

## FREQUENTLY ASKED QUESTIONS

### **Q. What is the CAGR?**

A. The Central Arizona Groundwater Replenishment District (CAGR) was established in 1993 by the state legislature to serve as a groundwater replenishment entity. The CAGR provides a method for water providers to demonstrate and receive a 100-year Designation of Assured water supply under Arizona law by agreeing to have the CAGR recharge groundwater using a renewable source (CAP) that otherwise would not be available to the water provider. The CAGR is operated by the Central Arizona Water Conservation District (CAWCD), which also oversees the Central Arizona Project. It is governed by the 15-member CAWCD Board of Directors but is a separate legal and financial entity from the CAWCD. The CAGR serves water providers in the three Active Management Areas (AMA's): Phoenix, Tucson and Pinal

### **Q. I have a CAGR Adjuster Fee on my utility bill. Is this new and what is it?**

A. In February of 2011, the Arizona Corporation Commission (ACC) authorized Sahuarita Water Company (SWC) to begin collecting the new fee. The funds collected will only be used to pay the annual replenishment fee to the CAGR. Under current State of Arizona law, residential subdivisions developed after February 1995 can no longer rely solely on groundwater as their exclusive water supply. SWC entered into an agreement with the CAGR so that the CAGR would replenish or replace the groundwater pumped to serve your home. In other words, the water you use must be replaced through recharge.

### **Q. Do I have to pay the CAGR Adjuster Fee?**

A. Yes. You must pay the cost of replacing the groundwater you use. This cost is included as a line item on your utility bill and must be paid to Sahuarita Water Company along with your water payment. Sahuarita Water then sends that money to CAGR, who in turn purchases water that will be used to replenish the aquifer.

### **Q. How is the CAGR Adjuster Fee determined?**

A. Each year, the CAGR determines its total replenishment obligation and sets the rate per acre foot of replenishment water for each AMA. The rate is based on the cost CAGR must pay for water, the O&M costs to pump the water to designated recharge facilities as well as administration costs. SWC submits the amount of groundwater it pumped to serve its customers for that year which ultimately results in a replenishment fee that is charged to each user based on the volume of groundwater used.

### **Q. Why is the CAGR fee on my bill different from my neighbor's?**

A. If you used more water at your home than your neighbor, then the replenishment fee on your utility bill will be higher than your neighbor's. The fee is based only on the water you have used.

### **Q. How can I reduce the fee I have to pay for the CAGR?**

A. The CAGR replenishment fee that you must pay is directly related only to the amount of water you use at your home. Therefore, reducing your water consumption will reduce your replenishment fee as well as your water bill.