



N-CORPE

Nebraska Cooperative Republican Platte Enhancement



January 2013

Natural resources managers and directors in all or parts of 16 counties in Nebraska have determined that the Nebraska Cooperative Republican Platte Enhancement Project is a cost-effective way to aid and protect the Republican and Platte Rivers, the tax base and agricultural economy of the region, and taxpayers statewide by ensuring long-term compliance with interstate water agreements. Lacking the project, severe and sudden reductions in water allocations might have to be imposed.

What: In December, four of Nebraska's Natural Resources Districts purchased 19,500 acres in Lincoln County, Nebraska, that lie squarely between the Platte and Republican Rivers. About 15,800 of those acres have been irrigated. Ceasing irrigation of those acres will essentially allow water that otherwise would have been used for irrigation to be stored in the underlying Ogallala Aquifer. Then it can be piped from approximately 30 groundwater wells into the Republican and Platte Rivers when needed to meet river flow obligations. The total capacity of the project will be approximately 16,000 acre feet annually, though a significant portion of that available water will not be needed on an annual basis and will be "banked" for use in years when needed for compliance with the Republican River Compact. There is an abundant supply of groundwater underlying the property purchased by the NRDs – the saturated thickness of the Ogallala Aquifer in the area is approximately 400-600 feet. Under N-CORPE, water that otherwise would have been irrigated on and consumed by corn and other crops will instead be piped into the Republican and Platte Rivers when needed to meet river flow requirements.

Who: The four N-CORPE members that formed an interlocal agency are: Upper Republican NRD based in Imperial; Middle Republican NRD based in Curtis; Alma-based Lower Republican NRD; and the Twin Platte NRD, which is based in North Platte. The N-CORPE project fits the mission of the individual NRDs to balance environmental, economic, and, in the case of interstate water agreements, legal objectives tied to water supplies. Each NRD will have an equal share in the agreement.

Why: A state law passed in 2004 required NRDs in the upper Platte Basin in Nebraska to impose moratoriums on new groundwater irrigated acres in a large stretch of the river that was deemed over-appropriated - essentially having an imbalance between water supplies and demands. NRDs in the over-appropriated area have to return the Platte River to 1997 conditions and, ultimately, a fully appropriated condition. In the Twin Platte NRD, the requirement to return to 1997 conditions as spelled out in an integrated management plan it has with the state is to begin placing 5,859 acre feet of offset water annually into the Platte by the end of 2013 and increases to 7,700 acre feet annually in 50 years. Related, an agreement between Nebraska, Colorado, Wyoming and the U.S. Fish and Wildlife Service aimed at protecting federally endangered species requires Nebraska to return the Platte to 1997 conditions. The agreement also sets requirements for new water annually of 130,000 acre feet during the first increment of the agreement which could increase in subsequent increments to over 400,000 acre feet of new water annually in the critical habitat area of the Platte River.

The Republican River dissects the southwestern and south-central parts of the state. Its use is dictated by a 70-year-old water interstate water compact between Kansas, Nebraska and Colorado that the State of Kansas has used to instigate litigation in recent years. Kansas has sought a permanent shutdown of groundwater irrigation on 300,000 acres in Nebraska, or about 1/4 of all groundwater irrigated acres in Nebraska's part of the Basin. This proposed remedy has not been acceptable to residents of Nebraska and a draft recommendation recently issued by the Special Master appointed by the U.S. Supreme Court doesn't recommend that remedy be imposed. The NRDs in the Republican Basin have long imposed water restrictions to reduce consumptive use of water, and development of new groundwater-irrigated acres is prohibited. All irrigation wells in the Basin are metered and annually checked by NRD employees to document water usage to ensure compliance with water-use restrictions. Additionally, millions of dollars have been spent to permanently

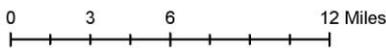
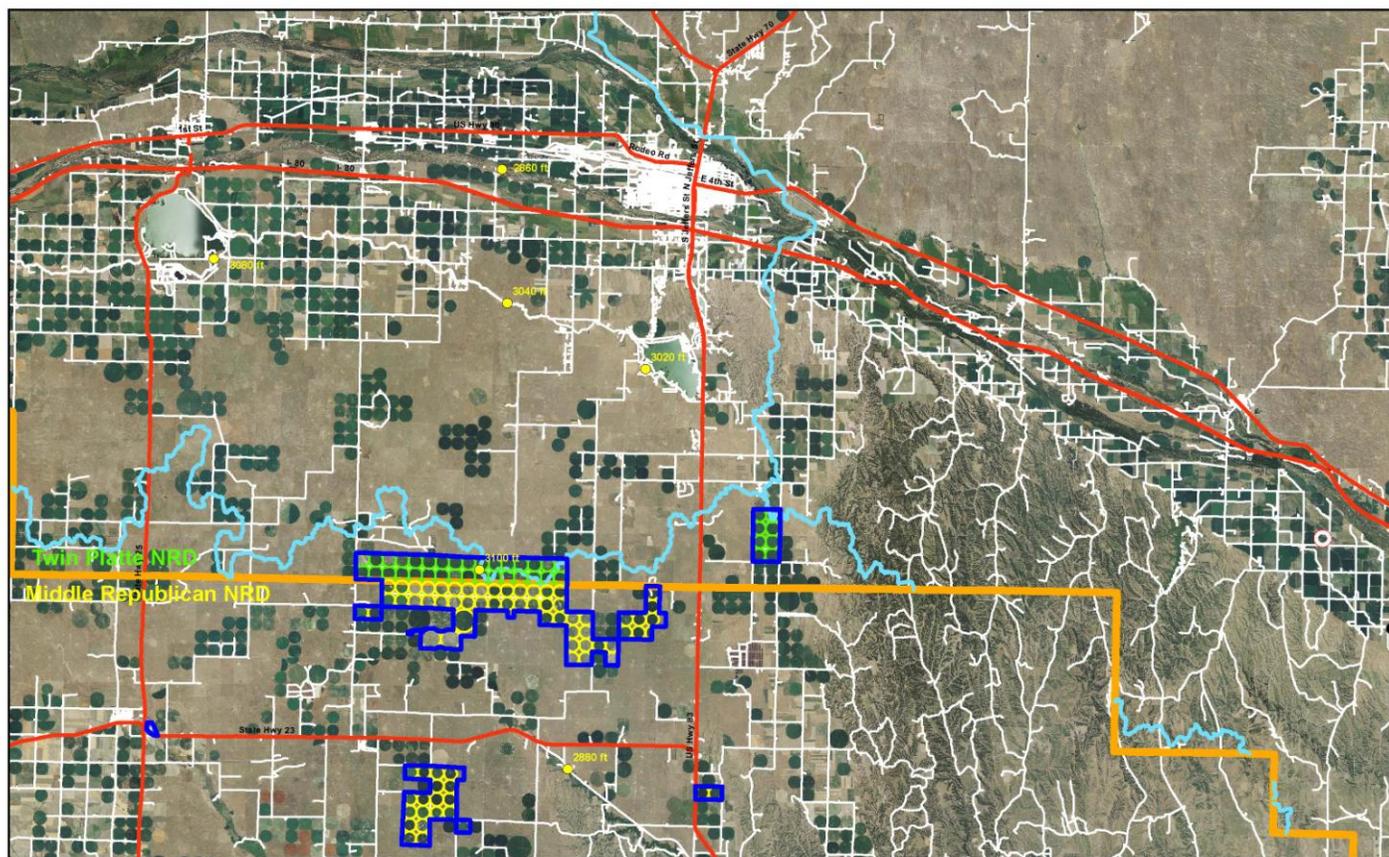
retire some irrigated acres that have substantial impacts on stream flow. Unlike obligations in the Platte, NRDs in the Republican Basin won't have to use the project annually to increase river flows. It will only be used during exceptionally dry times when needed to offset depletions to stream flow caused by groundwater pumping in Nebraska's portion of the Basin. The pipeline to the Republican Basin will be constructed first; it's expected that the main pipeline will have a 42-inch diameter and be approximately six miles long. Water will be delivered to Medicine Creek, whose confluence with the Republican River is located near Cambridge.

Where: The 19,500 acres purchased by N-CORPE are located in Lincoln County, approximately 15 miles southwest of North Platte. The majority of the property is adjacent to, and in some cases intersects, the surface water divide between the Platte and Republican Basins. Approximately 10,400 of the formerly irrigated acres are located in the Middle Republican NRD; the remaining 5,400 acres are in the Twin Platte NRD.

Project Funding: The total estimated cost of the project including land and construction costs is an estimated \$120 million - \$130 million and will be paid for using the occupation tax on irrigation. Currently, three NRDs in the state impose the tax that can be up to \$10 an acre, and the three NRDs are all part of the N-CORPE group that is undertaking the project: Upper Republican NRD, Middle Republican NRD and Lower Republican NRD. Twin Platte NRD will begin to levy an occupation tax over the next couple years. The occupation tax has been levied in the Republican Basin over a six-year period on approximately 1.1 million acres, generating about \$25 million in revenue for water projects.

When: The project is hoped to be operational in late 2013 or 2014, with the portion of the project benefitting the Republican Basin constructed first.

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CERTIFIED IRRIGATED ACRES	
Twin Platte NRD	- 5,363.4 acres
Middle Republican NRD	- 10,400 acres

Date: November 20, 2012
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Sources: TPNRD, MRNRD, DNR