000 acre-feet of water per year from the Nation, this agreement supports threatened, endangered, and sensitive fish species while enhancing water security for New Mexico. This groundbreaking project is a testament to the power of sovereign-to-sovereign cooperation, augmented by the support of environmental organizations, to develop creative and sustainable solutions to some of the most pressing environmental challenges.

For more information on how to contribute to this endeavor, please reach out to TNC.

#### CONTACT

Celene Hawkins, Colorado River Tribal Partnerships Program Director The Nature Conservancy celene.hawkins@tnc.org