MEMORADUM

TO: Water Resources Commission

FROM: Paul R. Cleary, Director

SUBJECT: Agenda Item F, June 26, 2003

Water Resources Commission Meeting

Long-Term Water Supply Management: Water Management and

Conservation Planning

I. Issue Statement

Water conservation and responsible water management are critical elements of the State's long-term water supply strategy. As part of the Commission's on-going dialog about long-term water supply planning and management, staff will provide an update on implementation of the Commission's rules regarding permit extensions and water management and conservation plans for community water suppliers. *This is an informational report only; no Commission action is required.*

II. Background

In October 2002 the Commission adopted rules under OAR Chapter 690, Division 315, pertaining to permit extensions for municipal and quasi-municipal water use permits and OAR Chapter 690, Division 86, pertaining to water management and conservation plans. The rule adoption was the culmination of a multi-year effort by the Department and the Community Water Supply Work Group to develop a permit extension process that addresses issues unique to development of community water supplies.

Under the new rules, the holder of a municipal or quasi-municipal water use permit may request a permit extension for the amount of time necessary to complete development of the water use. However, the water supplier is not authorized under the extension process to initiate or expand their use of water under the permit beyond the maximum rate of water currently diverted. Rather, the authorization to initiate or increase diversion is granted through the Department's review and approval of the water supplier's water management and conservation plan. The Department will authorize use of water under extended permits in 20-year increments, as long as the water management and conservation plan provides clear justification for the additional water and the water supplier is managing and conserving water in a responsible manner.

III. Discussion

Since rule adoption, a number of activities have been initiated. The Department has corresponded with almost 100 water suppliers regarding the need to supply additional information for their pending permit extension applications. Staff have also contacted over 250 water suppliers regarding the need to either submit a permit extension application or, if the permit has been completely developed, a claim of beneficial use so that a water right certificate can be issued.

Currently, there are approximately 150 pending permit extension applications that have been submitted by community water suppliers. Staff anticipate as many as 150 more community water supplier extension requests within the next several months. To date, eight permit extension applications and one water management and conservation plan have been evaluated under the new rules.

In addition to the Department's activities, the League of Oregon Cities, in cooperation with the Oregon Water Utility Council and the Special Districts Association, commissioned Economic and Engineering Services, Inc. (EES) to create a guidebook for developing a water management and conservation plan. A copy of the guidebook is attached to this memorandum and can also be downloaded from the League of Oregon Cities' web page at http://www.orcities.org/publications/specialPubs.cfm. The guidebook provides a summary of the Commission's rules, specific guidance, helpful tips, and two sample plans; it was developed in conjunction with an oversight committee, including Department staff and a number of water providers. A draft of the guidebook was also provided to several small municipal water providers and two environmental organizations for comment.

In addition to developing the guidebook, the League of Oregon Cities has sponsored three workshops conducted by EES to provide community water providers guidance on how to use the manual. The workshops were held in late May and early June in Roseburg, Pendleton, and Salem.

The guidebook and model plans are a major step forward in enhancing plan accuracy and quality and the Department greatly appreciates the efforts of the participants and sponsors. Moreover, the guidebook provides the structure for the improvement of the management and conservation of the state's water resources, while addressing the need for adequate water supplies in the future.

IV. Recommendation

This is an informational report. No Commission action is required.

Attachment for Water Resources Commission members only: Water Management and Conservation Plans, A Guidebook for Oregon Municipal Water Suppliers