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MEMORANDUM

TO: Water Resources Commission

FROM: Dwight French, Water Rights and Adjudication Administrator

SUBJECT: Agenda Item I, August 27, 2010
Water Resources Commission Meeting

Water Management and Conservation Plan Briefing

I. Issue Statement

Recently, the Commission requested an update of the Water Management and Conservation Planning Program in order to understand its strengths and weaknesses and how the program is implemented.

II. Background

Oregon is one of the Northwest's leaders in Water Management and Conservation Planning. The Department administers Water Management and Conservation Plans (WMCP) under OAR Chapter 690, Division 86. With the adoption of rules to allow water right permit extensions under OAR Chapter 690, Division 315, WMCP's now provide a process to review and allow appropriate access to increased water diversions under extended permits.

During the mid 1980's and early 1990's the Commission adopted the State Water Resources Policy and rules to ensure compliance with statewide planning goals, compatibility with comprehensive plans, and coordination on land use matters. Part of this effort resulted in the WMCP process. Since 1992, the municipal water management and conservation planning program has provided a process through which cities and other municipal water suppliers estimate long-range water supply needs and identify alternatives, including water conservation programs, to meet those needs. The Department requires many municipal water suppliers to prepare WMCP's as conditions of their water use permits or permit extensions. Agricultural water management and conservation planning (AG WMCP) provides a process through which irrigation districts and other agricultural water suppliers identify water conservation programs for implementation based on the suppliers´ needs and particular circumstances. An approved AG WMCP allows some irrigation districts special transfer processes and districts with ties to the U.S. Bureau of Reclamation (BOR) enhanced access to BOR conservation grants.

III. Discussion

The WMCP process is applied statewide to a variety of water users. The municipal WMCP program recognizes that communities with a population under 1000 have different needs and fiscal resources than larger communities. The rules for the AG WMCP program are broader so there are no distinctions between large or small Districts.

Municipal Water Management and Conservation Plans

There are several ways that municipal WMCP's come to the Department. The most common is a condition as part of a new water use permit. A growing number of WMCP's will come from permit extensions. These WMCP's will be submitted to comply with the requirements under the permit extension process and to secure Department authorization for increased diversion of water under extended permits. The Department anticipates receiving as many as 200 municipal WMCP's in the next few years. Other agencies may require a WMCP to be submitted for a variety of reasons. The Department of Human Services' Drinking Water Division may require a WMCP as part of a capacity analysis for a community water system. Loan programs (local, state and federal) may also require a WMCP as part of their loan conditions. There are 131 WMCP's that have been submitted by 108 municipal water suppliers.

The Department worked with three key partners to aid municipal suppliers in preparing WMCP's and complying with the updated rules: the League of Oregon Cities (LOC), in cooperation with the Oregon Water Utility Council (OWUC) and Special Districts Association of Oregon (SDAO). The resulting product was a guidebook for developing WMCP's. The availability of this guidebook has resulted in better, more thorough WMCP's that are easier for the Department to review. The guidebook may be downloaded at www.wrd.state.or.us.

Agricultural Water Management and Conservation Plans

Preparation of WMCP's by irrigation districts and other agricultural water suppliers is largely voluntary. However, districts with WMCP's approved by the Water Resources Department are able to take advantage of statutory provisions that allow the transfer of water rights from one district user to another in order to prevent forfeiture of the rights due to non-use. There are 35 AG WMCP approved plans from 31 districts. The first wave of effort was largely done with funding from BOR.

In 2007, the Department partnered with the BOR and Oregon Water Resources Congress (OWRC) to cooperatively develop a comparable guide for AG WMCP's. The guidebook provides an educational tool for district managers, board members and patrons to allow them to develop a better understanding of their water supplies, use and delivery systems.

Requirements

Municipal Water Management and Conservation Plans

A municipal WMCP provides a description of the water system, identifies the sources of water used by the community, and explains how the water supplier will manage and conserve supplies to meet future needs. Preparation of a WMCP is intended to represent a pro-active evaluation of the management and conservation measures that suppliers can undertake. The planning program requires municipal water suppliers to consider water that can be saved through conservation practices as a source of supply to meet growing demands if the saved water is less expensive that developing new supplies. As such, a WMCP represents an integrated resource management approach to securing the community long-term water supply.

Under the existing source planning program, municipal water suppliers examine their current water supply and are required to assess the reliability of that supply to meet their demand. Depending on the size of the community and whether there are resource issues (e.g., endangered species, Critical Ground Water Areas, and DEQ designated Ground Water Management Areas), a variety of water conservation tools are required to be analyzed and, if appropriate, implemented.

The standards for analysis of conservation measures are such that each community should be able to describe its situation and find solutions that are reasonable and appropriate for the nature of the community. The initial standard to compare against loss or unaccounted-for water is no more 15%. If the community is already at 15% loss, then the ultimate goal is a plan to achieve the American Water Works Association standard of no more than 10% loss. The methods a community uses to achieve these goals are not prescriptive.

Each WMCP must contain a curtailment plan. These curtailment plans must consider both long-term and catastrophic water supply shortages. Curtailment planning applies to drought planning, but is not restricted to drought. Catastrophic interruption of supply from floods, broken infrastructure, chemical spills or other water quality issues must be considered, and a plan detailing how the community will deal with these types of water emergencies must be established.

The municipal water supply element of the WMCP must consider the current and future service areas and the anticipated population growth within them, a schedule for development of water use permits (if any), a comparison of future sources of water, implementation of conservation measures, and any mitigation or limitations due to a resource issue, such as ESA listed species.

Agricultural Water Management and Conservation Plans

Under the conservation planning program, agricultural water suppliers examine their supply, demand, future needs, and water conservation tools. By using this process, irrigation districts and other suppliers can create a "water budget" for their current and future needs. This water budget, along with projected future demands on the system, help to clarify how much water is needed to meet current and future needs. Application of appropriate conservation tools may also lead to an increase in available water supplies to better meet the patrons´ crop demands.

Each AG WMCP must contain a curtailment plan, similar to the ones described above.

The AG WMCP enables irrigation districts to use this information to plan, design, and implement changes in their system to better manage and conserve water and to meet future supply challenges. The Department is nearing completion of a second model agricultural plan with one of the irrigation districts for web posting.

The AG WMCP supply element of the plan must consider: the current and future service areas and the anticipated population growth within them; urbanization impacts, if any; allocation of conserved water projects; and a comparison of future sources of water and implementation of conservation measures.

Plan Review and Approval

Both municipal and agricultural suppliers are required to notify affected local governments 30 days prior to submitting their WMCP to the Department. When a complete WMCP is submitted to the Department, it is placed on the public notice. Interested parties have 30 days to submit comments to the Department regarding the WMCP. WMCP's are reviewed with a worksheet, which is specific to the sections of OAR Chapter 690, Division 86 that apply to the supplier. The Department has a goal and a key performance measure to review the WMCP and provide written comments to the supplier within 90 days of submission. During the last fiscal year the Department met this goal 81% of the time, which exceeds the key performance measure target of 75%. Upon receipt of the Department's written comments, the supplier has the opportunity to modify the plan and address Department comments and public comments (if any).

Municipal Water Management and Conservation Plans

Under the rules, municipal WMCP's may be approved for up to 10 years, at which time a WMCP update is required. For municipal WMCP's with 10-year approval dates, a five-year progress report is required. Progress reports include a list of the conservation benchmarks established in the WMCP and a description of progress made toward implementing the associated conservation measure or other measures. If the progress report is not submitted or if the progress is not sufficient, the municipality may have difficulty meeting the standards for the next update.

If the WMCP is generally consistent with Division 86, but there are problems such as lack of data or insufficient water metering, a WMCP with a work plan may be approved for 5 years. Access to additional water under an extended permit is not allowed under a WMCP with a work plan.

Agricultural Water Management and Conservation Plans

Under the rules, if an AG WMCP is sufficient, it may be approved for up to 10 years, at the end of this period, a full WMCP update is required. Districts that are affiliated with the BOR typically are approved for a 5-year period to be consistent with Federal requirements. If the plan is generally consistent with Division 86, but there are problems such as lack of data, a WMCP with a work plan may be approved for 5 years. WMCP's with work plans are not allowed additional privileges of

internal transfers for non-use.

IV. How we compare to other states

The state of Washington adopted rules in 2006 for water management and conservation statues for municipalities. They recently started receiving and reviewing plans, however in comparison to Oregon's program, Washington's is a more informal and abbreviated process. The state of Idaho now has a similar process for municipalities and agricultural users for one administrative ground water area. To date, Idaho has only received a couple of plans, and with the aid of an Advisory Group, has taken initial steps to develop guidelines for the information that should be incorporated into those plans.

V. Conclusion

Over the past twelve years the quality of WMCP documentation has vastly improved, particularly among those entities submitting updated plans. As more municipalities and irrigation districts participate in the program, the Department expects that the quality and use of the plans will continue to improve. Here are some examples of improvements:

- Recently the Department reviewed a second WMCP for the Port of Portland. Among the accomplishments highlighted in the WMCP, one of the most significant is that the Port has gone from being the 5th largest user of water in the Portland Water Bureau list to being the 8th largest.

- Tumalo Irrigation District has moved from wood stave pipe to concrete pipe with telemetry so that they have a management tool to understand their water use on a real time basis.

- The City of Sisters had a difficult time gathering and interpreting their water use data. They applied for and received an Oregon Water Supply and Conservation Initiative (OWSCI) Grant to do some "pre" work on their WMCP. The Department expects this will allow the WMCP to go through the review process with much greater success.

- The Medford Water Commission has improved the public education component of their WMCP and has one of the best conservation messages on the web.

- The cities of central Oregon and the OSU Extension Service collaborated to create a wonderful plant guide for low water use landscaping. Using the central Oregon guide as a model, water providers for the Willamette Basin have created an equally impressive plant guide for low water use landscaping in the Willamette Valley.

- One of the earliest entities to submit a WMCP was the Joint Water Commission (JWC). Each plan submitted is an improvement over the last. The current plan is one of the most comprehensive regional WMCP received to date. The JWC member agencies combined their efforts to produce a coordinated plan with data in the same format and a common water supply plan.

As access to funding becomes more difficult, competition for water becomes more intense and the public is more demanding; a good planning effort with public involvement becomes more important. Water supplies are being viewed as an asset to manage rather than an endless resource.

Attachment: Water Management and Conservation Planning Resources

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