



March 2, 2026

Bureau of Reclamation  
Attn: BCOO-1000  
P.O. Box 61470  
Boulder City, NV 89006

**Re: Comments of the Arizona Mining Associations - Draft Environmental Impact Statement for Near Term Colorado River Operations, dated January 16, 2026**

On behalf of the Arizona Mining Association (AMA), which represents the hard-rock mining industry and related suppliers in Arizona, we appreciate the opportunity to comment on the *Draft Environmental Impact Statement for Near Term Colorado River Operations, dated January 16, 2026* (Draft EIS).

Arizona is a leading producer of copper and other critical minerals essential to the United States' electricity generation, grid modernization, defense systems, and advanced manufacturing. Arizona is one of the top copper producers in the world and the leading domestic source of copper in the United States, accounting for approximately 70% of domestic output. Given the importance of Arizona in maintaining a secure domestic supply of copper, federal actions which negatively impact copper production in Arizona are directly contrary to the economic and national security interest of the United States, as directed by the Trump Administration. The mining sector is fundamental to Arizona's economy and to the nation's security. Stable, reliable Central Arizona Project (CAP) supplies are indispensable to sustaining critical mineral production in the United States (U.S.).

Our comments focus on three central points:

1. The Draft EIS does not fully analyze the economic impacts to Arizona's mining sector from significant reductions in CAP water supplies.
2. Reductions in CAP deliveries to existing and planned mines would have disproportionate consequences for U.S. mineral security, energy transition goals, and defense readiness.
3. The Department of the Interior (Department) should revise the Draft EIS to incorporate a more balanced, regionally equitable approach to shortage allocation, and to explicitly recognize and prioritize water deliveries that support critical mineral production and associated economic activity.

## I. Importance of Arizona Mining to the State and National Economy

Arizona's mining industry is a cornerstone of the state's economy and a strategic asset for the nation.

**Copper:** Arizona is the largest copper-producing state, supplying a substantial share of U.S. primary copper. Copper is indispensable for transmission and distribution infrastructure, electricity generation, semiconductors, and national defense applications.

**Critical and strategic minerals:** In addition to copper, these operations produce or are advancing projects for molybdenum, silver, lithium, uranium, and other minerals identified by the U.S. government as critical for economic and national security.

**Employment and tax base:** Mining directly and indirectly supports tens of thousands of high-wage jobs in rural and urban communities and generates significant state and local tax revenues that fund education, public safety, and infrastructure.

**Supply chain resilience:** Domestic production reduces dependence on foreign sources, many of which are geopolitically unstable or employ environmental and labor practices inconsistent with U.S. standards.

All of these activities depend on reliable water supplies. While mining has made substantial investments in conservation, efficiency, reuse, and alternative supplies, CAP remains a key component of long-term water portfolios for current and future operations.

## II. Role of CAP Water in Arizona Mining Operations

Over several decades, Arizona mining companies have made significant investments in reliable water management including:

1. Shifting away from groundwater where feasible to reduce aquifer depletion and land subsidence.
2. Investing in CAP delivery, storage, and recharge infrastructure to diversify and stabilize supply.
3. Implementing high-cost water recycling and reuse opportunities, often achieving high recirculation rates in processing.
4. Developing long-term CAP contracts and partnerships with Tribes, cities, irrigation districts, and the Arizona Water Banking Authority to support sustainable operations.

For many mines, CAP supplies offset or substitute for groundwater pumping, directly supporting Arizona's groundwater management goals. This investment has enabled continued or expanded production that aligns with state and federal policy objectives for domestic mineral supplies and has supported new projects intended to produce minerals that Department of Energy (DOE) and the Department of Defense (DOD) have identified as essential to reliable energy, microchip manufacturing and national defense. The Draft EIS fails to consider the impact of the proposed reductions on groundwater use and related issues in Arizona. Reductions in CAP water availability will force Arizona mines and other water users to switch to or rely more heavily on finite groundwater supplies. As the

Bureau of Reclamation (Reclamation) knows, one of the important factors behind construction of the CAP was to provide a renewable supply of water reducing Arizona's reliance on groundwater.

The CAP water reductions proposed in the proposed alternatives will frustrate groundwater management strategies, which were developed and implemented in response to federal guidance and could lead to widespread water shortage and land subsidence issues. Material cuts to CAP allocations under the alternatives analyzed in the Draft EIS threaten to undermine these public interest investments and strategies. These issues must be adequately studied in a new draft environmental impact statement.

### **III. Economic Impacts of CAP Reductions on Arizona Mining and the State Economy**

The Draft EIS appropriately recognizes that reductions in Colorado River supplies will have economic implications to agricultural interests. However, an analysis of specific impacts to mining, and to Arizona's broader economy from impaired mining operations, is entirely missing and should not be ignored. The enormous reductions to Arizona's CAP water supply under the proposed alternatives in the Draft EIS threaten significant negative impacts to national copper production and adverse economic impacts to Arizona's economy. In 2024, the total economic impact of mining in Arizona was approximately \$21.16 billion and resulted in 58,919 total jobs. Arizona copper mining firms produced an output of \$10.1 billion and employed 12,919 workers. The economic output per worker in copper mining is \$784,923, second only to the Arizona semiconductor industry. The Draft EIS fails to consider the impacts of the proposed reductions on the economic output or jobs in the copper industry, or any other industry in Arizona.

Potential impacts include:

1. Reduced production and project delays or cancellations.
2. Curtailment of CAP supplies may force reductions in throughput or delay expansions at existing mines that have planned around CAP deliveries.
3. New mining and processing projects, many designed to produce critical minerals in support of federal energy and defense goals, may become infeasible or be significantly delayed if water reliability cannot be assured.
4. Job losses and significant local economic contractions. Mining is often the economic backbone of rural communities. Reduced operations translate into direct job losses, decreased contractor and supplier activity, diminished local spending, and lower tax revenues. These impacts can be long-lasting, particularly in areas with limited alternative employment opportunities.
5. Reduced state and local revenues. Severance taxes, property taxes, sales taxes, and other revenue streams rely on a stable mining sector. Significant reductions in CAP supplies that constrain production will ripple through state and local budgets.
6. Higher infrastructure and mitigation costs. In response to CAP shortfalls, companies may be compelled to make expensive emergency investments in groundwater supplies that are in direct conflict with responsible water management, especially in the arid Southwest where water supplies are limited and needed for communities. Further, these costs may render marginal

projects uneconomic and reduce Arizona’s competitiveness as a location for new mineral investments.

The Draft EIS should be revised to include a more robust and quantitative assessment of these impacts, using available data on CAP-reliant operations and projected production under different alternatives.

#### **IV. National Security and Strategic Materials Considerations**

President Trump, along with the Department of the Interior (Department) and the Departments of Energy, Defense, and Commerce, has consistently emphasized the need to secure domestic sources of critical minerals. According to Executive Order No. 14,220 (“Addressing the Threat to National Security from Imports of Copper”), 90 Fed. Reg. 11001 (February 28, 2025), “Copper is a critical material essential to the national security, economic strength, and industrial resilience of the United States” because it plays “a vital role in defense applications, infrastructure, and emerging technologies, including clean energy, electric vehicles, and advanced electronics.” Recognizing the importance of copper to the economic and national security interests of the United States, President Trump made clear that it is “the policy of the United States to ensure a reliable, secure, and resilient domestic copper supply chain.”

Arizona’s mines are already integrated into supply chains that:

1. Support DOD systems and platforms, including communications, aerospace, and advanced munitions.
2. Enable deployment of grid-scale renewable projects, transmission lines, and energy-storage systems.
3. Supply copper and other minerals essential to semiconductor manufacturing and other high-technology industries targeted for on-shoring under recent federal legislation.

Significant and prolonged reductions to CAP deliveries that impair Arizona’s mining operations would:

1. Increase U.S. reliance on foreign mineral supplies, many of which originate from jurisdictions with higher geopolitical risk.
2. Undermine federal investments and policies designed to build secure, resilient domestic supply chains.
3. Conflict with the Administration’s stated objectives regarding energy resilience, manufacturing, and defense industrial base capacity.

The Draft EIS, as a proposed high-level governing document for post-2026 Colorado River operations, should explicitly recognize the connection between water allocation decisions and national mineral security. It should evaluate and disclose how each alternative affects domestic production of copper and other critical minerals, and how those impacts align or conflict with federal strategic objectives.

#### **V. Equity, Risk-Sharing, and State Impacts**

Arizona has already shouldered substantial reductions and risks under previous shortage sharing frameworks. In designing post-2026 operations, the Department should:

1. Avoid disproportionate impacts on Arizona users, including industrial sectors such as mining, that have invested heavily in conservation and long-term alternative supply development, including CAP water.
2. Ensure that all Lower Basin states and sectors share responsibility for balancing supply and demand in a way that reflects historical use, recent conservation measures, and the relative economic and strategic importance of different uses.
3. Respect and protect intrastate water management frameworks, including Arizona's Groundwater Management Act and the State's policies to move from unsustainable groundwater use toward renewable supplies like CAP.
4. Any alternative that results in deep and enduring cuts to CAP deliveries, without comparable adjustments elsewhere, will have outsized negative consequences for Arizona's economy and for national supply chains anchored in Arizona.

## **VI. Recommendations**

To address the concerns outlined above, AMA respectfully requests that the Department:

1. Conduct and include an impact analysis on mining and Arizona's economy.
  - a. Expand the Draft EIS to provide a sector-specific analysis of how CAP reductions under each alternative would affect existing and planned mining operations, production levels, employment, tax revenues, and related economic activity.
  - b. Engage with Arizona agencies and industry to incorporate up-to-date data on CAP-reliant operations and water portfolios.
2. Explicitly consider national security and critical mineral implications by adding a dedicated section evaluating how the alternatives affect domestic production of critical and strategic minerals, including copper, and how this aligns with national security, defense, and energy transition policies.
  - a. Recognize CAP-reliant mining operations that contribute to these objectives as serving a national public interest.
3. In formulating the Preferred Alternative and shortage allocation mechanisms, provide for a baseline level of reliability for uses that directly support national security and critical infrastructure, including Arizona's mining sector.
4. Allow for flexible, market-based tools such as compensated transfers and system conservation programs to help meet shortage targets while minimizing harm to high-value, strategic uses.
5. Ensure equitable burden-sharing among states and sectors by considering allocation formulas that do not shift an outsized share of reductions onto Arizona and CAP water users, given Arizona's prior contributions and investments.
6. Incorporate adaptive management provisions so that if economic or national security impacts are greater than anticipated, adjustments can be made over time.
7. As discussed in detail in CAP's comments, the Draft EIS is fundamentally flawed and should be withdrawn for numerous reasons, including but not limited to its failure to evaluate compliance with the Colorado River Compact of 1922 and other aspects of the "Law of the River" as part of the alternatives analysis or to consider the reasonably foreseeable environmental, cultural, and socio-economic effects of the proposed federal action.

## VII. Conclusion

Arizona's mining industry stands ready to continue collaborating with federal, state, tribal, and local partners to support durable solutions to the Colorado River crisis. Our members have invested in conservation, reuse, and responsible water management, and they are prepared to do more. However, post-2026 Colorado River operations must be structured in a way that 1) preserves the viability of Arizona's mining sector and the communities it supports; 2) protects the nation's access to secure supplies of critical minerals; and 3) fairly distributes the burdens of shortage across states and sectors.

The Arizona Mining Association respectfully requests that the Department revise the Draft EIS to fully evaluate and appropriately mitigate the economic and national security impacts of proposed CAP reductions on Arizona mining operations and the state's economy, and that these considerations be reflected in the selection and implementation of the Preferred Alternative.

We appreciate your consideration of these comments and stand ready to provide additional information or participate in further consultations. Please contact me at (602) 989-3854 with any questions.

Sincerely,

A handwritten signature in black ink that reads "Steve Trussell". The signature is written in a cursive style with a large, stylized initial "S".

Steve Trussell  
Executive Director  
Arizona Mining Association