

Appendix M
Alternative Water-Short Year Administration

1. When the projected water supply pursuant to the methodology described in Subsection V.A.2.in the Stipulation is less than 130,000 Acre-feet, in lieu of the requirements of Subsection V.B.2.e.i.of the Stipulation, Nebraska may elect to implement a Plan for Reduction of Computed Beneficial Consumptive Uses (Plan) approved pursuant to paragraph 3.

2. Each Plan shall indicate the actions which Nebraska would undertake to reduce its Computed Beneficial Consumptive Uses from the base condition and the amount of reduction expected from those actions. A Plan's designed reductions in Computed Beneficial Consumptive Uses shall be evaluated by the RRCA using methods consistent with the RRCA Accounting Procedures and the RRCA Groundwater Model.

3. Nebraska may submit one or more Plans to the RRCA and the RRCA shall take action regarding such Plan(s) pursuant to the schedule below. Nebraska must submit new plans or modifications to existing Plans to the RRCA prior to August 1 for the RRCA's consideration. The RRCA must take action on new Plans or modifications to existing plans prior to Nov. 1 of that same year. Once approved, a Plan shall expire three years from the January 1 following the Plans approval. After a Plan expires, Nebraska may submit the same Plan to the RRCA according to the above schedule. The RRCA may approve multiple Plans.

4. If Nebraska elects to implement a Plan, Nebraska will provide notice to the RRCA by April 1 of its intention to implement a Plan for that year.

If an approved Plan is implemented, Nebraska's Computed Beneficial Consumptive Use of its Allocation above Guide Rock in Water-Short Year Administration shall be calculated on a three year running average of the current year plus the previous two years. Notwithstanding compliance under a three year running average, the two year sum of Nebraska's current and previous year's Computed Beneficial Consumptive Use in excess of its Allocation above Guide Rock, pursuant to Subsection V.B.2., of the Stipulation shall not exceed the amount of Computed Beneficial Consumptive Use that the Plan was designed to reduce above Guide Rock.

5. For any year in which Nebraska implements an approved Plan, such Plan shall be in effect for the remainder of the year unless the projected supply rises above 130,000 Acre-feet. At such time, Nebraska may revoke the Plan by

notifying the RRCA. If Nebraska revokes a Plan, the provisions of Subsection V.B.2.e.i., if applicable, shall be in effect. If Nebraska revokes a Plan during the year, it may not resume the Plan in that year.

6. Nebraska may not elect this Alternative Water-Short Year Administration in any year if in the previous year, Water-Short Year Administration was in effect pursuant to Subsection V.B.1.b. and Nebraska failed to elect the Alternative Water-Short Year Administration in that year.