



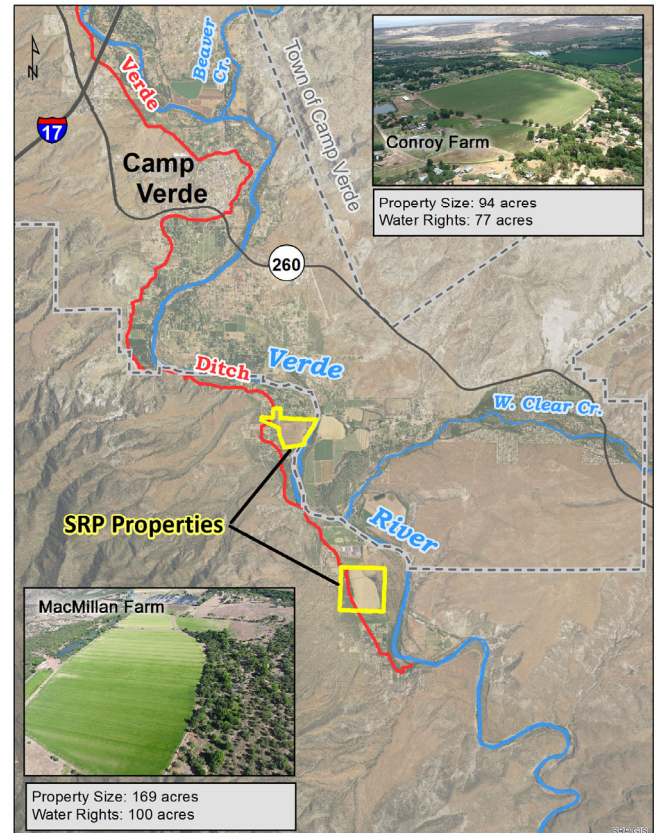
Delivering water and power™

VERDE VALLEY WATER RIGHTS PROGRAM

September 2020

Background

- As part of SRP's ongoing efforts to work with Verde Valley communities, SRP purchased two properties in the Camp Verde area to align water rights and uses in the Verde Valley and protect flows in the Verde River.
- These properties have historic water rights that can be used to address local water rights issues.
- Horizon Acquisitions LLC, formed by SRP with SRP as the sole member, purchased Conroy Farm and MacMillan Farm at fair market value.
- The properties are situated along or near the Verde River and feature over 40 acres of riparian habitat for birds, plants, and animals.



Why did SRP purchase the properties?

- Decades of growth and development in the Verde Valley have led, in some cases, to expansion of surface water uses onto lands without water rights.
- This could limit the availability of water for users with water rights, and further diminishes the river.
- Under Arizona water law, the historic water rights on the properties acquired by SRP can be transferred to landowners that need them.
- This will help ensure that surface water users have water rights, while also preserving the long-term sustainability of the Verde River for people and nature.

How will the water rights be made available?

- SRP will initiate a program to sell and transfer the water rights after one or more project partners can be identified.
- The water rights in this program will be used exclusively in the Verde Valley.
- Participation is completely voluntary – the goal is to provide a new option for users that need water rights.
- The price for the water rights will be based on what is needed to recover the cost to acquire the properties – SRP will not make a profit from these transactions.

For more information visit www.WatershedConnection.com