

WaterWatch of Oregon Protecting Natural Flows In Oregon Rivers

To: Oregon Water Resources CommissionFrom: Kimberley Priestley, WaterWatch of OregonRe: Public Comment, Agenda Item I, Grant and Loan Program AssessmentDate: June 24, 2020

Chair Reeves, Members of the Commission:

Thank you for the opportunity to provide public comment on the SB 839 grant and loan program review. As you know, WaterWatch has monitored nearly all grant and loan applications that have come before the Department. We have seen the program evolve, and better administered over time. That said, we still have a few concerns with the program as allowed by statute. We made these points in the instream focus group, but wanted to call these to the attention of the Commission for consideration.

- Conservation counting as an "environmental benefit": Currently the statute allows conservation to count as an environmental benefit. While conservation certainly can provide environmental benefits if it returns water instream, the construct of the statute and rules allow all conservation to count as an environmental benefit, whether or not there is an on the ground benefit to the environment. Under the current statutory and rule construct, an irrigation piping project that returns zero water to the stream and also stops recharge that, from an environmental standpoint, would have an overall negative effect on the environment, can be granted full environmental points (a 5 on WRD's 1-5 scale). This is resulting in projects that have little to no actual environmental benefit (and in some cases would result in environmental harm) to gain funding under this program. We think this is a failing of the program that should be addressed.
- Public money for irrigation piping/lining projects: It has long been WaterWatch's position that if public money is going towards private irrigation efficiency projects, the projects should be required to go through the Conserved Water Act so that a minimum of 25% of the saved water is returned to the stream. We believe this should be a requirement of all public funds, including SB 839 funds.

In addition to these points as they relate to statutory changes, we wanted to offer our strong support of the seasonal varying flow (SVF) protections that are included under the existing law. The background here is important. SB 839 replaced an existing grant and loan program that required environmental benefits and also the protection of peak and ecological flows. That program was declared "unworkable" by a number of user interests right out of the gate (the same user interests who had walked from the negotiating table). A policy group was convened to discuss modifying the program, with some (e.g. the Governor's office) looking to Washington's program as a model (which, among other things, has a 1/3 instream requirement as opposed to Oregon's ¹/₄ instream requirement). SB 839 is the result of that work. From our perspective, SB 839 was a step backwards from the original program. That said, the SVF protections are what

kept most conservation voices at the table. Many compromises were offered to include protections of SVF as it stands in the statute today. Both during bill negotiations and rule development, significant time and resources were expended to make the SVF protections "workable". With that as backdrop, we are concerned that SVF is now being listed as "barrier". The state has seen one application come forward under this program, and we would call it a success. SVF flows were protected and the application went forward without any protests. The SB 839 grant and loan program disperses <u>public funds</u>. We would ask the state to ensure that the public benefits that are supposed to result from the use of these public funds continue forward.

Thank you for the opportunity to comment.