

State of Oregon Water Resources Department 725 Summer Street NE, Suite A Salem, Oregon 97301-1266 (503) 986-0900

Application for Instream Lease

Part 1 of 4 - Minimum Requirements Checklist

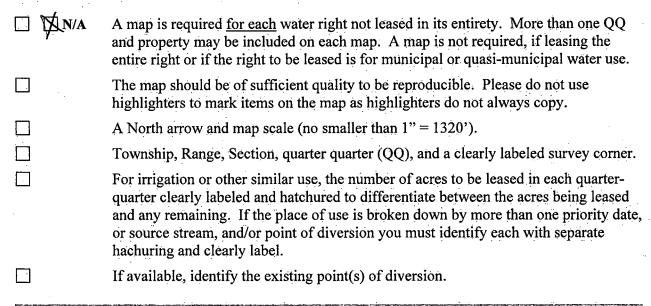
<u> </u>	through 4 and include the required attachments						
Fill in o	r check boxes as indicated. (N/A= Not Applicable) Fee						
	Pursuant to ORS 537.348(2) and OAR 690-077						
Check all items	included with this application. $(N/A = Not Applicable)$						
Yes	Part 1 – Completed Minimum Requirements Checklist and Application Fee						
•	Fees \$520.00 for a lease involving four or more landowners or four or more water rights \$350.00 for all other leases						
	☐ Check enclosed or ☐ Fee Charged to customer account (account name)						
Yes	Part 2 – Completed Instream Lease Application Map Checklist. RECEIVE						
Yes	Part 3 – Completed Water Right and Instream Use Information Include a separate Part 3 for each water right JAN 2 2 2020						
Yes	Part 4 – Completed Instream Lease Provisions and Signatures OWRD						
Yes	How many water rights are leased? 1 List them here: KA 168 Include a separate Part 3 for each water right.						
☐ Yes 🄀 N/A	Other Water Rights, if any, appurtenant to the lands involved in the lease application and not proposed to be leased instream? List those other water rights here:						
☐ Yes 灯 No	Conservation Reserve Enhancement Program (CREP). Are some or all of the lands to be leased part of CREP or another Federal program (list here:)?						
Attachments:							
□Yes \ N/A	Map: Instream Lease map requirements (see Part 2 of this application)						
∐Yes ∏ N/A	Tax Lot Map: If a portion of the water right <i>not included in the lease</i> is appurtenant to lands owned by others, a tax lot map must be included with the lease application. The tax lot map should clearly show the property involved in the lease.						
□Yes N/A	Supporting documentation describing why a right (or portion thereof) is valid and not subject to forfeiture even though the right has not been exercised for five or more consecutive years. This information only needs to be provided if the checkbox has been checked to identify that the water right has not been used in the last five years and is not subject to forfeiture (See Part 4 of 4).						
□Yes N/A	 If the Lessor (water right holder) is not the deeded landowner - provide one of the following. A notarized statement from the landowner consenting to the lease and a copy of the recorded deed; or. 						
	 A water right conveyance agreement and a copy of the recorded deed for the landowner at the time the water right was conveyed; or Other documentation which provides authority to pursue the lease absent consent of the landowner. 						

Part 2 of 4 – Instream Lease Application Map Checklist

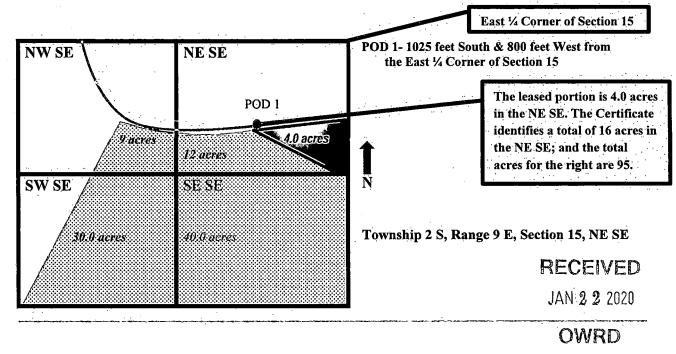
A Map is generally required for each water right not leased in its entirety

The application map (if required) should include all the items listed below and match the existing water right(s) of record. Check all boxes that apply.

This should be a <u>simple</u> map. (See example below). A copy of a final proof survey map with the portion to be leased shaded or hachured in will also suffice.



EXAMPLE MAP (the darker shaded portion representing the portion leased instream)



•											_		
		Use a	sepa	rate P	art 3 1	for <u>c</u>	eac	<u>h</u> water	right	to be le	eased	l instrean	1
Water	Right	Inform	ation								Vater	right # <u>/</u>	A168
Table 1												· -	
your tar points or room b	x lot m of dive elow, y	ımber(s rsion (P). Fill OD) i add	in all a but they addition	pplicat 're not al row	le in num	ifor iber	mation. F ed, you d	or exam lo not ne	ple, if yo	our w clude	ater right h	f not enough
		s ing a po able 1 as			ight -	1 7		tirety - If le 3.	the entire	water ri	ght is	to be leased,	skip to
Priority	Date	POD#	Tw	p Rn	g Sec	Q-	·Q	Tax Lot	Gov't Lot/DLC	Acres	USI	2 Previous	Lease # (if any)
12/2/19	901	3	. 2-9	5 9-1	15	NE		XAMPLE 100	47	4.0	IR		IL-1100
12/2/1				<u> </u>		1							
						 			 			-	
					-	<u> </u>				· · · · ·			·
			-			<u> </u>							
						† .			 				
Table 2	·							Total A	Acres:				
,		To illus	strate	the to	als for	the	wat	ter right	propose	d to be	lease	d instream	
leased.	If not	enough	room	below,	you m	ay ac	id a	dditional	rows (se	e instru	ctions	s) or attach	e right to be spreadsheet f = acre-feet)
	ty Date	POD		Use	Total Acres		O	ther Infor	mation (s	uch as		Total Rate (cfs)	Total Volume (af)
									·				
						<u> </u>						_RECE	IVED
Total af	from st	orage, if	applic	eable:	AF	or _	N/A	<u> </u>	· 	•		JAN 2	2-2020
Any add	litional	informat	ion ab	out the 1	ight: _							Qrtit gr	SP EOLO
Table 3	3	,										OW	RD
than on If not e	e POD nough	listed o	on the clow,	certific you ma	ate, the	n th iddit	e sp iona	oecific PO	DD(s) in	volved i	n the		there is more be described. heet
POD#	Twp	Rng	Sec	Q-Q	DL6 Gov't	- 1		easured Dist		_		ordinates, or 1	river mile (if
	- " -	 		- X X					,				

Please check this box if you don't know the location of the POD(s) and want the Department to identify the

location of the POD(s) for the purpose of the instream lease.

Part 3 of 4 cont. – Water Right and Instream Use Information

Instream Use Information

Table 4								
	Instream Use Created by the Lease							
River/ Stream	Name: 🗀	tri, tri	butary to	CLAMATH RIVER	River Basin:	KLAMATH		
				te the instream rate, vo				
date, POD (if more than one), Use (if more than one), and acreage as appropriate considering the								
right to be leased.								
If not enough room below, you may add additional rows (see instructions) or attach a spreadsheet								
(matching the below portion of Table 4). Please clearly label any attachments.								
Priority date	POD#	Use	Acres	Proposed Instream Period	Total instream rate (cfs)	Total instream volume (af)		
10-16-1905	1	POWER		YEAR ROUND	205 cfs	N/A		
•	•				.*			
		L		<u> </u>		· .		
Note: If not certain of the instream rate, volume and/or instream period, see the instructions and/or contact Department Staff for assistance. The instream rate and volume may be up to the maximum rate and duty/volume allowed by the right, as described in Table 2 or on your Certificate if leasing the entire right. The proposed instream period may be no longer than the irrigation season or the authorized period of allowed use. OR Please check this box if you are not sure of the proposed rate, volume and instream period. As part of its review process, the Department will identify the appropriate instream rate, volume and								
period considering the water right(s) being leased and instream benefits. Instream Reach								
Proposed Instream Reach: Or Proposed Instream Point:								
A reach typically begins at the point of diversion (POD) and ends at the mouth of the source stream: From the POD to POINT OF RETURN - SEE PLACE OF USE								
OR Please check this box if you are not sure of the proposed reach and want water to be protected within a reach below the POD, if possible. (If no reach is identified or the above box is not checked, and there is only one POD listed on the certificate, the lease may be processed to be protected at the POD.)								
			Additio	nal Instream Informa	tion			
Yes N/A Conditions to avoid enlargement or injury to other water rights, if any, or other limitations: list here								

Note: The Department may identify additional conditions to prevent injury and/or enlargement.

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Any additional information about the proposed instream use:

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

KLAMATH BASIN GENERAL STREAM ADJUDICATION

In the Matter of the Claim of)	PARTIAL ORDER OF	RECEIVED
PACIFICORP, DBA PACIFIC POWER AND LIGHT CO.)	DETERMINATION	JAN 2 2 2020
))	Water Right Claim 168	OWRD

The GENERAL FINDINGS OF FACT of the FINAL ORDER OF DETERMINATION is incorporated as if set forth fully herein.

A. FINDINGS OF FACT AND DESCRIPTION OF MODIFICATIONS TO THE PROPOSED ORDER

- 1. On January 31, 1991, PACIFICORP, DBA PACIFIC POWER AND LIGHT CO. (Claimant) timely submitted a Statement and Proof of Claim (Claim 168) to the Oregon Water Resources Department (OWRD) pursuant to ORS Chapter 539 in the Klamath Basin Adjudication based upon use of water beginning prior to February 24, 1909 (pre-1909 claim).
- 2. Claim 168 and its associated contests (2056, 3162, and 3280) were referred to the Office of Administrative Hearings for a contested case hearing which was designated as Case 15.
- 3. The Office of Administrative Hearings conducted contested case proceedings and ultimately issued a Proposed Order (Proposed Order) on July 11, 2002, approving Claim 168.
- 4. Exceptions were filed to the Proposed Order by Medford Irrigation District and Rogue River Valley Irrigation District within the exceptions filing deadline. See MEDFORD AND ROGUE RIVER VALLEY IRRIGATION DISTRICTS' EXCEPTIONS TO PROPOSED ORDER (Aug. 16, 2002).
- 5. The exceptions were referred to the Office of Administrative Hearings for comment.

CLAIM 168 Page 1 of 8

- 6. In comments to the exceptions, the Administrative Law Judge from the Office of Administrative Hearings, in summary, stated: "The exceptions presented in this case have no merit. The Adjudicator should make no changes in the order to accommodate them."
- 7. The Proposed Order is adopted and incorporated, with modifications, into this Partial Order of Determination as follows:
 - a. The "History of the Case" is adopted with modifications, as set forth in Section A.8, below.
 - b. The "Evidentiary Rulings" is adopted with modifications, as set forth in Section A.9, below.
 - c. The "Issues" is adopted in its entirety.
 - d. The "Findings of Fact" is adopted in its entirety.
 - e. The "Conclusions of Law" is adopted with modifications, as set forth in Section A.10, below.
 - f. The "Opinion" is adopted with modifications, as set forth in Section A.11, below.
 - g. The "Order" is replaced in its entirety by the Water Right Claim Description as set forth in Section B of this Partial Order of Determination for Claim 168. The outcome of the Order is without modification; it is presented in a format standardized by OWRD.
- 8. **History of the Case.** Within the section titled "History of the Case" of the Proposed Order, the first sentence is modified as follows (additions are shown in "underline" text, deletions are shown in "strikethrough" text):

The proceeding in the Klamath Basin Water Adjudication was commenced by a claim filed on January 31, 1981 1991 by Pacificorp based upon use of water beginning prior to February 24, 1909. (OWRD Ex. 1 at 3-7.)

Reason for Modification: The ALJ's finding with respect to the year the claim was filed is not supported by a preponderance of evidence in the record; to provide an additional citation to the record.

9. **Evidentiary Rulings.** Within the section titled "Evidentiary Rulings" of the Proposed Order, paragraphs 3, 4 and 5 are modified as follows (additions are shown in "<u>underline</u>" text and deletions are show in "strikethrough" text):

The evidence objected to describes the development of works for diversion of water from Four Mile Lake to Fish Lake, and the history of the water rights attendant to that diversion. It is offered to support the proposition, stated in the Districts' contest, that the appropriation of water

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PARTIAL ORDER OF DETERMINATION

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CLAIM 168 Page 2 of 8 by Pacificorp should be conditioned so as to prevent a call that would conflict with the District's rights to the water in Four Mile Lake. <u>The evidence is relevant to that issue and is admitted.</u>

It is suggested that the adjudicator does not have the authority to impose such a condition as the Districts' propose. If this were so, then Pacificorp's objection would be well taken, since if the adjudicator cannot grant the relief requested, evidence in support of that relief would be immaterial.

However, I am not prepared to decide in the abstract whether, as a matter of law, the adjudicator is authorized to grant such relief in specific cases, if the evidence would not support the exercise of that authority even if it existed. The parties have not briefed that question in this case, and the arguments presented at the hearing regarding it were somewhat cursory. In order to decide whether it is necessary to reach the issue of the adjudicator's authority, I must review the evidence to determine whether it would support the imposition of the condition requested, even if such a condition was authorized. I find the evidence relevant and material to the determination whether, even if authorized, the relief should be allowed in this case. Consequently, the objection is overruled, and the evidence admitted.

Reason for Modification: For internal consistency between the "Opinion" section, as modified, and the "Evidentiary Rulings."

10. **Conclusion of Law.** Within the section titled "Conclusions of Law" of the Proposed Order, Conclusion #1 is modified as follows (additions are shown in "underline" text, deletions are shown in "strikethrough" text):

The evidence is insufficient to determine whether water from the Klamath Basin described in the water rights held by Rogue River Valley Irrigation District and Medford Irrigation District should "be 'water available' for

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appropriation under the Klamath Adjudication. Relief that regulates actual water use is inappropriate in this proceeding, the purpose of which is to determine the relative water rights of the parties.

Reason for Modification: For internal consistency between the "Opinion" section, as modified, and the "Conclusions of Law."

11. **Opinion.** Within the section titled "Opinion" of the Proposed Order, the second introductory paragraph and the subsection "Four Mile Lake" are modified as follows (additions are shown in "underline" text, deletions are shown in "strikethrough" text):

There are really only two issues presented in this case that merit discussion. First, does the record support OWRD's conclusion that the priority date of Pacificorp's water right should be October 16, 1905, or should it be December 11, 1891 as Pacificorp asserts? Second, may the Districts obtain relief that regulates actual water use in this proceeding? If they may, is the water in Four Mile Lake to be treated as part of the Klamath Basin, and therefore subject to this adjudication, or is it not?

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Four Mile Lake

In their contest the Districts asked the Adjudicator to impose Condition on Pacificorp's water right barring Pacificorp from making a call on water from Four Mile Lake. Aside from the question as to whether the Adjudicator would ever be authorized to impose such a condition, the record does not justify such an imposition in this case in any event.

Either Four Mile Lake originally had an outlet to Klamath Lake, or it did not. The evidence on this question is not conclusive, but the Districts appear to have concluded that at one time the two lakes were connected. The amount of water that actually reached Klamath Lake, if any, is completely unknown on this record.

If water from Four Mile Lake originally flowed into Klamath Lake, then the watershed of that lake is part of the Klamath Basin, and was originally part of the watershed that supplied Klamath Lake. Since the appropriation for the

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diversion of the water of Four Mile Lake to Fish Lake was not recorded until the 1900s, it would have supplied part of the water flowing through Link River when Pacificorp's predecessor appropriated water in 1891. As such, it would have been included as junior to that appropriation, and should not be removed from it now.

However, the evidence is insufficient in this record to establish that the water in Four Mile Lake ever actually did flow to Klamath Lake. If the water from Four Mile Lake never flowed into Klamath Lake, it could not be treated as subject to Pacificorp's water right. In that event there would be no need or reason for imposition of a condition on Pacificorp's water right, since the water in Four Mile Lake could never be subject that water right.

Since, on this record, there is not enough evidence to determine whether or how much water from Four Mile Lake flowed to Klamath Lake, there is no evidentiary basis for imposing the condition sought by the districts, and their request must be denied.

The relief the Districts seek is one of regulation and is not appropriate to this proceeding, which is to determine the relative water rights of the parties, not regulate actual water use. Accordingly, it is unnecessary to decide the factual issue of whether or how much water flowed from Four Mile Lake to Klamath Lake.

Like most western states, Oregon follows the "prior appropriation" doctrine, which addresses which water rights are honored in times of shortage. See Robert E. Beck, *Prevalence and Definition*, 2 Waters and Water Rights, 83 (Robert E. Beck, ed. 1991). See also Janet C. Neuman, "Oregon," in 6 Waters and Water Rights, 704 (2d ed 1994). Under the prior appropriation doctrine, "a person may acquire an appropriative right on a 'first come, first served' basis by diverting water and applying it to a beneficial use." *Teel Irrigation District v. Water Resources Dept.*, 323 Or 663,667 (1996).

The prior appropriation doctrine governs distribution of water as well as the allocation of water and in times of shortage addresses which holder of water rights can receive water. Water rights holders with a later (junior) priority date are not entitled to use water if their use would interfere with the rights of those who have earlier (senior) priority dates. Thus a water right is not an absolute right to use water, but a relative right that may only be exercised within the priority system. ORS 537.120 (subject to existing rights, and other exceptions not pertinent here "waters within the state may be appropriated for beneficial use"); ORS 540.045 (describing watermaster duties to "distribute water among the various users . . . in accordance with the users' existing water rights of record").

Contestant Irrigation Districts seek to prevent Claimant Pacificorp from placing a "call" on waters to which the Irrigation Districts have established water rights by conditioning Pacificorp's water right to prevent such a "call." Strictly speaking, water users do not place a "call" on other users' water rights. Rather, a water user places a "call" on the stream, river, or other source that supplies its right by demanding that the watermaster distribute water among the various users according to their water rights of record. ORS 540.045. It is then the watermaster's duty to determine how that "call" shall be enforced. *Id.* The watermaster is empowered to enforce a "call" by directly regulating a water user's diversion. ORS 540.045(c). The condition that Contestants seek, therefore, is one pertaining to regulation of water rights, not to the rights themselves.

The purpose of this proceeding is to identify and determine the relative rights of individuals and entities who began using water before February 24, 1909. ORS 539.010; 539.021. Only after identification, quantification and determination of those relative rights have been completed can there be meaningful discussion regarding regulation of those rights. ORS 540.045 (watermasters regulate in accordance with "rights of record"); ORS 540.145 (the Water Resources Commission may adopt rules pertaining to distribution of water pursuant to, among other things, rights established by "an order of the . . . Director in proceedings for the determination of relative rights to the use of water."). Thus, if a "call" or complaint is placed with the watermaster, he or she will then regulate in accordance with "rights of record" and other applicable law. Id.; see OAR 690-250-0020 (distribution of surface waters). Neither general

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PARTIAL ORDER OF DETERMINATION

principals of the prior appropriation doctrine nor the applicable statutes entitle contestant Irrigation Districts to the regulatory condition they seek to impose on Claimant Pacificorp's Claim No. 168. Claimant Pacificorp's water right should not be conditioned in the manner that these Contestants seek.

Reason for Modifications: To clarify the basis supporting modified Conclusion of Law #1.

B. DETERMINATION

- The Proposed Order is adopted and incorporated, with modifications, into this Partial 1. Order of Determination as follows:
 - a. The "History of the Case" is adopted with modifications, as set forth in Section A.8,
 - b. The "Evidentiary Rulings" is adopted with modifications, as set forth in Section A.9,
 - c. The "Issues" is adopted in its entirety.
 - d. The "Findings of Fact" is adopted in its entirety.
 - e. The "Conclusions of Law" is adopted with modifications, as set forth in Section A.10,
 - The "Opinion" is adopted with modifications, as set forth in Section A.11, above.
 - g. The "Order" is replaced in its entirety by the Water Right Claim Description as set forth in Section B of this Partial Order of Determination for Claim 168. The outcome of the Order is without modification; it is presented in a format standardized by OWRD.
- The elements of a pre-1909 claim are established. The GENERAL CONCLUSIONS OF 2. LAW CONCERNING PRE-1909 CLAIMS is incorporated as if set forth fully herein.
- Based on the file and record herein, IT IS ORDERED that Claim 168 is approved as set 3. forth in the following Water Right Claim Description.

[Beginning of Water Right Claim Description]

CLAIM NO. 168

CLAIM MAP REFERENCE:

OWRD INVESTIGATION MAP – T 38 S, R 9 E, W.M.

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CLAIMANT: PACIFICORP, DBA PACIFIC POWER AND LIGHT CO. 825 NE MULTNOMAH, SUITE 1700

PORTLAND, OR 97232

OWRD

SOURCE OF WATER:

The LINK RIVER, tributary to the KLAMATH RIVER

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PURPOSE or USE: POWER

RATE OF USE: 205.0 CUBIC FEET PER SECOND MEASURED AT THE POINT OF DIVERSION

PERIOD OF ALLOWED USE: JANUARY 1 - DECEMBER 31

DATE OF PRIORITY: October 16, 1905

THE POINT OF DIVERSION IS LOCATED AS FOLLOWS:

	Twp	Rng	Mer	Sec	Q-Q	GLot
f	38 S	9 E	WM	30 -	NW SE	.4.

THE PLACE OF USE IS LOCATED AS FOLLOWS:

	Twp	<u> </u>	Rng	Mer	Sec	Q-Q	GLot	Remarks
٠	38 S		9 E	WM	32	NW SW	1	West Side Power Plant

[End of Water Right Claim Description]

Dated at Salem, Oregon on March 7, 2013

Dwight Fiench, Adjudicator

Klamath Basin General Stream Adjudication

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PARTIAL ORDER OF DETERMINATION

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•		
Term of the Lease (may be from 1 year up to 5 years): The lease is requested to begin in: month	22and end: month 4 year 2025	
Note: The begin month is generally the first month of the in the irrigation season. If not an irrigation right, this wo	irrigation season and the end month is the	last month
period of allowed use.	70	
Public use: Check the public use(s) this lease will serve	Termination provision (for multiyear l	
(as defined by ORS 537.332): Conservation, maintenance and enhancement of	The parties to the lease request (choose X a. The option of terminating the lease	
aquatic, fish and wildlife, fish and wildlife habitat and	expiration of the full term with wri	
any other ecological values.	to the Department by the Lessor(s)	
Recreation	Lessee.	and/or
Pollution abatement	b. The option of terminating the lease	prior to
Navigation	expiration of the full term, with con	- 1
	parties to the lease.	
	c. The parties would not like to include	de a
	Termination Provision.	·
	(See instructions for limitations to this pr	rovision)
Additive/Replacing Relationship to other instream wa	ter rights: Instream leases are generally ad	ditive to
other existing instream water rights created as a result of	instream leases, transfers and/or allocations	of
conserved water. Since instream leases are also generally	y senior to other instream rights created thro	ough a state
agency process or conversion of minimum flows, they ge	nerally replace a portion of these junior inst	tream
rights.	•	
If you would like this lease to relate to other instream wat	ter rights differently, please check this box.	
And attach an explanation of your intent.	•	
Validity of the Right(s) to be leased (check the appropriate of the water right(s) to be leased have been used under five years or have been leased instream; or The water right(s) have not been used for the last five right(s). However, the water right(s) is not subject to describing why the water right(s) is not subject to for	the terms and conditions of the right(s) dure years according to the terms and condition of forfeiture under ORS 540.610(2). Docum	ns of the
Precedent: If a right which has been leased is later probecome part of an allocation of conserved An instream lease shall not set a precedent	water project, a new injury review shall	
The undersigned declare:		
1. The Lessor(s) agree during the term of this lease, to s	uspend use of water allowed under the s	subject water
right(s) and under any appurtenant primary or supple	mental water right(s) not involved in the	e lease
application; and		
2.The Lessor(s) certify that I/we are the water right hole	der(s) of the right(s) described in this in	stream
lease application. If not the deeded landowner, I/we l	have provided documentation with the l	ease
application that I/we have authorization to pursue the	-	
from the deeded landowner; and		
3.All parties affirm that information provided in this lea	ase application is true and accurate.	RECEIVE
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Signature of Lessor		
Printed name (and title): <u>Jordana T. Taylor</u> Business	s name, if applicable: PacifiCorp. an Or	egon
corporation	- man in appropriate in the court of the cou	-0

Mailing Address (with state and zip): 825 NE Multnomah Street, Suite 1700, Portland, Oregon 97232

Phone number (include area code): 503-813-6143 **E-mail address: Jordana.Taylor@PacifiCorp.com

	Date:
Signature of Co-Lessor	
Printed name (and title):	•
Business/organization name:	
Mailing Address (with state and zip):	<u> </u>
Phone number (include area code):	**E-mail address:
	•
	Datas
Ciamatawa of Lagge	Date:
Signature of Lessee	
Printed name (and title):	
Business/organization name:	
Mailing Address (with state and zip):	
0 1/	**E-mail address:

DEPARTMENT ELECTRONICALLY. COPIES OF THE FINAL ORDER DOCUMENTS WILL ALSO BE MAILED TO THE LESSOR.

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