

**NORTHERN COLORADO WATER CONSERVANCY DISTRICT
AMENDED RESOLUTION
D-1240-09-14**

DROUGHT AND EMERGENCY POLICY

WHEREAS, the Northern Colorado Water Conservancy District (Northern Water) is implementing various water management programs, such as the fixed quota program, which necessitate review of the Northern Water's policies regarding drought management; and

WHEREAS, the fixed quota rule provides that the Board of Directors (Board) may reduce deliveries under a fixed quota in the event of a drought or other emergency, and this policy is for the purpose of providing guidance with regard to drought and emergency events which would trigger the rule's provision on curtailment; and

WHEREAS, during the historic operation of the Colorado-Big Thompson (C-BT) Project, experience has shown the need to reduce the deliveries of a 70 percent fixed quota in 2003 and in 2013. Similar droughts such as occurred in the 1930s, the equivalent of a 1-in-100 year drought, would require reductions of delivery of both the fixed and variable quotas. Under such circumstances, the fixed quota deliveries have been reduced and, in the future, will be reduced in relationship to the variable quota as specified herein; and

WHEREAS, the desired variable quota (Desired Quota) will be determined by the Board, in accordance with its standard practice, which involves an analysis of the supplemental water needs of the C-BT beneficiaries. This analysis will consider the existing snowpack and soil moisture conditions, predicted runoff, precipitation within the Northern Water boundaries, usable water in storage in local reservoirs, and other available base water supplies within the Northern Water boundaries, among other factors; and

WHEREAS, once the Board has determined the Desired Quota that it would declare under normal circumstances, it will then determine whether storage conditions and the available water supplies within the C-BT Project are adequate to meet the Desired Quota, or whether an operational constraint exists within the C-BT Project that would result in the inability to deliver the Desired Quota. Upon a finding by the Board that adequate stored water supplies are not available within the C-BT Project to fully supply the Desired Quota as determined by the Board, or that an operational constraint exists, the Board will then declare a quota (hereinafter referred to as the "Declared Quota") that it determines it can fulfill by the then available water supplies within the C-BT Project, and will then curtail deliveries to Fixed Quota allotment contract holders as specified herein.

NOW, THEREFORE IT IS RESOLVED as follows:

Policy

In times when the storage available within the C-BT Project is insufficient to allow the Board to declare the Desired Quota the Board determines is needed to meet the supplemental water supply needs within the Northern Water boundaries, the Board shall

determine a Declared Quota, for which there are and will be sufficient existing and forecasted water supplies to meet the Declared Quota deliveries. Reductions in quota deliveries, as represented by the difference between the Desired Quota and the Declared Quota, will be shared among all classes of users, regardless of quota program, based on ownership of C-BT allotments. Fixed Quota program allottees will be curtailed in a proportionate amount to the variable quota program allottees as described below.

Implementation

The curtailment to the two quota programs will be as follows:

Following the declaration of the initial variable quota by the Board, water which becomes available on November 1 of any water year, the water quota available under both the variable and Fixed Quota Program shall be equal to the initial variable quota declared. Following the consideration of a supplemental quota during the April Board meeting, the Fixed Quota Program Participants shall receive a 70 percent Fixed Quota unless the Board determines, for reason of drought or other emergency in accordance with this policy, that the Declared Quota must be less than the Desired Quota, in which event the modified quota made available to the Fixed Quota Program Participants shall be adjusted in accordance with this policy as described below.

In the case of a drought or an emergency, the difference between the Desired Quota and the Declared Quota, as determined by the Northern Water Board of Directors during the April Board Meeting, will provide the basis of the reduction imposed on the Fixed Quota Program Participants. For each 1 percent difference between the Desired Quota and the Declared Quota, the 70 percent Fixed Quota for those allotment contract units enrolled in the Fixed Quota Program will be reduced by 0.4 percent. In such circumstances when there are insufficient supplies to meet the Desired Quota, and the Declared Quota is less than 50 percent, the Declared Quota and the Fixed Quota shall be equal. Please see Table 1 below for the applicable reductions in the Fixed Quota.

Should the Board, subsequent to the April Board Meeting in any water year, declare a supplemental quota, and the resulting total Declared Quota remains less than the Desired Quota, the quota available to the Fixed Quota Program Participants shall be adjusted upward using the criteria noted immediately above. If, in the event the Board at or subsequent to the April Board Meeting makes modifications to the Desired Quota, the Declared Quota, or both, that results in any reduction in the quota already calculated to be available to Fixed Quota Program Participants in accordance with this policy, no further reduction in the quota made available to the Fixed Quota Program Participants shall be made.

TABLE 1. REDUCTIONS IN FIXED QUOTA DELIVERIES

Condition	Desired Variable Quota	Declared Variable Quota by Board	Adjusted Fixed Quota by Board
Non-Limited Supply	100%	100%	70%
Limited Supply		90%	66%
		80%	62%
		70%	58%
		60%	54%
		50%	50%
		Less than 50%	Equals Declared Var. Quota
Non-Limited Supply	90%	90%	70%
Limited Supply		80%	66%
		70%	62%
		60%	58%
		50%	54%
		Less than 50%	Equals Declared Var. Quota
Non-Limited Supply	80%	80%	70%
Limited Supply		70%	66%
		60%	62%
		50%	58%
		Less than 50%	Equals Declared Var. Quota
Non-Limited Supply	70%	70%	70%
Limited Supply		60%	66%
		50%	62%
		Less than 50%	Equals Declared Var. Quota
Non-Limited Supply	60%	60%	70%
Limited Supply		50%	66%
		Less than 50%	Equals Declared Var. Quota
Non-Limited Supply	50%	50%	70%
Limited Supply		Less than 50%	Equals Declared Var. Quota

EXAMPLE

Desired Quota = 80%

Declared Quota = 50%

Difference between Desired Quota and Declared Quota = 30%

Reduction in Fixed Quota = $30 \times .4 = 12\%$ Fixed Quota = $70\% - 12\% = 58\%$

Other than a prolonged drought, the other emergency circumstance contemplated in the rule is a physical outage of the C-BT system preventing delivery of water. Other emergency circumstances may occur.

CERTIFICATE

I, Eric W. Wilkinson, do hereby certify that the above is a true and correct copy of an Amended Resolution unanimously adopted by the Board of Directors of Northern Colorado Water Conservancy District at a regular meeting of said Board held in Berthoud, Colorado, on October 2, 2014.


Secretary