ANCILLARY AGREEMENT #1
TO THE POTOMAC RIVER LOW FLOW ALLOCATION AGREEMENT
(MODERATOR'S COMPENSATION AND REASONABLE EXPENSES)

1. Compensation: Pursuant to Article I, Section H, of the Potomac River Low Flow Allocation Agreement (LFAA), the governing parties hereby agree that the Moderator shall be compensated as follows:

   a. The Moderator will be paid an annual fee of $2,500.00 (or a ratable portion if the Moderator's service is less than a full year).

   b. The Moderator will be paid an additional fee of $300.00 per day for each day over seven days in any calendar year that the Moderator's services are necessary.

2. Payment of Compensation and Other Reasonable Expenses:

   a. The governing parties hereby agree that the State of Maryland annually shall pay the Moderator the full amount of compensation and reimbursement for his reasonable expenses in a manner agreeable to the State and the Moderator, and that each governing party shall, subject to the availability of funds, reimburse the State for its equal share. On or before March 1 of each year, the State will submit to each of the other governing parties a bill for its share for the preceding calendar year. Subject to the availability of funds, such bill shall be paid within 30 days of receipt.

   b. In any instance where the expenses of the Moderator may reasonably be regarded as extraordinary or subject to question, the State shall consult with the other governing parties in advance of the incurrence or reimbursement of such expense in order to effectuate the provisions
of Article 1, Section H, of the LFAA. Each governing party shall notify the State in writing of the title, address, and phone number of its agent who is authorized to determine the reasonableness of the Moderator's expenses. For purposes of this paragraph, the agent of the State is the Director, Water Resources Administration, Tawes State Office Building, Annapolis, Maryland 21401, (301) 269-3846.

3. Effective Date: The first Moderator will be compensated under the terms of this Ancillary Agreement #1 for services he provides in the capacity of Moderator on and after April 19, 1979.

IN WITNESS THEREOF, the governing parties hereto have executed this ancillary agreement to the Potomac River Low Flow Allocation Agreement, this day of 8 May 1981.

ATTEST:

THE UNITED STATES OF AMERICA

By J. K. BRATTON, LTG, USA
Chief of Engineers

THE STATE OF MARYLAND

By JAMES C. LOVELL

THE COMMONWEALTH OF VIRGINIA

By G. W. B. BRAMBLETT

THE DISTRICT OF COLUMBIA

By Michael Bloomberg