

RESOLUTION APPROVING ACCOUNTING CHANGES

May 25, 2017

Whereas, the States of Kansas, Nebraska, and Colorado (States) entered into a Final Settlement Stipulation (FSS), dated December 15, 2002, to resolve pending litigation in the United States Supreme Court regarding the Republican River Compact (Compact) in the case of *Kansas v. Nebraska and Colorado*, No. 126 Original; and

Whereas, the FSS was approved by the United States Supreme Court on May 19, 2003; and

Whereas, the FSS requires the States to annually approve accounting to determine each State's compliance with the Compact and FSS; and

Whereas, the States have resolved their disagreements that prevented them from approving certain annual accountings in the past; and

Whereas, the States have previously determined and continue to hold that the Compact may be administered in a manner that increases flexibility for all water users, while remaining consistent with the terms of the Compact and the FSS; and

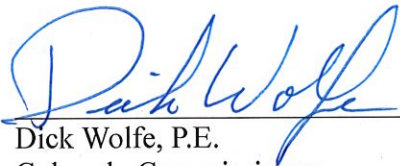
Whereas, on August 24, 2016, the RRCA approved the Resolution Approving Long-Term Agreements Related to the Operation of Harlan County Lake for Compact Call Years, which requires changes to the RRCA Accounting Procedures for its proper implementation; and

Whereas, on August 24, 2016, the RRCA also approved the Resolution Approving Operation and Accounting for the Colorado Compact Compliance Pipeline and Colorado's Compliance Efforts in the South Fork Republican River Basin, in which the States agreed, among other things, to collaborate on how to resolve their disagreement regarding Colorado's allocation on Beaver Creek during water-short years in which accounting has not been finally approved by the RRCA.

NOW THEREFORE BE IT RESOLVED:

1. The RRCA approves and adopts the attached Revised Accounting Procedures Dated: May 25, 2017;
2. The RRCA shall use the Revised Accounting Procedures when it approves accounting for 2007 and every year thereafter.
3. If a state provides Notice of Intent to Terminate the August 24, 2016, Resolution Approving Long-Term Agreements Related to the Operation of Harlan County Lake for Compact Call Years then Nebraska shall not receive Nebraska Resolution Water Supply Credit after December 31 of the second full year following the RRCA's receipt of a Notice of Intent to Terminate, per the Resolution.
4. If a state provides Notice of Intent to Terminate the August 24, 2016, Resolution Approving Operation and Accounting for the Colorado Compact Compliance Pipeline and Colorado's Compliance Efforts in the South Fork Republican River basin, then Colorado shall

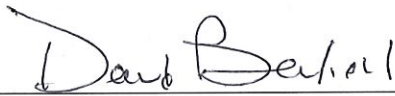
not receive Colorado Resolution Water Supply Credit after December 31 of the second full year following the RRCA's receipt of a Notice of Intent to Terminate, per the Resolution.



Dick Wolfe, P.E.
Colorado Commissioner
Chairman, RRCA

May 25, 2017

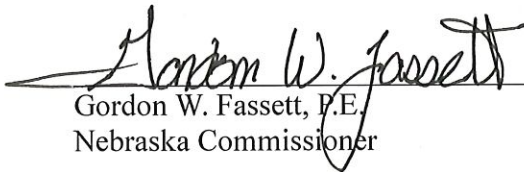
Date



David Barfield, P.E.
Kansas Commissioner

May 25, 2017

Date



Gordon W. Fassett, P.E.
Nebraska Commissioner

MAY 25, 2017

Date