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**A TALE OF MARKETING IRRIGATION WATER: CALIFORNIA'S PVID and IID**

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**ABSTRACT:** Farmers hold most water rights in the western US. These rights were awarded when water was abundant and farmer/settlers could use large volumes to produce crops, but they do not match current demands for urban and environmental water. These new demands represent an opportunity for water markets: Farmers have rights to water; water managers and environmentalists are willing to pay for that water. In this presentation, I will explore water marketing by Palo Verde Irrigation District and Imperial Irrigation District, both of which have senior rights to water from the Colorado River. PVID has been successful in turning its water into “blue gold” by selling water to cities (pleasing farmers, buyers and third parties); IID has had far less success (upsetting farmers, buyers and third parties). These different outcomes can be traced to the different governance structures of these districts.

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