

**CAWCD PROCEDURE TO DISTRIBUTE
EXCESS WATER
IN 2010 THROUGH 2014
Adopted June 4, 2009**

Staff have worked with stakeholders to develop procedures that balance competing interests for the limited supply of Excess CAP water. The outcome of this "Access to Excess" process is a Staff Proposal that relies, where possible, on consensus among the stakeholders.

From the total available Excess supply, the Agricultural Settlement Pool is filled first, and is not subject to "Access to Excess" provisions. The Staff Proposal then creates four separate pools, in effect for a five year period (2010 through 2014). The pools are: AWBA & CAGRDR Replenishment Reserve; CAGRDR Annual Replenishment; Municipal; Industrial & Other.

The AWBA and CAGRDR Replenishment Reserve share a pool of a fixed volume of 175,000 acre-feet (AWBA/RR pool). Allocation within this pool is set as part of the existing annual AWBA-CAWCD coordination and public meetings. AWBA may use the water for any authorized purpose.

The pool established for the CAGRDR's annual replenishment is capped at 35,000 acre-feet. The remaining volume is split evenly between a Municipal pool and an Industrial & Other pool. Water not used by the AWBA or CAGRDR in either of their pools is split between the Municipal pool and the Industrial & Other pool.

The Municipal Pool is for public & private water providers. Access within the pool incorporates two different approaches: historic use, and equal shares. Historic use is based on each provider's maximum use (Incentive plus Full Cost Excess) between 2005 and 2009. In the first year (2010), historic use is the primary allocation mechanism (90%), with a small volume (10%) apportioned equally. By the fifth year (2014), the two approaches have equal weighting.

The Industrial & Other pool is open to all other users, but is broken into two tiers—Industrial Tier (direct use or users storing water for a specific project) and Remarketer Tier (users storing water for future credit resale). All of the orders for the Industrial Tier users will be filled before allocating and filling orders for the Remarketer Tier. Access within the pool is based on a three year rolling average of actual water deliveries for each entity. Small users (orders less than 1,000 acre feet/year) will receive their full order as long as that order is not greater than in the previous three years.