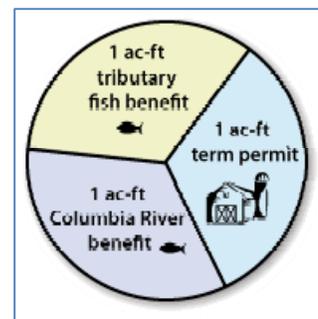


Draft Office of Columbia River (OCR) Conservation Program

Premise: What would a YRBWEP¹-style conservation program look like on the Columbia River?

Summary 1 acre-foot of Columbia River net diversion reduction matched with 1 acre-foot of tributary fish benefit would allow a 1 acre-foot term permit from the Columbia River.



An OCR Conservation program could contain the following elements.

- Geographically tied to Columbia/Snake River Mainstems (perhaps 1 mile corridor definition in RCW 90.90.030).
- Preserve a public/private matching of funds.
 - Under RCW 90.90.010, 1/3rd of the 200 million dollar Columbia River Account is to be used for non-storage goals of the statute, including conservation. Conservation typically results in non-consumptive water savings (e.g. pipe leaks, farm return flows), which typically benefits select (primary) river reaches. Therefore, the conservation OCR funds are best suited for the publicly funded portion of the match.
 - Irrigation water management² (IWM) is an economic annual conservation practice routinely practiced with investment of private funds, due to water, power and chemical savings. This practice is best suited for the private portion of the match.
- YRBWEP uses a formula of 2/3rds instream and 1/3rds out-of-stream, which OCR would emulate for the proposed program. This would provide some balance for the storage allocation under RCW 90.90.010, which is 2/3rds out-of-stream and 1/3rds instream.
- Applicants employing IWM would be required to reduce diversions from the Columbia River by 17%, which would be managed in the trust water program.
- Half of the diversion reduction (8.5%) would be available to the same user for new acres through new 5-year term permits, provided an equal quantity of water had been developed by OCR in an upstream tributary.
- The total amount of water issued in new term permits would be tied to investments in tributaries, not to exceed 50,000 acre-feet.
- 5-year term permits would give recipients sufficient certainty to capitalize investments and provide a manageable permitting workload on OCR staff. The term permits would not be subject to consultation under WAC 173-563. Rather, Ecology would consult each year on proposed tributary investments used to match future term permits.
- OCR would run an annual program with an open-enrollment in January each year. The quantity of water available would be calculated based on OCR-managed tributary investments, less previously issued term permits, plus any quantities associated with cancelled term permits from the previous year, not to exceed 50,000 acre-feet.
- Applicants would be required to complete a certification process in order to qualify.

¹ YRBWEP is the Yakima River Basin Water Enhancement Program authorized by Congress. It uses federal dollars with state and local match to incentivize conservation projects in the Yakima basin. Funding proportions are 2/3rds federal and 1/3rds state/local match.

² Use of soil moisture probes and irrigation scheduling to reduce water leaving the root zone due to overapplication and non-uniform application of water. Over the last 20 years, data collected by WSU, GWMA, Grant PUD and private consultants over thousands of fields demonstrate net water savings of 17%.

- Applicants must have a certificate or perfected permit in order to qualify.
- Applicants must have at least 5 years of metering data, power data, or run-time data.
- Ecology would determine the extent and validity of the water right.
- Applicants would commit to 17% diversion reductions for 5 years, in exchange for a 5-year term permit totaling 8.5% of net water savings that could be used for new acres.
- Enrollment in the OCR conservation program would be a relinquishment exception.
- Applicants would agree to annual metering reporting.
- Applicants would agree to an annual cost recovery fee not to exceed \$30 / acre-foot, calculated each year based on the total staff and amount of water managed under the program.
- This program would initially be crafted as a pilot with a sunset provision of 2016 tied to the last date OCR can issue bonds under the Columbia River Account.

Example: Currently OCR is managing approximately 6,500 acre-feet in tributary fish benefit (Barker Ranch, Yakima River). For 2010, no more than 6,500 acre-feet in new term permits could be issued. A total of 13,000 acre-feet in diversion reductions in the Columbia River would be required. An initial fiscal impact of 2 FTE's (\$200,000 per year) is projected to issue term permits, certify applicants, verify metering data, manage trust water holdings, and collect fees. \$200,000 / 6,500 acre-feet is approximately \$30/acre-foot/year. If, in 2011, trust water holdings increase to 10,000 acre-feet through new tributary project investments, the fee for 2011 would reduce to \$20/acre-foot/year, and an additional 3,500 acre-feet in new term permits could issue.

