



## **Procedure for Distributing CAP Excess Water and Turn-Back Water for the Period of 2020 – 2024**

### A. Definitions:

1. "Agricultural Settlement Pool" means the pool of CAP Excess Water created by and subject to the "CAWCD Policy for Marketing of Excess Water for Non-Indian Agriculture Use – 2004 through 2030", dated May 18, 2000.
2. "CAP Excess Water" means all Project Water that is in excess of the amounts used, resold, or exchanged pursuant to Long-term Contracts.
3. "Long-term Contract" means a contract or subcontract for the delivery of Project Water having a term that extends to 2043 or beyond and any contract or subcontract resulting from the transfer, assignment or lease of such contract or subcontract, or part thereof, or of a Project Water entitlement thereunder.
4. "Long-term Contractor" means a federal or non-federal party holding a Long-term Contract.
5. "Other Excess Water" means, in a given year, any remaining CAP Excess Water after fully satisfying the Agricultural Settlement Pool.
6. "Statutory Firming Pool" means a pool of Other Excess Water created by the CAWCD Board pursuant to this policy for use by the AWBA (for intrastate AWBA purposes), Reclamation (for Indian firming) and the CAGRDR (for replenishment reserve purposes).
7. "Supplemental Firming Pool" means a pool of Other Excess Water created by the CAWCD Board pursuant to this policy for use by Long-term Contractors holding NIA priority supplies.
8. "Turn-back Water" means water that a long-term contractor, or other CAP contractor, has included in its annual schedule, but determines, within the year, that it does not need.
9. "Unexpected Supply Availability" means, in a given year, an unanticipated and significantly larger available CAP supply than what was projected in the Annual Operating Plan the previous fall, resulting from climatic conditions within the year.

### B. In developing the Annual Operating Plan each year for 2020 through and including 2024, CAWCD will distribute CAP Excess Water as follows:

1. CAWCD shall first use available CAP Excess Water to fully satisfy the Agricultural Settlement Pool. Any remaining CAP Excess Water is "Other Excess."
2. CAWCD will then use Other Excess Water to satisfy commitments associated with the Water Availability Status Contract with the City of Scottsdale, not to exceed 2,910 acre-feet.
3. CAWCD will then use Other Excess Water to satisfy the difference, if any, between the most recent year of reported CAGRDR replenishment obligation, and the volume of renewable supplies available for replenishment (excluding LTSCs), up to a limit of 10,000 acre-feet per year.
4. The CAWCD Board will further make an annual decision whether to make additional Other Excess Water available to the Statutory Firming Pool. If the CAWCD Board decides to make Other Excess Water available to the Statutory Firming Pool, it will be apportioned among the AWBA, Reclamation and the CAGRDR based on an annual coordination meeting among the three organizations.



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5. The CAWCD Board may further establish a Supplemental Firming Pool, comprised of any Other Excess available after satisfying the Statutory Firming Pool. This pool will be made available at the same charge and on the same terms to federal and non-federal Long-term Contractors holding NIA priority supplies on a proportional basis until all orders are satisfied or the available supply is fully subscribed.

C. CAWCD will distribute Turn-back Water as follows:

1. In any year when the available CAP supply is insufficient to satisfy the schedules of Long-term Contractors, CAWCD will use its best efforts to manage Turn-back Water in a way that facilitates equity among shorted Long-term Contractors. If remarketing of Turn-back Water would create inequity among shorted Long-term Contractors because of timing (i.e., late in the year when some Long-term Contractors have already made alternate plans and/or cannot take advantage of the availability of Turn-back water in that year), CAWCD may exercise its discretion to not distribute the Turn-back Water in that year, but will, if timing permits, incorporate it into the determination of the available Project Water supply in the following year.
2. In any year when the available CAP supply is sufficient to satisfy the schedules of Long-term Contractors, CAP shall continue the current business practice of using CAP priorities and this policy to guide the disposition of Turn-back Water.
3. In the event that intra-year conditions may result in Unexpected Supply Availability, CAP Staff will regularly update the Board and stakeholders on the disposition and operational decisions related to that supply.