**Utah Demand Management Pilot Program FAQ**

**February 6, 2025**

What is the Utah Demand Management Pilot Program?

* The Authority is standing up a small, intrastate Utah Demand Management Pilot Program to begin in irrigation season 2025.
* We’ll be conducting at least one fallowing project, one lease change or storage forbearance project, and one irrigation system conversion project.
* Our goal with each project is to reduce depletion of water and work with Division of Water Rights to distribute and account for the reduced depletion. This will help us test demand management, which includes shepherding/distribution of conserved water, and provisional accounting of conserved water in Lake Powell that could be used to maintain 1922 Colorado River Compact Compliance.

Who can participate? Can I participate if I’m a shareholder in a water company?

* Any agricultural water user with a history of beneficial, consumptive water use, and the authority to undertake the conservation activity and file a water right change application may participate.
* Water users who own water shares, not water rights, must have permission from, and closely coordinate with, their water company to file a water right change application and establish project protocols and reporting. Requirements will vary by company.

What types are projects can be proposed for DMPP?

1. A fallowing project:
	* in the Upper Colorado River System
	* at least 40 acres total, with a minimum of 10 contiguous acres for each field
	* fields that have a 7-year history of consistent beneficial consumptive use or participation in other conservation programs
	* partial or full season fallowing that would reduce depletion
	* 2-year project preferred
	* a soil health management plan
2. An irrigation system conversion project:
	* in the Upper Colorado River System
	* at least 40 contiguous acres
	* a field that has a 7-year history of beneficial consumptive use or participation in other conservation programs
	* a conversion that would be likely to reduce depletion
		+ From Wheel Line to Pivot [Low Energy Precision Application (LEPA)]
		+ From Wheel Line to Pivot [Low Elevation Spray Application (LESA)]
		+ From Hand Line to Pivot [Low Energy Precision Application (LEPA)]
		+ From Hand Line to Pivot [Low Elevation Spray Application (LESA)]
		+ From Surface to Pivot (LEPA)
		+ From Surface to Pivot (LESA)
		+ From Surface to [Subsurface Drip Irrigation (SDI)]
		+ From Pivot [Mid Elevation Spray Application (MESA)] to Pivot (LEPA)
		+ From Pivot (MESA) to Pivot (LESA)
		+ From Pivot (MESA) to Pivot [mobile drip irrigation (MDI)]
		+ From Pivot (MESA) to SDI
		+ Other (please describe)
	* Installation in 2025, at least one full irrigation season with the new system (2026)
	* Funding, design, and labor for the new irrigation system (may be from UDAF or another program)
3. A storage forbearance/lease change project:
	* in the Upper Colorado River System
	* at least 40 acre-feet of enrolled water assuming 100% allocation
	* water that has a 7-year history of beneficial consumptive use, past leasing, or participation in other conservation programs
	* forbearance of:
		+ storage water during the irrigation season, and releasing that water to Lake Powell after the irrigation season or storing the forgone water over multiple years
		+ high-flow water that can be tracked through the watershed during the irrigation system and delivered to Lake Powell
	* 2-year project preferred

What type of measurement and reporting is required?

* Meters on participating fields
* Record keeping of water delivery (if part of a canal company) or willingness to forgo diversion
* A distribution plan if reduced depletion and diversion will be carried through/delivered from a canal
* Access to the field, measurement devices, and records for verification
* Verification by the Authority using remote sensing

What type of support will the Authority provide to applicants?

* Compensation:
	+ for reduced depletion (in $/AF) that makes the participant whole, and is competitive with comparable programs
	+ up to 2 years
	+ Monthly compensation pattern
* Project design support:
	+ calculation of reduced depletion and diversion
	+ mapping support
	+ soil health best management practices
* Change application support:
	+ Collaboration on change application design to ensure needs of DMPP and Utah Code 73-3-30 (4) are met
	+ Letter of approval pursuant to Utah Code 73-3-30 (4)
	+ Join pre-consultation meetings if desired by the participant
* Water rights coordination support:
	+ Join meetings with other entities where water right ownership and permissions/agreements are covered to explain DMPP to third parties
* Measurement and administration support:
	+ Resources and coordination for additional measurement (AG-DRIP, UDAF coordination)
	+ Verification plan design support
	+ Verification of project
	+ Full responsibility for coordination with DWRi and interstate/federal entities to ensure provisional accounting of conserved water and multi-year storage plan

What is the timeline for participation?

* Fallowing Timeline [insert image]
* Irrigation System Conversion Timeline [insert image]
* Storage Forbearance / Lease Change Timeline [insert image]

Where can projects be located?

* Projects must occur within the Upper Colorado River System in Utah [insert map]
* Transbasin water users with water rights that move water out of the Colorado River basin can also participate.

Why participate?

* Compensation, with the option for 2-year projects means increased income certainty
* Increased operational flexibility
* Experience in “temporary, voluntary, compensated, protected” water conservation and soil management
* Small, state-funded program means more, local, resources for project design, change application, and measurement support
* Supporting maintenance of Colorado River Compact compliance for yourself, the community, and future generations

How do I apply?

* Contact Lily Bosworth to receive an application form.
	+ Applications were due by 5:00 PM MST on January 15, 2025 to Lily Bosworth via email. If you are interested in 2026 participate, contact Lily Bosworth to get on the program mailing list.
	+ To quantify depletion reductions, and therefore compensation, for your application, contact Lily Bosworth or provide a map and project description by January 10, 2025.
* Contact your Regional Engineer with Division of Water Rights to begin the change application process. You may request that Authority staff join any pre-consultations with Water Rights. The change application will be:
	+ Under Utah Code 73-3-30 (4)
	+ Fixed time
	+ Delivery of water to a reservoir is an additional beneficial use for the reduced depletion portion of the water right
	+ Water ends up in target reservoir (Lake Powell in most cases)
	+ Participates in a state and/or federal conservation program (DMPP)
	+ With a letter of approval from the Authority Executive Director (we would provide once a final draft is complete)
	+ The participant is responsible for the change application (drafting, legal consultation, pre-consultation(s) with DWRi, etc)
	+ Water rights for the change application must:
		- Be in good standing
		- Be sufficient for the diversion and depletion reduction of the project
		- Have the authority (ownership or written permission from owner) to proceed with the project and the change application
		- Have the allowance (no violation of other written agreements) to proceed with the project

Will my water right be subject to abandonment if I participate?

* No, with an approved change application, your water right will have a new beneficial use of “delivery of water to a reservoir as per Section 73-3-30(4) Utah Code” to protect the water right from being subject to abandonment when enrolled in DMPP.

How is the amount of water conserved (depletion reduction) calculated, and why is compensation for the volume of depletion reduction, when the total diversion reduction must be enrolled?

* For on-farm projects, depletion reduction will be estimated using eeMETRIC total average historic (5-7 years) evapotranspiration (ET) for each enrolled field minus effective precipitation and carry over soil moisture. The calculation will also consider the specific project activities (dates of fallowing, irrigation system conversion type, etc). This calculation will be performed for all projects by Jacobs Engineering. Calculation details are available upon request.
* Compensation is for the depletion reduction portion of the water enrolled, because that is the water that can be considered “conserved” at the basin scale to meet the Authority’s objectives, and distributed by the Division of Water Rights. Total diversion reduction must be enrolled to ensure carrier water is available for the depletion savings, and to ensure diversion savings are not depleted for another use.

Does a conservation effort weaken our negotiations with Lower Basin States? We are already not using our full allowance, now we are saying we can use even less?

* Demand Management demonstrates Utah’s willingness to conserve water where possible and strengthens Utah’s advocacy for a program to receive specific “credit” for any water conserved. Demand Management water can currently be used to help maintain the Upper Division States obligations under the Colorado River Compact and may be used to build a “savings account” in Lake Powell to maintain Colorado River Compact compliance.

Will the participants be expected to shepherd water downstream?

* No. The Division of Water Rights is responsible for distribution, or “shepherding” of program water down natural stream channels to the target reservoir. Participants will be responsible for working with their water company to ensure any program water diverted into a canal is carried through the canal and returned to the natural river system.

How is DMPP different than SCPP, UDAF's Ag Water Optimization Program, and Utah State University’s AG-DRIP?

* DMPP is different from SCPP in that it adds the distribution and accounting step to water conservation by requiring projects have an approved change application with Division of Water Rights. DMPP is also state funded, not federally funded, and smaller scale than SCPP.
* DMPP is different from UDAF’s Ag Water Optimization Program because DMPP compensates per acre-foot of reduced depletion, or “wet water,” where Ag Water Optimization compensates for infrastructure upgrades.
* DMPP is different from USU’s AG-DRIP program because DMPP compensates per acre-foot of reduced depletion, or “wet water,” and AG-DRIP provides educational services and a range of incentives to test water measurement and conservation techniques.

Can I enroll in DMPP at the same time as SCPP, Ag Water Optimization, or AG-DRIP?

* DMPP participants may simultaneously be enrolled in Ag Water Optimization and AG-DRIP as long as the Authority is notified of dual participation.
* DMPP participants may enroll in both DMPP and SCPP at the same time, but they may not enroll the same water or acreage in both programs at the same time.