TAOS SKI VALLEY, INC.



The chart below shows the Ski Resort's water rights permitted by the New Mexico State Engineer.

Permit Number	Date of Approval	Diversion	C.U.	Purpose of Use	Priority Date
01701A	January 1987	200 afy	Not to exceed 21.42 afy (19.6 afy available if 100% used for snowmaking)	Snow making Oct- April; other uses (municipal, domestic, commercial, irrigation) year- round	1815
RG-44134	1985	3 afy	3 afy	Drinking and sanitary use in conjunction with a commercial operation	1985

PBU Filed January 31, 2002

What are the authorized purposes and uses of the Ski Resort's water rights?

The Ski Resort's water rights allow for snowmaking, irrigation, and municipal uses. Temporary water storage is allowed as a component of snowmaking and municipal use.

Why does the Ski Resort's priority date back to 1815?

When water rights are transferred by the New Mexico State Engineer, the original priority date is transferred with the permit. The 1815 priority date was recognized by the State Engineer when the Ski Resort's permit was approved.

Will any of the proposed projects going through the NEPA (National Environmental Protection Act) process divert more water from the Rio Hondo?

No. The proposed projects going through NEPA will not divert additional water from the Rio Hondo and will stay within permitted quantities.

When does the Ski Resort use water for snowmaking?

The Ski Resort diverts water from the Lake Fork and Rio Hondo to make snow from late October through January from three different diversion points. Fortunately, this timing coincides with the period when there are the least acequia diversions. Most of the water the ski resort uses returns to the stream in the spring and early summer when down valley acequia users need it most. Many locals recognize and appreciate this symbiotic relationship of water use.

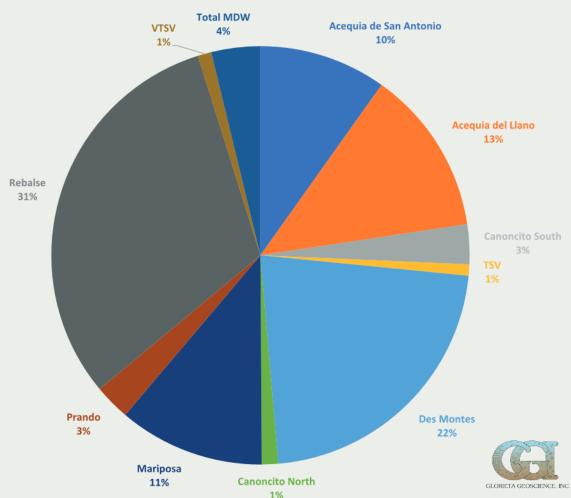
TAOS SKI VALLEY, INC.



What percent are the Ski Resort's water rights and use in the overall Rio Hondo watershed?

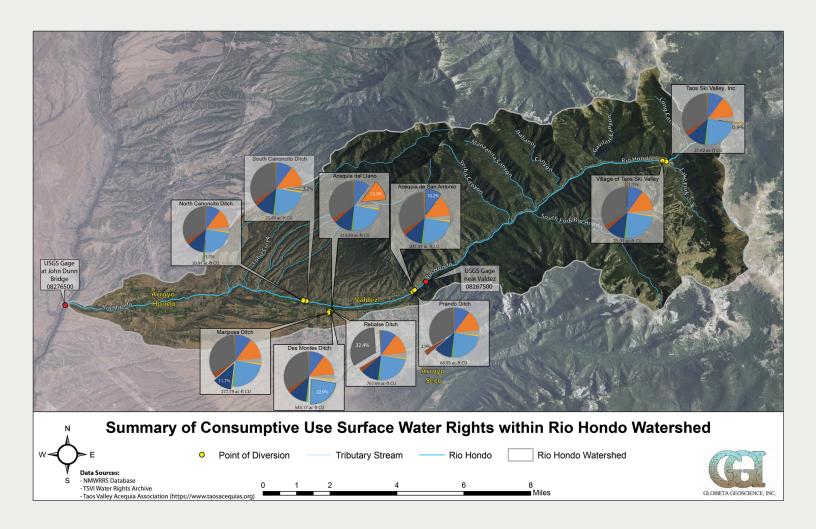
Glorieta Geoscience has performed an initial study of the overall watershed to understand how much water the Ski Resort uses compared to other permitted water users. The Ski Resort's permitted consumptive use is approximately 1% of the permitted consumptive use of other water users in the entire Rio Hondo watershed (not including domestic wells). Please see the charts below, which illustrate the overall consumptive use in the watershed.

SUMMARY OF CONSUMPTIVE USE WATER RIGHTS WITHIN RIO HONDO WATERSHED (NOT INCLUDING DOMESTIC WELLS)



WATER RIGHTS & USAGE FAQ TAOS SKI VALLEY, INC.





How does the Ski Resort report snowmaking water use to ensure it does not exceed the permitted amount?

Water meters are installed at each of the three snowmaking diversion points. The Ski Resort takes pictures of each meter reading on a quarterly basis and reports usage to the State Engineer's Office. The Ski Resort is required to be transparent with this usage, submitting meter readings to the State Engineer's Office quarterly in compliance with our permit conditions. In addition to quarterly reporting, the Ski Resort monitors usage closely on a daily and weekly basis during snowmaking season.

TAOS SKI VALLEY, INC.



Below is a graph showing the annual diversion under the Ski Resort's 200 afy permit over the last 5 years.



Are any chemicals or other substances added to the water to make snow?

No. The Ski Resort does not and will not add any chemicals or substances to the water. Other ski resorts use a product called "Snowmax". This is what has likely prompted this question and assumption in Taos. The Ski Resort does not and will not use Snowmax. Snowmaking in Taos is simply a combination of high-pressure water and air sprayed through a snowmaking gun nozzle during times of freezing temperatures.

Are the Ski Resort's water rights subject to the Abeyta Settlement agreement?

The Ski Resort was not a named party to the Abeyta Settlement.

Is the Ski Resort subject to or interested in participating in water shortage sharing?

Since snowmaking diversions occur in the fall and winter when acequia diversions are at their lowest point, the Ski Resort is not currently part of a shortage-sharing agreement. By making snow in the winter, water is stored on the mountain, and then melts in the spring/summer, increasing the amount of runoff into the stream when acequia diversions are at their highest. The Ski Resort welcomes the opportunity to continue to engage in any water use discussions with all stakeholders to ensure the Ski Resort is a good steward of water rights.

TAOS SKI VALLEY, INC.



What has the Ski Resort done to engage with the community on water stewardship?

Below is a list of some of the actions the Ski Resort has taken to assist with water stewardship in the region:

- Lead organization to help secure \$500,000 in funding for acequia water quality monitoring along the Rio Hondo, \$250,000 in funding for the Taos County Rio Grande cutthroat trout protection work, \$1.5 million for erosion control along Hwy 150 near Valdez, \$500,000 for watershed restoration work on the Rio Lucero, and \$750,000 for Village of Taos Ski Valley water infrastructure repairs.
- Supported the Outstanding National Resource Waters designation for the Rio Hondo in 2022.
- Regular attendance at the Rebalse Ditch Association Annual Meetings, including sending staff volunteers
 to the annual ditch cleaning for the last two years.
- Signatory of The Nature Conservancy's Rio Grande Water Fund.
- · Active member and participant of the Taos Valley Watershed Coalition.
- Presentations, meetings, and site visits related to the Master Development Plan with acequias going back to 2020.

Why is the Ski Resort proposing a 5-million-gallon water storage tank as part of this proposal?

The Ski Resort is proposing a 5-million-gallon water storage tank for more efficient use of snowmaking water and for fire suppression outside of winter. Snowmaking is performed during optimal freezing temperature windows between late October and January. During active snowmaking operations, water is currently diverted at three different stream locations into a pumping station, which is then metered and pumped uphill via a piping network to snowmaking guns throughout the mountain.

The water storage tank would allow a more gradual diversion process from the stream into the tank during snowmaking operations. When temperatures are optimal, water from the tank can supplement water being diverted from the stream. The tank is being proposed at a strategic elevation, where it can both use less energy to make snow at elevations below the tank using gravity-fed pressure, and at the same time push water to existing snowmaking areas on the backside of the mountain. This system would ultimately require less pumping equipment and use less energy.

In addition, the 5-million-gallon water storage will make for an excellent fire suppression system. In the event of a fire coming up the canyon, this water storage tank along with the snowmaking infrastructure and firebreaks throughout the mountain, will be one of the primary defenses for the Village of Taos Ski Valley and Rio Hondo watershed.

The proposed water storage tank will not increase any water rights or increase the average amount of water used under the 200 afy permit. Instead, it will allow the Ski Resort to be more efficient with snowmaking water use.

WATER RIGHTS & USAGE FAQ TAOS SKI VALLEY, INC.



What will the water supply be for the proposed on-mountain restaurant near the top of Lift 7?

As described in the Draft EA, water for drinking and sanitary uses would be provided via a proposed well located adjacent to the restaurant.

In this proposal, a well would be permitted under the New Mexico domestic well statute and limited to a diversion of 1.0 afy for drinking and sanitary uses at the facility. This amount would be sufficient to meet the needs of the proposed facility. A 1.0 afy well would not divert additional water from the Rio Hondo and will stay within permitted quantities.

WATER RIGHTS & USAGE FAQ VILLAGE OF TAOS SKI VALLEY



What were the causes of the water issues related to Village water that occurred this past winter?

Most businesses in the Village of Taos Ski Valley closed for four days beginning on Sunday, April 2 due to a failure in the Village of Taos Ski Valley's municipal water distribution system. Antiquated pipes were leaking and local businesses, including the Ski Resort, didn't have enough water pressure to safely operate critical guest facilities such as bathrooms and food service.

Notwithstanding these infrastructure distribution and piping issues, the Village has an adequate water supply. The damaged pipes create a water distribution issue, not a water supply issue.

Does the Village of Taos Ski Valley have a plan to update the aging infrastructure?

A Village Water Master Plan prepared by Glorieta Geoscience Inc. and Dennis Engineering, Co. has been completed. The Plan was accepted by the Village of Taos Ski Valley Council in December 2021. The plan confirms there is more than adequate water supply for Village residences, businesses, and proposed projects, but there are deficiencies in the water distribution system.

The recommendations in the plan are being implemented. The Ski Resort is providing \$1.5M of funding to assist the Village with the installation of master water meters to monitor and manage the water system. This will allow the Village to avoid the distribution system failures that occurred this winter. An additional \$2.5M of State funding has been secured to address water leakage and replacement of damaged and aging pipes.

Does the Village also have an aging wastewater system?

No. The Village has one of the most modern and technologically advanced wastewater systems in all of New Mexico. This new facility was opened three years ago.

The Village has a USEPA-NPDES permit for discharges from the wastewater treatment plant, requiring rigorous and thorough testing measures.