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MEMORANDUM

TO: Water Resources Commission

FROM: Racquel Rancier, Senior Policy Coordinator

SUBJECT: Agenda Item E, May 29, 2014
Water Resources Commission Meeting

Proposed Deschutes Basin WaterSMART Basin Study

I. Issue Statement and Background

Senate Bill 839 (2013) authorizes the Department to fund comprehensive basin studies conducted by the U.S. Bureau of Reclamation (BOR). Funding for these studies is not subject to SB 839 grant and loan procedures, or scoring and ranking processes. The 2014 Legislature included a budget note directing the Department to spend up to $750,000 on the Deschutes WaterSMART Basin Study (Study).

The Study is pending acceptance by the Bureau of Reclamation (BOR). If accepted, the Study would build on existing work in the Deschutes Basin to evaluate supply and demand imbalances, develop and evaluate specific options for meeting existing and future water demands, and generate a project implementation plan.

Suzanne Butterfield, Vice Chair of the Deschutes Basin Board of Control and Chairwoman of the Deschutes Basin Study Work Group, will provide background on the Deschutes Basin and an overview of the Study proposal.

II. Discussion

In February 2014, the Deschutes Basin Board of Control (DBBC), on behalf of the Deschutes Basin Study Workgroup, submitted a proposal to the Bureau of Reclamation to conduct a WaterSMART Basin Study. If accepted, the Study will focus on resolving imbalances in water supply and demand for both instream and out-of-stream needs in the upper Deschutes Basin. The Study would focus on surface water and groundwater upstream from the confluence of the Deschutes, Crooked and Metolius river systems. The Study is expected to cost $1.5 million, half of which will be funded by the Department.

The following four required elements will be addressed by the Study:

> (1) projections of water supply and demand within the basin, including an assessment of risks to the water supply relating to climate change;
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> (2) analysis of how existing water and power infrastructure and operations will perform in the face of changing water realities, such as population increases and climate change;
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> (3) development of appropriate adaptation and mitigation strategies to meet future water demands; and
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> (4) a trade-off analysis of the strategies identified, and findings and recommendations as appropriate, including an analysis of all proposed strategies in terms of cost, environmental impact, risk, stakeholder response, or other attributes.

Ultimately, the Study will utilize the latest science, engineering and climate change information to identify consensus-based water supply projects.

IV. Conclusion

As called for in recommended actions 5A and 9A of the Integrated Water Resources Strategy, Oregon should support basin-scale climate change research efforts, as well as undertake a place-based approach to water resources planning. The Deschutes Basin WaterSMART Basin Study advances both of these recommended actions, allowing the basin to understand and develop consensus-based solutions to supply and demand imbalances in the region.

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