## BEFORE THE WATER RESOURCES DEPARTMENT OF THE STATE OF OREGON

IN THE MATTER OF AMEN	DING	)
PERMIT NUMBER G-11598	ISSUED	) ORDER
TO SUNRIVER UTILITIES	COMPANY	)
		_)

On February 25, 1987 Sunriver Utilities Company (the "Applicant") filed Application G-11627 requesting a water right permit to withdraw 3200 gallons per minute from ground water for quasimunicipal use.

Application G-11627 was returned to the Applicant for correction on April 10, 1987. Among the items requiring correction was the listed uses of water. At that time, quasi-municipal use of water was restricted to non-profit corporations.

On November 12, 1987, Application G-11627 was refiled, listing as the proposed uses "all normal community uses" including: domestic, commercial, irrigation and fire suppression.

On August 3, 1990, the Water Resources Commission amended its administrative rules concerning the definition of "quasi-municipal water use" deleting the requirement that quasi-municipal use be limited to non-profit corporations.

On May 1, 1992, the Oregon Water Resources Department forwarded a draft permit to the Applicant for review and approval. Due to the fact that quasi-municipal use was no longer restricted to non-profit corporations, the draft permit listed the proposed use as quasi-municipal. The Applicant signed the draft permit on June 4, 1992 and returned it to the Department on July 13, 1992. In so doing, the Applicant amended the proposed use under Application G-11627 to quasi-municipal.

As a result of a subsequent legal challenge to the Department's interpretation of the Deschutes River Basin Program, the Director advised Sunriver Utilities Company that no applications for quasi-municipal use would be approved until the legal question concerning the basin program interpretation was resolved. On December 8, 1993, Sunriver Utilities Company amended Application G-11627 to change the use designation from quasi-municipal use to group domestic and irrigation use.

On December 23, 1992, Permit G-11598 was issued to Sunriver Utilities Company for use of 3200 gallons per minute of groundwater with a priority date of November 12, 1987, and 500 gallons per minute of groundwater with a priority date of December 8, 1993, for group domestic use for up to 4500 families including the irrigation of lawns and gardens for each domestic unit and for irrigation of up to 749.9 acres.

The 1993 Legislative Assembly enacted House Bill 3234. (1993 Oregon Laws, Chapter 591.) SECTION 2(6) of Chapter 591 states:

If an application proposed a quasi-municipal use of water, but was amended after July 17, 1992, to propose other uses for which a permit was issued before the effective date of this 1993 Act, at the request of the permit holder, the department shall reissue the permit to specify quasi-municipal use if:

"(a) The quantity of use, point of diversion and place of use are not changed; and (b) The permit holder and use qualify as quasi-municipal, as defined by the commission.

On October 1, 1993, the Commission amended its administrative rules governing application processing. As a part of this amendment, the Commission adopted the following definition of quasi-municipal water use:

"Quasi-municipal water use" means the delivery and use of water through the water service system of a corporation other than a public corporation created for the purpose of operating a water supply system, for those uses usual and ordinary to municipal water use. A quasi-municipal water right shall not be granted the statutory preferences given to a municipality under ORS 537.190(2), 537.230(1), 537.352, 537.410(2), 540.510(3), 540.610(2), 540.610(3), or those preferences over minimum streamflows designated in a basin program.

On November 22, 1993, Sunriver Utilities Company submitted a request to the Department to reissue Permit 11598 so as to specify quasi-municipal use for the entire quantity allowed under the permit. The request affirmed that Sunriver Utilities Company is a corporation created to provide water and sanitary sewer services for the residents of Sunriver and the uses to be served under the permit are usual and ordinary to a municipal water supply.

NOW, THEREFORE, it is hereby ORDERED that Permit G-11598 IS AMENDED AS FOLLOWS:

PERMIT G-11598 is issued to SUNRIVER UTILITIES COMPANY to use the waters of WELL #9 AND WELL #12 in the DESCHUTES RIVER BASIN for QUASI-MUNICIPAL WATER USE.

Dated at Salem, Oregon, this \_\_\_\_\_ day of April, 1994.

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Martha O. Pagel, Director