

STATE DNR RUNS TRIPLE OPTION AT REPUBLICAN RIVER NRDS

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Here now are the three options in the DNR game plan:

Option 1

Set pumping volumes in an NRD at such a low level that compliance by Nebraska would be absolutely assured. This option is totally unacceptable. It is a total giveaway to Kansas of far more water than Kansas is allowed, and the pumping allocations forced on Nebraska irrigators would be way below the bare minimum required to produce a crop.

Option 2

Groundwater irrigators would continue to pump under current IMP levels. However, in dry years, pumping would be shut off in what the DNR has deemed a "rapid response region," such region being defined as a 10%/5-year zone. This hydrologic connectivity zone is delineated to encompass wells which, when pumped for 5 years, 10% of the volume pumped would be depleted from the stream flow. Under this option, about 190,000 acres in the RRB would be vulnerable to a complete shutdown.

Option 3

Same as Option 2, except that the shut off zone would be a 10%/2-year zone. The kicker in this option is a requirement that NRDs under this option would have to reduce groundwater in the NRD by 1% per year, forever. This is crazy! Option 3 would put about 110,000 acres in jeopardy while mandating annual reductions.

DNR IS FLAGGED FOR ILLEGAL PROCEDURE AND UNSPORTSMANLIKE CONDUCT

All three options in the DNR game plan are unacceptable. Any well shut down (Options 2 and 3), or any severe reduction in allocations (Option 1), would be devastating to individual producers, ag-dependent businesses and the local tax bases of the impacted communities. Schools, cities and counties would be hit hard as their funding source—real property—would lose substantial value.

ECONOMIC IMPACT OF DNR'S OPTIONS

A water short year would likely coincide with a drought. The yield difference in a drought or very dry year for corn that is irrigated, versus dryland, is somewhere around 200 bushels per acre. If corn is \$4.00/bushel, the direct impact on producers in the RRB would be about 152 million dollars with Option 2, and 88 million dollars under Option 3, which would worsen every succeeding year. If corn is \$6.00/bushel, the impacts are about 228 million dollars, and 132 million dollars, respectively.

Property values in the RRB would plummet as 190,000 acres (Option 2) or 110,000 acres (Option 3) of high valued irrigated land is reclassified to dryland. This is estimated to be a \$1,000/acre reduction, which when multiplied by 190,000 acres (Option 2), or 110,000 acres (Option 3), results in a devaluation in RRB property tax base of 190 million dollars (Option 2) or 110 million dollars (Option 3). This huge devaluation would directly and immediately be felt by schools, city and county governments, and all public entities.

It must be stressed again that the arbitrator, in his June

2009 ruling, said this in recommendation 8: "Nebraska and the Republican River NRDS should make further reductions in groundwater withdrawals beyond what is required in the current IMPs and ***should obtain permanent supply contracts with surface water irrigators.***"

We maintain that the only reasonable and effective plan for compliance in dry periods involves surface water purchases from willing sellers in the Frenchman Cambridge, Frenchman Valley, Riverside and Bostwick irrigation districts. This has been done, and has worked, and the arbitrator says it should be done. The cost to the state for these purchases would be about 15 million dollars. This sum, compared to the possible direct and indirect hit to the RRB economy of up to one billion dollars, appears to be the logical way to go. ***Remember this:*** the state of Nebraska, not the NRDS, entered into the compact with Kansas back in 1943.

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