

# Regional Pool Program Rule

## NORTHERN COLORADO WATER CONSERVANCY DISTRICT

October 2005

### I. Purpose

The Regional Pool Program (RPP) authorizes the Northern Colorado Water Conservancy District (District) Board of Directors (Board) in certain water years the ability to designate Colorado-Big Thompson Project (Project) water supplies allocated in a given water year, but not delivered, to be leased to water users within the District during the subsequent water year.

The purpose of the RPP is to provide owners of Project allotment contracts greater flexibility in the management of their water supplies and potential users of Project water supplies greater certainty in meeting their needs for supplemental water.

### II. Authority

The Board has sole discretion and authority to allocate Project water in accordance with the “Contract between the United States and the Northern Colorado Water Conservancy District Providing for the Construction of the Colorado-Big Thompson Project, Colorado” (dated July 5, 1938), and the Colorado Water Conservancy Act, C.R.S. §§ 37-45-101 et seq.

### III. Definitions

Account Entity (or AE) – A term used by the District to define one or more Project allottees that certify their Project water to the same quota account.

Allocation Threshold – A target for total unallocated water in Project storage (or in storage in any other reservoir in which the District is authorized to store Project water). For the purposes of the RPP the Allocation Threshold is initially defined as 200,000 acre-feet and may be modified by a resolution duly adopted at any regular Board meeting.

Allocated Water – For the purpose of the RPP, Allocated Water is the sum total of the amount of: 1) Windy Gap Project water in the Project on November 15 of the water year in which the Board is considering allocating water from the Regional Pool, 2) Project Replacement water stored in the Project on November 15 of the water year in which the Board is considering allocating water from the Regional Pool, 3) Project water allocated via the initial quota declaration as of November 15 of the water year in which the Board is considering allocating water from the Regional Pool, plus all Carryover water (both eligible and certified) stored within the Project at the time the Board is considering allocating water from the Regional Pool.

Annual Regional Pool Allocation Limitation – An annual limitation as to the amount of Regional Pool water that can be allocated by the Board in any given water year. Although the annual allocation is limited, the Regional Pool will form each year and without limitation. The Annual Regional Pool Allocation Limitation is initially defined as 62,000 acre-feet and may be modified by a resolution duly adopted at any regular Board meeting.

Regional Pool – An amount of water residing within the Project in a given water year and accounted for by the District. The Regional Pool is supplied by Project quota water allocated the previous water year but: 1) not utilized by an AE, 2) not transferred to another AE, or 3) not certified via the District’s Annual Carryover Program.

Unallocated Water – For the purpose of the RPP, Unallocated Water is the sum total of active water stored in Granby Reservoir, Horsetooth Reservoir, and Carter Lake Reservoir (and in storage in any other reservoir in which the District is authorized to store Project water) as of November 15 of the water year in which the Board is considering allocating water from the Regional Pool minus all allocated water as defined in this Rule.

#### IV. Current Leasing Program

The District’s current annual leasing program allows an AE to lease all, or a portion, of its unneeded Project water allocation to other water users during that current water year for authorized beneficial use anywhere within the District. The current leasing program will continue, subject to existing District criteria.

#### V. Regional Pool Program Description

- A. Regional Pool Formation. All water exceeding the defined capacity of an AE’s individual carryover account as of November 1 of each water year will be volumetrically reduced by ten percent (10%) and accounted to the Regional Pool. In addition, all carryover water available to an AE, but not certified upon the close of the carryover certification period, will also be accounted to the Regional Pool. The District will maintain a Regional Pool accounting system that will identify each AE that contributed water to the Regional Pool and the amount contributed.
- B. Allocation from the Regional Pool. During the period between January 1 and September 15 the Board will monitor unallocated water in the Project relative to the allocation threshold and determine the quantity of water that may be made available for lease from the Regional Pool in accordance with the following guidelines:
  - (i). If the amount of unallocated water in the Project is less than the allocation threshold, none of the Regional Pool may be allocated by the Board;
  - (ii). If the amount of unallocated water in the Project is greater than the allocation threshold then all, or a portion, of the Regional Pool may be allocated by the Board. In this instance, the amount of water allocated from the Regional Pool may not exceed the lesser of: 1) the amount of unallocated water in the Project minus the allocation threshold, 2) the amount presently accounted in the Regional Pool, or 3) the annual Regional Pool allocation limitation minus the sum total of water previously allocated from the Regional Pool in the current water year.
- C. Competitive Leasing. If, and when, the Board allocates water from the Regional Pool, the District will administer a program under which potential water users will have the opportunity to lease water from the Regional Pool on a competitive bid basis (i.e. water will be leased to the highest bidder or bidders). The Board reserves its discretion to define a minimum bid price on all water leased from the Regional Pool.

## VI. Eligibility

To be eligible to lease Project water from the Regional Pool, the water user: 1) must have an authorized beneficial use for Regional Pool water within the District; and 2) if an AE, must have fully exercised its option by signing up and paying for any and all carryover water available from the previous water year, and the AE must not have contributed water to the same Regional Pool.

An AE that leases Regional Pool water is responsible for the internal accounting and administration of any such water. The District may require all water users leasing water from the Regional Pool to provide an accounting of the actual use of such water. Any non-AE that leases water from the Regional Pool will be responsible for arrangements necessary to take physical delivery of Regional Pool water.

## VII. Use

Project water leased and delivered from the Regional Pool must be placed to an authorized beneficial use within the water year it was leased from the Regional Pool. Upon Regional Pool allocation the Board may establish a delivery period for all Regional Pool water, after which time any remaining water will be accounted as unallocated water supplies of the District.

All Regional Pool water is non-transferable. If unforeseen circumstances occur that result in the lessee not needing all, or a portion, of such leased water the water must be re-assigned to the District on, or before, September 1 of the water year it was leased. The District reserves the option to again allocate this water from the Regional Pool on, or before, September 15 of the same water year. If this same water is again allocated by the Board and subsequently leased, the associated proceeds will be reimbursed to the original Regional Pool lessee. Lessee's having a positive Regional Pool account at the end of the water year (October 31) may be prohibited from leasing water from the Regional Pool in the subsequent water year.

## VIII. Annual Quota Determination

Any water allocated and subsequently leased from the Regional Pool will not be considered as an available regional water supply when determining the annual Project quota recommendation to the Board.

## IX. Operational Spills

If no special terms or conditions are adopted at the time Regional Pool water is allocated, all Regional Pool water leased via the RPP and held within the Project at the time of an operational spill will be preserved and made available to the lessee following any such spill.

## X. RPP Financial Transactions

The District will pay all revenues obtained from the leasing of Regional Pool water, less any administrative fee imposed by the District, to each of the contributing AEs.