

CAGRD Long-Term Storage Credit Transfer Policy

WHEREAS, CAGRD from time to time receives requests from parties that own Long -Term Storage Credits ("credits") seeking to transfer a number of their credits for credits held by CAGRD stored in different locations within the same active management area that are more preferable to those parties; and

WHEREAS, CAGRD will, at its discretion, consider participation in a requested credit transfer to the extent it is not to the detriment of CAGRD and its members; and

WHEREAS, CAGRD has the authority to participate in credit transfers and establish policies governing such activities under A.R.S. 48-3772(B)(3) and 3773(A)(1), (2);

THEREFORE, it is the policy of CAGRD that any transfer of credits shall:

1. Ensure that the CAGRD and CAGRD members are receiving at least equal benefit from the transfer relative to the other entity; and
2. Create a regional water management benefit associated with completion of the transfer; and
3. Only be executed with parties who have ownership of the credits within their long -term storage account at the time of the transfer