

2025

# ANNUAL REPORT

The Nature  
Conservancy



Protecting nature. Preserving life.

RIO GRANDE  
**WATER FUND**

A Wildfire and Water Source  
Protection Project



RIO GRANDE RIVER (on cover)  
FORESTED SOURCE WATERSHED © Fauna Creative

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## How We Work

The Rio Grande Water Fund (RGWF) is a long-term wildfire and source water protection project. We work collectively with partners to conduct strategic analysis to identify and implement watershed restoration in priority locations with the highest impact on water security, influence policy, and inspire investment to enable this work at scale. This report provides details of accomplishments in 2025 and is structured around the five RGWF Strategic Pillars.

### RIO GRANDE WATER FUND STRATEGIC PILLARS



**COORDINATE COLLECTIVE ACTION**  
Bring together public and private beneficiaries.



**IMPLEMENT**  
Manage implementation of high-impact projects.



**INFLUENCE**  
Influence policy and decision-makers.



**STRATEGIC ANALYSIS**  
Drive evidence-based strategic priorities.



**INSPIRE INVESTMENT**  
Unlock innovative and long-term investment opportunities.

# A Message of Hope

Dry windy days stress me out—I've noticed our communities collectively hold their breath on red flag days. The plumes of Las Conchas and Hermits Peak/Calf Canyon loom in our memories. Our forests, water supplies, and communities are not resilient to a wall of flames.

But we have a vision where red flag days will no longer threaten us. One where frequent low-intensity fire plays the keystone ecological role that it's played in our forests since time immemorial—keeping fuels from accumulating, creating opportunities for regrowth and renewal, and building resilience, so when the inevitable fire starts on a red flag day it won't lead to catastrophe.

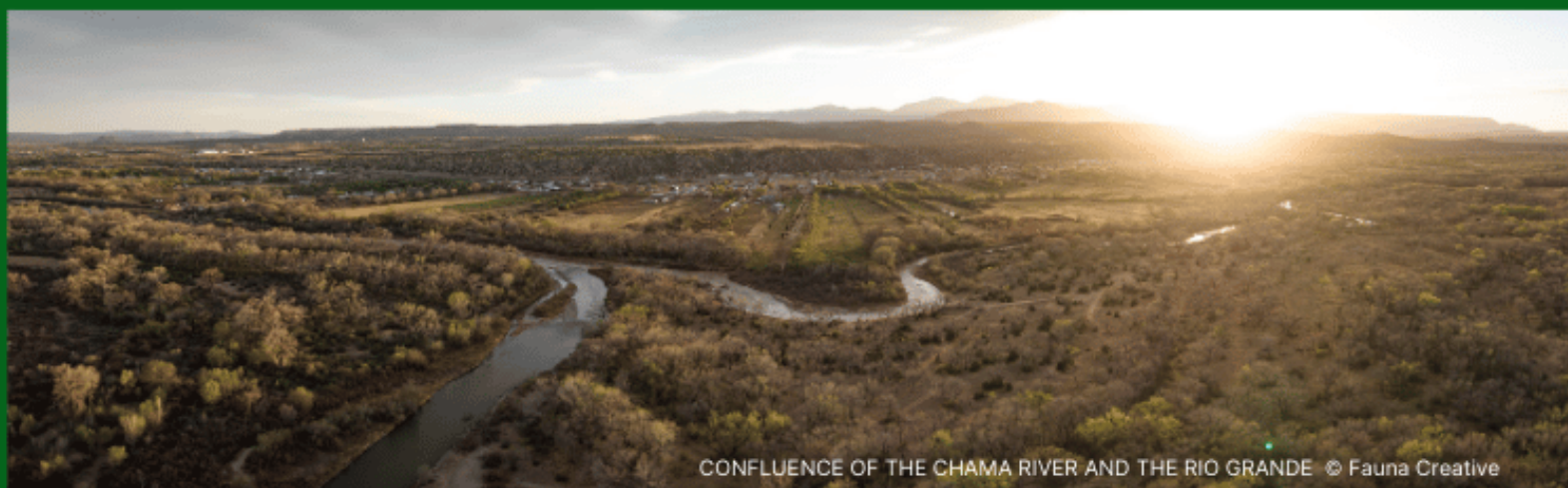
The Nature Conservancy (TNC) envisions a future with a livable climate, healthy communities, and thriving nature. To make this vision a reality, our work is focused on addressing the two interconnected crises of climate change and biodiversity loss. We address these crises through three global priorities: tackling climate change, protecting ocean, land and freshwater, and stewarding land so it continues to provide food and water.

We are proud to partner with the over 100 signatories of the Rio Grande Water Fund's charter to protect critical water supplies for our region. We won't stop until our communities and water supplies are resilient to wildfire. We are proud of how our land managers, water users, sovereign nations, business community, and government agencies in New Mexico and Colorado have come together to collaboratively address the wildfire crisis head on. We have done this by following ecological science and traditional ecological knowledge, supporting economic development through restoration and recreation in our rural communities, and engaging across differences to find the pragmatic path towards our shared goals.

The Rio Grande Water Fund gives me hope. It demonstrates that we can overcome cultural, political, and administrative inertia to direct our resources to the highest and best use, that we can work together to solve the biggest challenges facing New Mexico, and that we can succeed in changing our future.

With gratitude for your role in protecting our water sources and the natural areas and working lands that sustain us all,

Steve Bassett  
Director of Conservation Programs  
The Nature Conservancy in New Mexico



CONFLUENCE OF THE CHAMA RIVER AND THE RIO GRANDE © Fauna Creative

# Coordinate Collective Action

*Bringing together public and private beneficiaries*

## A Plan for Wildfire in the San Juan-Chama Project Headwaters

As wildfire severity and frequency have increased in recent decades, so has concern for risk to source watersheds. As the RGWF focuses on restoring wildfire resiliency in the upper Rio Grande source watersheds to secure water supplies for over one million people in New Mexico, one area is most at risk: the headwaters of the San Juan-Chama Project (SJCP). Built and maintained by the Bureau of Reclamation, the SJCP diverts water from the San Juan River Basin to meet downstream water demands of Albuquerque, Jicarilla Apache Nation, Santa Fe, and [more](#).

In 2025, the Bureau of Reclamation contracted with The Nature Conservancy to develop a plan for wildfire in the SJCP watersheds. This planning effort relies on a 2025 quantitative wildfire risk assessment (QWRA) (see page 11). The “Plan for Wildfire in the San Juan-Chama Project Headwaters” will be completed by the end of 2026.

The plan is structured in three sections:

1. The pre-fire risk mitigation section focuses on lowering the intensity and scale of wildfire before it happens.
2. The immediate fire response section of the plan, led by the Forest Stewards Guild (Guild), identifies potential gaps in existing response plans and ways to ensure firefighters are prepared to safely and effectively respond to fire in this specific landscape.
3. The post-fire rehabilitation section covers measures that can be implemented to minimize impacts of post-fire hazards such as flooding, erosion, and debris flow.

We are grateful to the collective action of over 50 individuals and more than 20 partners who have poured their time and efforts into this regional risk mitigations planning project.

## Fire for Water

The RGWF is an integral component of TNC New Mexico’s Forest and Fire Program. 2025 was a big year for RGWF collaborations, bringing a range of engagements with partners. One of the 2025 RGWF-sponsored collaborations was the second annual Stewards of the Southwest Summit held on the lands of the Mescalero Apache Tribe. This Tribally led event gathered over 200 participants, including leaders from 14 Pueblos and Tribal Nations, 16 NGOs, non-Tribal government agencies, and representatives of the Indigenous Guardians Network. The summit celebrated Tribal sovereignty, Tribal leadership, and Indigenous-led land stewardship by creating collaborative spaces through facilitation and talks given by members of the New Mexico Tribal Fire and Forestry Working Group, as well as guests.



The RGWF also supported the second annual Black Lake collaborative burn. Led by the All Hands All Lands Burn Network (AHAL), a partnership facilitated by TNC New Mexico and the Guild, the Black Lake Burn brought together over 50 participants from 12 organizations to bring low-intensity fire back to 370 acres of state-owned forestland. The AHAL network supported more than 3,000 acres of forestland treated with prescribed fire in 2025.

Finally, the RGWF continued its collaboration with TNC's Resilient Watersheds strategy as a flagship program. We participated in two webinars, with one showcasing our innovative governance structure and operations, and another highlighting our use of fire to support watershed health and security.

## A Confluence of Water Funds

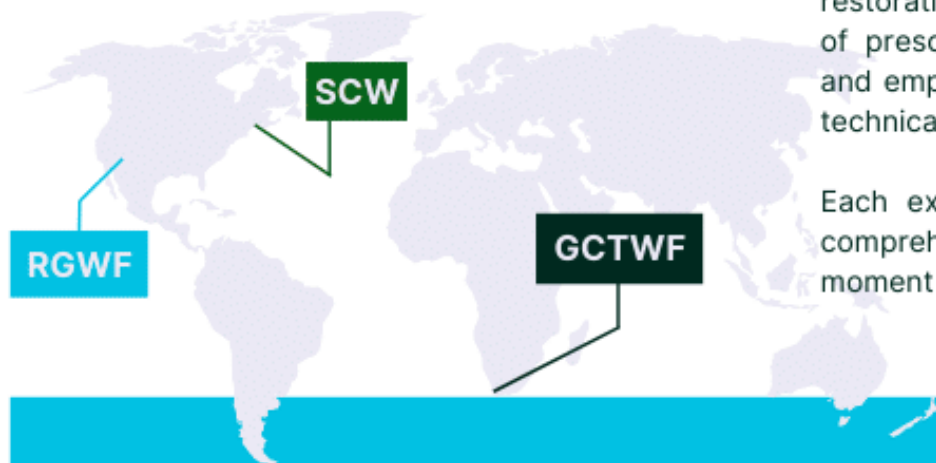
In 2025, funding from Danaher Foundation brought RGWF staff from New Mexico to visit with colleagues and partners leading both the Sebago Clean Waters in Maine and the Greater Cape Town Water Fund in South Africa through the TNC global Resilient Watersheds strategy. The exchanges served to share knowledge, experience, and inspiration for water protection through forest and freshwater conservation and restoration.

In Maine, we witnessed and learned from highly successful collective collaboration and strong strategic communication. Through partnership events and meetings, tours and talks with their

utility partners, and intensive learning all packed into five days, the RGWF team traveled home inspired and with fresh perspectives on how to tackle our goals.

In Cape Town, again, the team packed in a lot in a few short days with our TNC colleagues, soaking up and imparting as much experience as we could exchange in a short window. Visiting the Greater Cape Town Water Fund (GCTWF) was like coming full circle—returning a visit the fund founder made nearly a decade ago ahead of its creation. With ten years of the RGWF and five years just reached for the GCTWF, we had much to deep dive on. The similarities in restoration efforts to protect source water, use of prescribed fire, large implementation goals, and emphasis on collective action made for rich technical sessions together.

Each exchange was incredibly immersive and comprehensive, offering a unique learning moment for all teams.



# Implement

*Managing implementation of high-impact projects*

Forest resilience work in the SJCP source watersheds supports local lives, economies, property, and wildlife. **Forest restoration is more than a forest management practice—it is an investment in the future of our water supply.**

The RGWF directly implements projects and supports partners and programs to increase on-the-ground capacity and agency in this prioritized landscape and throughout NM. The RGWF has identified a need to restore a total of 15,000 forested acres in these three San Juan River watersheds to create a landscape scale impact on wildfire severity and risk reduction.



## Public Funds for Public Good

The RGWF is fortunate to have sustained long-term public support of source water protection. As part of our payment for ecosystem services work within the RGWF program, implementation projects in upland forested source watersheds are funded by water users downstream.

In 2025 we contracted a sub-award to plan and execute multi-year projects in partnership with Chama Peak Land Alliance (CPLA), funded by both Middle Rio Grande Conservancy District (MRGCD) and Albuquerque Bernalillo County Water Utility Authority (ABCWUA). The RGWF has worked in strong partnership with CPLA for over a decade and are pleased to continue working with this RGWF signatory. Two out of the three planned implementation projects for 2025 were completed before snow arrived to press pause until spring, resulting in over 50 acres of high priority upland forest treatment at a cost of \$1,962 per acre.



**While these restoration projects reduce fire risk, they also support overall ecosystem health, improved wildlife habitat, and in the case of one site, advancing science.** A 13-acre site, thinned in 2025, had an additional benefit of supporting groundbreaking snow research. Through a collaborative study led by a Ph.D. student at the University of New Mexico, the site was being used by researchers to track snow accumulation, melt patterns, and soil moisture. After thinning, they are now comparing pre- and post-treatment conditions, producing clear evidence of its impact.

These insights will better inform our collective work and best management practices for increased water storage.

## Scaling Impact: Community Wildfire Defense Grant

In addition to the sustained support from water users and downstream communities, the RGWF applied for and received a \$9.8M Community Wildfire Defense Grant (CWDG) from the U.S. Forest Service and the Colorado State Forest Service, also focused on implementing forest restoration projects in the SJCP headwaters, to mitigate wildfire risk to communities and water supply infrastructure. In the first year of this award, we laid out and bid out just over 800 acres of mixed conifer thinning and oak mastication treatments to be implemented on private land for spring 2026 at \$1,269/acre,

leaving over \$6.5M for projects with the CWDG award to be completed by 2029.

Scaling up implementation has presented new challenges and requires new approaches, such as tighter matchmaking between available funding and appropriate projects for those funds and increasing forester capacity for the region. **Over the next five years, we plan to increase the pace and scale of work on both private and public lands, and for this to succeed, strategic matchmaking between implementation and funding will be critical.**

# Influence

*Influencing policy and decision-makers.*

Realizing forest restoration outcomes on the ground takes many types of effort, and the RGWF participated in several policy-focused engagements this year to build support for restoration activities in the years to come. This work is critical to advancing our strategic pillar of positively influencing the enabling conditions that support our collective goals.

## Policy in Focus

Over the past year, TNC has engaged in a variety of advocacy efforts including working with our congressional delegation to protect public lands, support conservation programs in the appropriations process, and working with federal and state agency partners to implement projects that increase water security for communities throughout the state. We started 2026 off with a 30-day state budget session where we made headway on securing additional funding for key conservation programs that invest in forest management, land protection, riparian restoration, and voluntary tools for securing in-stream flows. Advances this session in tandem with continued federal work will support the Rio Grande Water Fund by providing resources for forest and watershed restoration throughout the Rio Grande Basin.



CONGRESSIONAL TOUR © Erica Andersen

## Seeing the Forest for the Water: Catchment Tours

The RGWF was fortunate to participate in two partner-led initiatives to bring policymakers and their staff to the SJCP source watersheds. The first meeting, led by the 2-3-2 Cohesive Strategy Partnership, brought federal legislative staff to visit the Rio Blanco Diversion alongside the many partners who make regional wildfire risk reduction and ecological restoration happen. Similarly, the New Mexico State Forestry Division and Bureau of Reclamation hosted a legislative tour of forest restoration projects and the SJCP infrastructure.

These projects are critical for sustaining water supplies and we're grateful for the interest and leadership of our delegation and their staff—for the opportunity afforded community leaders to share the important work underway and identified future needs. Both events were celebrations of accomplishments and an opportunity for policymakers to witness why continued restoration investments are critical.

# Strategic Analysis

Driving evidence-based strategic priorities

As mentioned throughout this report, the SJCP source watersheds are the current RGWF landscape focal area. Within this high ROI landscape there is still a need for prioritization and optimization of implementation projects. As such, we continue to conduct analysis in a variety of ways to ensure resources are utilized optimally including incorporating partner data and tracking as well.

The high value of these watersheds comes from both the high supply of runoff and the high number of beneficiaries per drop of that runoff. Annual deliveries of SJCP water sustain irrigated fields, endangered fish, and drinking water supplies.

“

*The San Juan – Chama Project is such an important source of water for the Middle Rio Grande valley. It has filled in the gap for farmers, for fish, and for the cities of Albuquerque and Santa Fe, providing a more stable supply for the cities. Even with the recent shortage years, it really helps the valley. Reclamation realized, however, that a wildfire in the headwaters could impact our ability to divert for long periods, so we began working to reduce the chance and hopefully the severity of potential wildfires.*

**Carolyn Donnelly, Bureau of Reclamation Water Operations Manager**

”

In 1971, the SJCP project deliveries kicked off with a partial allocation in June of 20,900 acre-feet. The usual full annual allocation to contractors (water recipients) in the Rio Grande Basin is 96,200 acre-feet per year, or enough to fill 47,500 Olympic-sized pools. The total average yearly allocation for the length of the project (not counting the first half year) has been 92,942 acre-feet. Reclamation had not missed a full year's allocation in the lifespan of the Project until 2013.

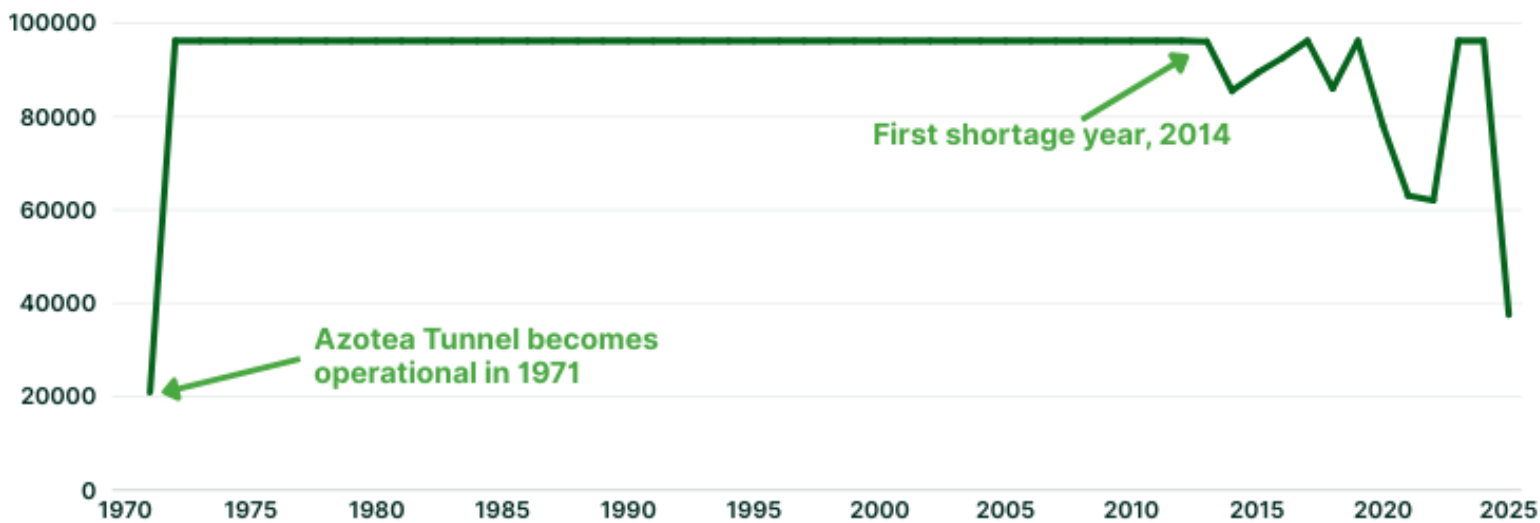


SJCP INFRASTRUCTURE AT HIGH FLOW © Erica Andersen

Since 2013, Reclamation has only been able to make four full allocations and the yearly average for those years has been 82,666 acre-feet (an 11% decrease from total historical averages). 2025 was the worst year in history at only 37,500 acre-feet (a 60% decrease from total historical averages).

In the past ten years, the project can usually get by with fluctuations—having a low allocation year followed by a somewhat sufficient allocation year and so on. The decreasing allocations only further emphasize the need to protect our currently available water supplies. Lower allocations also emphasize the need for better science and improved efficiency of our water supply.

### SJCP Water Annual Allocations (Acre-Feet Per Year)



### Optimizing Outcomes

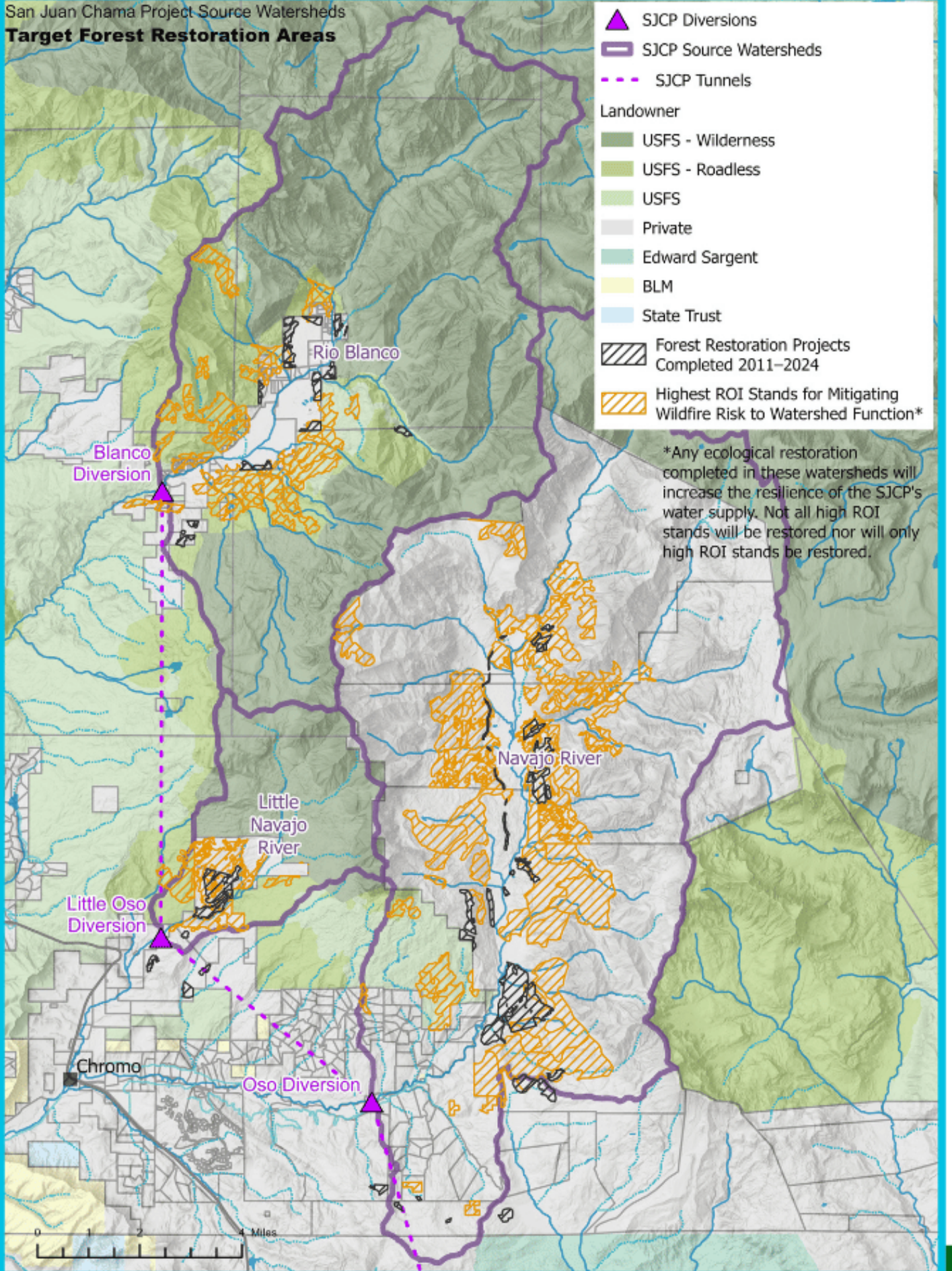
Focusing investments in the highest ROI locations will allow us to do more with available resources. With funding from the Bureau of Reclamation, we’re mapping the highest ROI investments in wildfire risk reduction in the SJCP source watersheds. Through collaboration and consultation with two dozen agencies and organizations, including private landowners, Forest Service and Reclamation personnel, NGOs, and private industry, a risk assessment was completed by overlaying valued resources and assets with wildfire and post-fire hazard data to identify the places where following a fire, losses would be greatest. The standard risk assessment process was modified to account for the upstream and downstream connections between hazards like post-fire flooding, the source areas that produce floods when burned, and the downstream infrastructure that would be damaged by those floods.

By combining the risk data with data characterizing the cost of treatments, a cost-benefit analysis spotlights high ROI locations for investment in risk mitigation (map on page 11). In coordination with fire responders, and land managers, these high ROI actions will be integrated into cohesive risk mitigation strategies encompassing resilience and restoration interventions that will decrease risk to these critical watersheds.

San Juan Chama Project Source Watersheds  
**Target Forest Restoration Areas**

-  SJCP Diversions
-  SJCP Source Watersheds
-  SJCP Tunnels
- Landowner
-  USFS - Wilderness
-  USFS - Roadless
-  USFS
-  Private
-  Edward Sargent
-  BLM
-  State Trust
-  Forest Restoration Projects Completed 2011–2024
-  Highest ROI Stands for Mitigating Wildfire Risk to Watershed Function\*

\*Any ecological restoration completed in these watersheds will increase the resilience of the SJCP's water supply. Not all high ROI stands will be restored nor will only high ROI stands be restored.



# Inspire Investment

*Unlocking innovative and long-term investment opportunities*

**The connection between the steady and flexible funding from water users to increase overall funding for watershed resilience through larger projects is absolute.**

The work conducted by the RGWF leads to tangible reductions in wildfire risk and an increase in landscape scale resilience. The business case for investing in the source water protection and risk reduction work that the RGWF conducts and supports is strong.

As the highest ROIs are identified, and the forest industry capacity for implementation comes online, the pipeline for projects will be limited solely by funding for planning and clearance, coordination, and maintenance. Baseline funding from water users for program administration allows the RGWF to pursue bigger funds for direct work on the ground, exemplified by the large CWDC award highlighted under the section titled “Scaling Impact: Community Wildfire Defense Grant” on page 7.

As we chart out our path towards full resilience in the SJCP headwaters over the next decade, inspiring investment in the first-entry treatments will transition to inspiring sustained investment in the program’s long-term maintenance of treatments through controlled burning and re-treatment.

After the first decade of success guided by the initial RGWF strategic framework, we are transitioning to reflect the new operating model and business case that has evolved through the guidance and support of signatories, funders, and land managers. We are grateful for the continued underpinning of our shared goals and look forward to working with you during this exciting planning process.



RIO GRANDE IN ALBUQUERQUE © Fauna Creative



NAVAJO RIVER IN SJCP SOURCE WATERSHED © Fauna Creative

## Rio Grande Water Fund Video Release

Last year TNC worked on a fresh video to highlight the importance of the RGWF and especially our priority landscape, the San Juan-Chama Project source watersheds. The creative team gathered insight and interviews from Reyna Banteah, proud member of the Pueblo of Zuni and the founder of Ts'uyya Farm; Mark Kelly, ABCWUA Water Resources Division Manager; Tim Haarmann, Banded Peak Ranch Manager; and AJ Jones, TNC NM Forest and Watershed Health Manager and RGWF team lead.



**Reyna Banteah**

Ts'uyya Farm



**Mark Kelly**

Water Resources  
Division Mgr



**Tim Haarmann**

Ranch Manager



**AJ Jones**

Forest & Watershed  
Health Mgr

Together they share the 300-mile journey of our water supply and drive home why this landscape is so important for New Mexicans. Projects like these live on to tell the story of our shared work in a short but impactful format to reach and influence new audiences to join in support. We hope you will continue to share it.

# Where to watch it

Visit [nature.org/riogrande](https://nature.org/riogrande)  
or scan the QR code to  
see the video.



# RGWF Charter Signatories



Our 2025 accomplishments would not be possible without your investment. We thank you for your continued support of the Rio Grande Water Fund.

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