



BOARD POLICY

**Approved by the CAWCD Board
June 22, 2000**

CAWCD POLICY FOR PARTICIPATION IN INTERSTATE OFFSTREAM UNDERGROUND STORAGE THROUGH THE AUTHORITY OF THE ARIZONA WATER BANKING AUTHORITY

BACKGROUND

CAWCD had a key role in the formation of the Arizona Water Banking Authority (AWBA). One of the driving issues was to more fully use Arizona's Colorado River water supply and the CAP system. CAWCD is the operating arm of the AWBA. The CAWCD Board President is, by statute, a member on the AWBA. Another member of the five person Authority is a CAP M&I customer. CAWCD collects a property tax that is the largest source of AWBA funding. As the AWBA moves forward to accomplish its mission, CAWCD will have a lead role in storing water and in the recovery and delivery of the stored water. These activities must occur for in-state purposes but will be increased and accelerated by interstate banking. CAWCD will be involved in four major areas of an interstate storage arrangement: 1) a water delivery; 2) storage; 3) recovery; and 4) creation of Intentionally Created Unused Apportionment (ICUA).

In developing this Policy, CAWCD should ensure that it supports the policy and goals of the AWBA and ADWR and does not negatively impact CAP contractors and subcontractors.

POLICY

It is the Policy of CAWCD to assist the AWBA in implementing an Interstate Offstream Water Banking Program provided that:

- A. The Excess Water available for Interstate use shall be the last priority of Excess Water.
- B. The cost of Excess Water to the AWBA for Interstate use will include a full Fixed O&M charge, the highest established Pumping Energy Charge, an M&I Capital Charge, and In-lieu property tax charge.
- C. The storage of Excess CAP water and the recovery of that stored water is consistent with state water management goals and CAP operational needs, is not directed by the interstate entity, and will not cause an increase in the water rates to other CAP customers.
- D. The CAWCD is a party to any recovery agreements that use the CAP system or deliver water to a CAP contractor or subcontractor.
- E. The CAWCD is a party to any agreement for the creation of Intentionally Created Unused Apportionment (ICUA).
- F. The interstate entity has a formal water resource plan that provides measurable assurances for an end to the reliance on interstate storage.