

Highlights of VISPO

The Edwards Aquifer Authority (EAA) is in the process of implementing a regional Habitat Conservation Plan (HCP) designed to protect springflows in the Edwards Region during a repeat of the drought of record. Maintaining continuous springflows is a requirement imposed on the EAA by the Texas Legislature and the United States Fish and Wildlife Service under the Endangered Species Act. One of the elements of the HCP is the Voluntary Irrigation Suspension Program Option (VISPO).

The goal of this voluntary program is to enroll 40,000 acre-feet of permitted irrigation rights (base and/or unrestricted) that will remain unused in years of severe drought. Permit holders will be compensated for the water enrolled in the program.

Suspension of Enrolled Water

If the water level at the J-17 index well in San Antonio is at or below 635 feet on October 1, EAA will notify program participants to suspend the use of the enrolled water for the following year beginning on January 1.

Program Options

Irrigators will have a five-year and a ten-year option for VISPO enrollment.

Payment Types

VISPO will make two types of payments to the permittees who enroll water in the program:

Standby Payment: Every participant will receive a “Standby Payment” not later than March 1st of each year. This payment will be made regardless of whether or not the participant is required to suspend withdrawals that year. Payments will begin in 2014.

Forbearance Payment: In years in which withdrawals of enrolled water are suspended, the participants will be paid a “Forbearance Payment” no later than March 1st of that year.

Payment Amounts

Option	Fee	1	2	3	4	5	6	7	8	9	10
5-Year	Stand-by*	50.00	50.75	51.26	51.77	52.29	N/A	N/A	N/A	N/A	N/A
	Implementation*	150.00	152.25	153.77	155.31	156.86	N/A	N/A	N/A	N/A	N/A
10-year	Stand-by	57.50	57.50	57.50	57.50	57.50	70.20	70.20	70.20	70.20	70.20
	Implementation	172.50	172.50	172.50	172.50	172.50	210.60	210.60	210.60	210.60	210.60

* The amount of the standby payment escalates at 1.5% compounded annually over the five years of the program.

Opt Out Possibility

If the level in J-17 is at or below 635’ on October 1, but above 660’ on January 1, the participant can opt out of the suspension by notifying the EAA within 15 days. If a program participant opts out, they will not receive the Forbearance Payment for that year.

The Agreement calls for EAA, at its expense, to install and maintain real-time meters on the wells placed in the program if only a portion of a permit is enrolled in the program.

Enrolling water in VISPO does not prevent or additionally complicate the ability to transfer permits. Program participants may lease or assign their permits, even the water enrolled in VISPO, so long as activity complies with EAA’s existing transfer regulations and provides EAA notice before the transfer occurs. The obligations under the Agreement will be binding on the lessee or other assignees.