

Water Resources Department

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MEMORANDUM

TO: Water Resources Commission

FROM: Phillip C. Ward, Director

SUBJECT: Agenda Item A, May 29, 2014

Water Resources Commission Meeting

Consideration of the Exceptions and Issuance of Final Order In the Matter of Water Right Application S-87330 in the Name of the Willamette Water Co.

I. Introduction

A contested case hearing was held in Salem on November 14 - 16, 2011 to resolve a protest filed by WaterWatch of Oregon Inc. against the Willamette Water Company's surface water application S-87330. The Commission will be asked to issue a final order in the contested case to resolve the protest against application S-87330.

II. Background

On November 5, 2008, Willamette Water Co. submitted application No. S-87330 to the Oregon Water Resources Department for a permit to use 34 cubic feet per second (cfs) of water from the McKenzie River for a quasi-municipal use. The Department issued a Proposed Final Order (PFO) on January 26, 2010, that proposed to issue a permit with conditions. The Company and WaterWatch of Oregon filed protests on March 12, 2010.

A contested case hearing was held and on April 27, 2012, Administrative Law Judge Han issued a Proposed Order recommending denial of the application on several grounds. The Company and WaterWatch both filed exceptions with the Department. On March 7, 2014, after consideration of the exceptions and the record, the Director issued a Final Order in Contested Case recommending denial of application S-87330. The Company and WaterWatch both filed exceptions on March 31, 2014.

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III. Discussion

At the March 2014 Commission meeting, the full Commission formed a subcommittee to consider the exceptions to the Director's final order in this case. The subcommittee members appointed were Carol Whipple, Jeanne LeJeune and Robert Baumgartner.

After deliberating with the subcommittee in an executive session on May 29, 2014, the Commission will vote in open meeting to issue a final order resolving the exceptions and making a final determination on application S-87330.

IV. Alternatives

The Commission may consider the following alternatives:

- 1. Deny the exceptions and affirm the Director's Final Order.
- 2. Accept some of the exceptions and deny some of the exceptions and issue a modified final order.

V. Recommendation

The Director recommends alternative 1.

Dwight French 503-986-0819