

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

In the Matter of the Proposed Water Management and Conservation Plan for Avion Water Company, Inc., Deschutes County)	FINAL ORDER APPROVING A WATER MANAGEMENT AND CONSERVATION PLAN
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Authority

OAR Chapter 690, Division 086, establishes the process and criteria for approving water management and conservation plans required under the conditions of permits, permit extensions and other orders of the Department. An approved water management plan may authorize the diversion and use of water under a permit extended pursuant to OAR Chapter 690, Division 315.

Findings of Fact

1. Avion Water Company, Inc. (Avion) submitted a Water Management and Conservation Plan (plan) to the Water Resources Department (Department) on April 7, 2011. The plan was required by a condition set forth under the City's previously approved plan (Sp. Or. Vol. 63, Pg. 459 issued on March 11, 2005). The plan was also required by conditions set forth in the final orders approving extensions of time for Permit G-16025 and Permit G-16026.
2. The Department published notice of receipt of the plan on April 12, 2011, as required under OAR Chapter 690, Division 086. No comments were received.
3. The Department provided written comments on the plan to Avion on July 6, 2011, and in response, Avion submitted a final revised plan on September 6, 2011.
4. The Department reviewed the revised plan and finds that it contains all of the elements required under OAR 690-086-0125.
5. The projections of future water needs in the plan demonstrate a need for 5.0 cfs of water available under Permit G-16025 and for 10.0 cfs of water available under Permit G-16026 to meet demands anticipated in 20 years. These projections are reasonable and consistent with applicable land use plans.
6. Avion's system is fully metered and their rate structure includes a base rate and volumetric charge. Unaccounted-for water is estimated at 6.6 percent.

This is a final order in other than a contested case. This order is subject to judicial review under ORS 183.484. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.484(2). Pursuant to ORS 536.075 and OAR 137-004-0080, you may petition for judicial review or petition the Director for reconsideration of this order. A petition for reconsideration may be granted or denied by the Director, and if no action is taken within 60 days following the date the petition was filed, the petition shall be deemed denied.

7. The plan includes 5-year benchmarks to continue implementation of the following conservation activities: an annual water audit; a meter testing and maintenance program; a rate structure that includes a base rate and volumetric charge; distribution of public education materials (via conservation pamphlets, annual newsletter, annual consumer confidence report and the media) that focus on water saving practices and water-wise landscaping; providing technical support for any commercial or residential customer interested in assistance with implementation of conservation measures. In addition, Avion has partnered with the Deschutes River Conservancy (DRC) to start the Blue Water program, which allows Avion customers to donate to the DRC through their monthly water bill to protect water in-stream on the middle reach of the Deschutes River.
8. The plan identifies ground water as the source of Avion's water rights and accurately and completely describes that there is no designation of the source as being within a critical ground water area.
9. The water curtailment element included in the plan satisfactorily promotes water curtailment practices and includes a list of four stages of alert with concurrent curtailment actions.
10. The diversion of water under Permit G-16025 and Permit G-16026 will increase during the next 20 years and is consistent with OAR 690-086-0130(7), as follows:
 - a. As evidenced by Finding of Fact #7 above, the plan includes a description of continued implementation of conservation measures that would provide water at a cost that is equal to or lower than the cost of other identified sources.
 - b. Even with Avion's conservation-related water savings expected by the activities described in Finding of Fact #7 above, based upon Avion's projected water demand growth and the limitations in acquiring new surface water and/or ground water permits in the Deschutes Basin, it is apparent that increased use from ground water Permits G-16025 and G-16026 is the most feasible and appropriate water supply alternative to the supplier at this time.
 - c. Avion is required to provide mitigation for Permit G-16025 and Permit G-16026 under the Deschutes Basin Ground Water Mitigation Rules and has filed an incremental mitigation plan with the Department.

Conclusion of Law

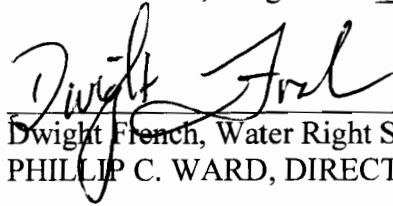
The Water Management and Conservation Plan submitted by Avion Water Company, Inc. is consistent with the criteria in OAR Chapter 690, Division 086.

Now, therefore, it is ORDERED:

1. The Avion Water Company, Inc. Water Management and Conservation Plan is approved and shall remain in effect until September 9, 2021, unless this approval is rescinded pursuant to OAR 690-086-0920.

2. The limitation of the diversion of water under Permit G-16025 established by the extension of time approved on March 25, 2011 is removed and, subject to other limitations or conditions of the permit, Avion Water Company, Inc. is authorized to divert up to 5.0 cfs under Permit G-16025.
3. The limitation of the diversion of water under Permit G-16026 established by the extension of time approved on March 25, 2011 is removed and, subject to other limitations or conditions of the permit, Avion Water Company, Inc. is authorized to divert up to 10.0 cfs under Permit G-16026.
4. Avion Water Company, Inc. shall submit an updated plan meeting the requirements of OAR Chapter 690, Division 086 (effective November 1, 2002) within 10 years and no later than March 9, 2021.
5. Avion Water Company, Inc. shall submit a progress report containing the information required under OAR 690-086-0120(4) by September 9, 2016.

Dated at Salem, Oregon this 12 day of September, 2011.



Dwight French, Water Right Services Administrator *for*
PHILLIP C. WARD, DIRECTOR

Mailing date: SEP 13 2011