

Columbia River Policy Advisory Group

Meeting Notes

November 12, 2009

Ecology Biennial Activities

Derek Sandison reviewed activities that Ecology has undertaken since the passage of the Columbia River Bill, setting the stage for planned activities this biennium. Ecology has followed a set of guiding principles: be flexible and opportunistic; build a big tool box; demonstrate equity in all actions, including (a) don't take water from one group to give to another, (b) have geographic distribution of actions throughout the Columbia Basin, and (c) tie together the mainstem and tributaries.

Ecology has undertaken five types of projects and/or actions: (1) provide alternatives to groundwater in the Odessa, (2) prepare to process pending water rights from several large projects, (3) develop new supplies for interruptible users for use during a drought, (4) develop new long-term water supplies, and (5) improve instream flows for fish. Derek concluded by reviewing Ecology and the Bureau of Reclamation's attempt in the Yakima Basin to develop a water management approach that integrates fish passage, restoration of habitat, system operation changes, and new water supplies.

CRPAG members had these observations and questions:

- Where is the out-of-stream water going? [*Lake Roosevelt, Odessa, Columbia River Basin Districts*]
- Has more instream flow been developed than out-of-stream flow? [*It is about 50/50 so far, although new permits have not yet been issued.*]
- The chart with buckets is a good performance indicator of trending. It helps to understand how different portions of water are developed to get you to permitting.
- The bucket diagram should show new water versus conserved water. Ecology needs to focus on issuing permits (the empty bucket).
- This chart shows how Ecology is working through the process with Lake Roosevelt water to get to permits.
- The map with colors shows the full cost of Crab Creek but only the feasibility costs of two other projects.
- The long start up time for permitting makes sense.
- Where will Ecology's next focus be? [*Policy issues, such as conserved water. As we venture into new territory, we want a balanced approach that doesn't favor one user over another.*]
- Ecology should put Canadian storage on its long-term list.

- This is a terrific visual. It shows that Ecology is aggressively pursuing water supply. It is an impressive amount of work in a short period of time.
- Regarding dealing with allocations to tributaries: it is not possible to have a one-for-one relation of instream and out-of-stream benefit on each project. Therefore, we will support improvements in the tributaries where there is no demonstrable out-of-stream benefit but in order to achieve equity, we must have out-of-stream benefits on the mainstem.
- I endorse the process that Ecology is demonstrating. Tributary work is a big contributor to the well-being of the Columbia River.

Progress on Lake Roosevelt Permits

Dan Haller reviewed the next three process steps necessary for permitting water from Lake Roosevelt. These are: (1) notice by Ecology to interested parties, (2) consultation with affected parties, and (3) review of the Overriding Consideration of Public Interest element. Derek Sandison will be sending out a letter shortly.

CRPAG members had these questions:

- Would it be possible to line up steps 2 and 3 concurrently? [*We will try to do this through the SEIS process.*]
- What is the mitigation scheme? [*The mitigation scheme is the same as described in the FDR Supplemental EIS. On a broader scale, Ecology is developing comprehensive mitigation guidance for the project due out in 2010.*]

Ecology anticipates issuing M & I permits sometime after January, but a suit pending in federal court could delay this action. Absent an injunction, Ecology intends to move forward to implement permits.

Technical Assistance Grants

Bill Eller of the Conservation Commission reviewed the 2009 process for assessing projects that competed for technical assistance grants. This year's funding criteria required that projects either modify existing storage or provide new surface storage within the next year. Nine applications were received. Three were rejected and six were ranked. After review by both the Technical Assistance Group and Ecology's Columbia River Implementation Team, two projects were recommended for funding this year. These were: (1) Lower Wenatchee Instream Flow Enhancement Piping Project, and (2) Beaver solution to water storage. Ecology identified a third project, Pe hastin Irrigation District Pipeline, as a project with future funding potential if it can be combined with other Pe hastin efforts to improve the cost/benefit ratio.

CRPAG members had these questions and observations:

- How much estimated net water savings will be available from these projects for new permits? [*None. The conservation projects will only have benefits within their reaches.*]
- Does this year's experience mean that we will need to change the funding criteria? [*Yes*]

- It seems like the weighted average had the most impact on the scoring, whereas later in the process the cost per acre foot became a more important consideration.
- It seems to me that the scoring process should emphasize the value of permittable water more than it does.
- The weighting factors do not emphasize permittable water.
- The grant process by itself doesn't need to yield permittable water if on balance the entire program does.
- I am concerned about legislative scrutiny. We need to keep a focus on permittable water.
- During this funding cycle, Ecology did not seek projects. It was a passive process and accepted whatever was offered. If you define what you want to get, for example permittable water, you are likely to see that kind of project.
- We need to keep the bigger picture in mind as context when we consider these individual projects. How much water will be permitted in the next two years? [*15,000 was permitted in 2009 of which 6,000 was associated with M & I. The remaining 20,000 of the first cycle from Lake Roosevelt will be permitted in 2011 and an additional 30,000 bloc permitted in 2011.*]
- I don't mind the passive projects. There is a lot happening. It is not a problem that some of these smaller projects are not producing permittable water.
- Big projects will need to stand on their own merits in terms of the allocation formula. It is impossible to get instream/out-of-stream allocation on each of the proposals. We need to find equity elsewhere.
- If these projects that don't produce out-of-stream water are coming exclusively from the one-third pot of money in the account, that is not a problem. But if they are eating into the two-thirds bucket, that is a concern.
- The KID project is very expensive and controversial regarding its impact on fish.
- I am concerned that we are starting to degenerate the discussion to our own perspectives. The projects should be funded if they have merit. Don't hold someone hostage to a type of project. I don't like the language of My or Your projects.
- Unless we can deal with return flows, conservation projects will not yield permittable water.

Water Conservation

Derek Sandison opened the discussion on the general topic of water conservation and permitting, and then turned to the particular proposal put forward by the Columbia-Snake River Irrigators Association (CSRIA). Derek asserted that a lot of water conservation is non-consumptive, and therefore the Department is unable legally to issue permits outside the particular river reach in which the conservation occurs. Ecology is open to a permitting proposal where an irrigator undertakes the costs of conservation and the State gets the benefit. The sticking point between Ecology and CSRIA is that CSRIA wants credit for actions taken over the last 20 years. The

problem with such a post hoc view is that it has a significant effect on the Columbia River. Ecology is more receptive to a forward looking program.

Darryll Olsen handed out materials and introduced the president of CSRIA, Ron Riemann. Irrigators belonging to CSRIA have, over time, developed a set of techniques that are highly sensitive to soil moisture content and weather conditions. There is a lot of agreement on how much water savings occurs from these measures. These are not permanent measures; they must be done with annual operation and monitoring methods. Even without the conservation savings, CSRIA irrigators are well below their authorized water rights on the Columbia River, due to efficiency. They aren't giving up the right to water which is conserved. The CSRIA actions reduce water use by 17%. CSRIA proposes to take half of this for additional agriculture and leave half in the river. This amount is in the "noise range" in terms of consumptive use versus non-consumptive use; there is no measureable return flow lost. CSRIA is looking for equity with other projects funded by the Columbia River bill. It will create \$40-60M in new household income.

Ron Riemann noted two things. First, it took many years for him to perfect the conservation O & M techniques. It wasn't cost effective when he started, and there was a lot of trial and error. The water he saved was used to irrigate other acreage, due to his efficiency. He believes there should be historical equity in the application of the Columbia River bill, because he fronted the money in the first place. If he stopped these techniques, water use would go up. Second, in terms of return flow, the system he has put in place going back to 1974 doesn't leak. It keeps water at the surface, within 3 feet. This water can be tracked and permitted.

Darryll then introduced Mark Nielson of the Franklin-Benton Conservation District who noted that the Association of Conservation Districts passed a resolution supporting the CSRIA proposal. He believes conservation could free up 300,000 acre feet of water for the Odessa sub basin.

Derek then noted that Ecology supports operation and maintenance conservation and was looking for a program similar to the Yakima Basin Enhancement Program. Dan Haller described a potential alternative program that has some elements of the CSRIA proposal that would be more acceptable to Ecology. Rather than an annual water permit, Ecology suggests considering a term permit tied to investments in the tributaries. Ecology is interested in a pilot program for five-year term permits. This program would be open to permit holders and those with certificates, i.e., a reliable understanding of a water right. The amount of water issued in new permits would be tied to investments in the tributaries. Ecology would charge a fee to recover its staffing costs.

CRPAG members had these comments and questions:

- Would Ecology's proposal include water older than five years? [*The relinquishment issue is playing out in Court. Generally, Ecology thinks of this program as being forward looking.*]
- Is a 17% savings an average? What happens if the savings are less in a given year, could they take their water back? [*No. The 17% is a fixed commitment for a time period.*]

- Some of this conservation would be associated with other projects (e.g., the Barkley ranch). Why is it limited to a term? [*The savings need to be done annually due to the O & M. There is nothing magic about five years.*]
- The current Irrigation Efficiency Program has a provision for cost recovery. What is the direct relationship to the State if it doesn't put money in? [*We believe a statutory change is appropriate insofar as there is a General Fund impact. This is linked to public investments in tributaries.*]
- WDFW is concerned about irrigating new lands with saved water if lands in use are native habitat. We oppose the conversion of shrub steppe habitat.
- If land is zoned agriculture land, the fact that it is fallow has no impact on whether it can be put to use. Shrub steppe is an ancillary issue to the issue before us.
- The Ecology proposal is interesting. I like the prospective nature of it, due to a hit on the river. There is some tradeoff in terms of tributaries and the mainstem that we need to be attentive to. That is, if we are protecting the savings all down the tributary, that would be okay. But if this is a tributary benefit only, then we are trading it for a hit on the mainstem.
- The policy question at hand is the look back. The State has been opposed to an after-the-fact policy, but what about economic recovery that we need now? I encourage the parties to continue the conversation and reach an agreement. I like a pilot program or even two programs. Let's try it and get some comparative data.
- Regarding a five year term: if an irrigator needs to put in a facility of any kind, the program will need to have more than a five-year benefit to pay off.
- Would conservation in the tributary be paid by CSRIA in Ecology's proposal? Wouldn't this circumvent first-in-line? [*Not under the VRA. It would be conservation funded by the Columbia River account. As far as parity, if we have statutory support for term limits, they would go to the front of the line.*]
- Thanks to Ecology for making a proposal. The nature of the discussion is challenging due to the transitory nature of the permit. There is a life term to a probe. This is very different kind of conservation than pump and pipe.
- What is CRPAG's role in assessing these competing proposals? I think the group should be silent on particular proposals. [*Ecology thinks it is appropriate for the CRPAG to comment on major policy questions.*]
- I appreciate the agency trying to constructively navigate this debate on conservation. This proposal does identify potentially some common ground. If we are serious in having a constructive dialogue on water policy, the Ecology proposal could help get by the loggerhead.
- The Yakama tribe likes incentives in conservation programs. We would be willing to discuss and consider a forward-looking program. There is an imbedded policy question before us. The two perspectives will need to go to the legislature. There are several red flags for the tribe.

Public comment on this discussion was as follows:

- The CSRIA water is probably the biggest bloc of wet water that we can get. The 17% would yield water in July and August, months we need the water for fish. The potential for a big contribution in the summer is worth our time to make this work.
- The VRA is part of the watershed plan. It should expeditiously start issuing water rights.
- The Ecology proposal slows the growth of conservation if it focuses just on tributaries.

CRPAG members were encouraged to send written comments to Ecology about the proposal it outlined.

Updates

Dan Haller noted that there has been sparse attendance at the five public meetings held earlier this fall to discuss a revision of the Hillis rule. A draft Hillis rule is due by December 14. Ecology will issue the CR102 shortly thereafter and anticipates having a rule in place in late spring.

Tom Tebb noted that the Wanapum EIS scoping process is underway. The meetings in October were sparsely attended.

Ecology and Chelan PUD expect to sign an Agreement in Principle this week. The Agreement covers several projects, including a potential Rocky Reach pool raise, pump storage appraisal, and the impacts of the Wanapum pool raise on Chelan PUD.

Attendees:

CRPAG members and alternates

Dan Brudevold, Confederated Tribes of the Colville Nation

Jon Culp, Washington State Conservation Commission

Jim Fredericks, Corps of Engineers

Michael Garrity, American Rivers

Bill Gray, Bureau of Reclamation

Bob Hammond, City of Kennewick

Mike Leita, Yakima County Commission

Mo McBroom, Washington Environmental Council

Darryll Olsen, Columbia Snake River Irrigators Association

Merrill Ott, Stevens County Commission

Gary Passmore, Confederated Tribes of the Colville Nation

Lisa Pelly, Washington Water Trust

Rudy Plager, Adams County Commission

Bill Quaempts, Confederated Tribes of the Umatilla

Phil Rigdon, Yakama Nation

Denny Rohr, Grant County PUD
Teresa Scott, Washington Department of Fish and Wildlife
Craig Simpson, East Columbia Basin Irrigation District
John Stuhlmiller, Washington Farm Bureau
Rob Swedo, Bonneville Power Administration

Others in attendance:

Neil Aaland, Washington State Association of Counties
Dennis Beich, Washington Department of Fish and Wildlife
Dave Burdick, Department of Ecology
Carolyn Comeau, Department of Ecology
Stu Crane, Yakama Nation
Charity Davidson, Washington Department of Fish and Wildlife
Mike Dixel, Department of Health
Bill Eller, Washington State Conservation Commission
Andrew Grassell, Chelan PUD
Dan Haller, Department of Ecology
Wally Hickerson, CH2MHill
Tim Hill, Department of Ecology
Perry Huston, Okanogan County Planning
Milt Johnson, Department of Natural Resources
Al Josephy, Department of Ecology
Paul LaRiviere, Washington Department of Fish and Wildlife
Greg McLaughlin, Washington Water Trust
Peggy Miller, Washington Department of Fish and Wildlife
Mark Nielson, Franklin-Benton Co. Conservation Districts
Joye Redfield-Wilder, Department of Ecology
Ron Reimann, Columbia Snake River Irrigators
Rick Roeder, Department of Ecology
Doug Ruston, National Marine Fisheries Service
Derek Sandison, Department of Ecology
Cathy Schaeffer, Walla Walla County
Dan Silver, facilitator
Paul Stoker, Groundwater Management
Tom Tebb, Department of Ecology
Chad Unland, Washington Department of Natural Resources