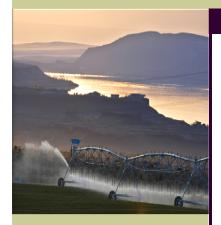
Columbia River-Umatilla Solutions Taskforce Update

February 2014





OUR MISSION

To serve the public by practicing and promoting responsible water management through two key goals:

(1) to directly address Oregon's water supply needs, and

(2) to restore and protect streamflows and watersheds in order to ensure the longterm sustainability of Oregon's ecosystems, economy, and quality of life.

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CRUST Background

The objective of the Columbia River-Umatilla Solutions Taskforce (CRUST) was to identify options to increase the utilization of Columbia River water for in-stream and out-of-stream uses in the Umatilla Basin without negatively impacting in-stream flows needed for fish species. The taskforce efforts resulted in nine consensus recommendations. This document describes the efforts underway to implement these recommendations.

A. Testing and Completion of the Stage I Umatilla Basin Aquifer Recovery Project

The State of Oregon has invested \$3 million to facilitate the preliminary design and build out of the first Columbia River recharge project. The project was designed to recharge the Ordnance Alluvial Aquifer.

Current Status:

 During the 2013-15 biennium the Oregon Water Resources Department (Department) received funding to construct 3-5 additional monitoring wells. These wells will allow for a greater understanding of aquifer characteristics.

To Move this Forward:

- Work will continue to develop solutions to identified challenges.
- ◆ Continue Department efforts to install new monitoring wells, measure monitoring wells on a quarterly basis, analyze extent of aquifer, and explore AR opportunities in the basin. The Department anticipates construction of the new monitoring wells to occur in the fall of 2014.

B. Wallowa Lake Dam Repair

The Wallowa Lake Dam is owned by the Associated Ditch Company (ADC) and is an old concrete dam in poor condition. For safety reasons, water levels in the lake have been significantly reduced. Repair of the dam could increase lake levels allowing the release of additional stored water during the irrigation season.

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Wallowa Lake Dam (cont.)

Current Status:

ADC has indicated an interest in marketing water released from Wallowa Lake.

◆ ADC and Regional Solutions met with the Department on January 30th to discuss next steps to move the project forward.

To Move this Forward:

- ADC is working on a plan to fund the rehabilitation of the dam.
- The Department will provide assistance as needed. ADC's engineer will coordinate with the Department's Dam Safety Engineer to obtain approval for the dam's rehabilitation.

C. Juniper Canyon Storage Reservoir

A proposed dam in Juniper Canyon, an intermittent stream approximately 25 miles northwest of Pendleton and one mile upstream from the Columbia River, could result in storage of an estimated 49,000 acre-feet of water, which would be pumped from the Columbia during winter months.

Current Status:

• An initial property ownership analysis was completed. There are federal lands with one private landowner in the project vicinity.

To Move this Forward:

• A feasibility study as well as engineering/design work will need to be completed. There may be an opportunity for feasibility study funding for the project but a willing partner will need to be identified.

D. Leasing Unused Developed Washington Water Rights

There is an opportunity to lease water through the Washington Trust Water Rights Program that could be used as mitigation for Columbia River withdrawals. The Port of Walla Walla has approximately 4700 acrefeet of fully developed water rights that it has temporarily leased to the Washington Trust Water Rights Program, a portion of which may be available to Oregon water users.

Current Status:

- ◆ The Office of Columbia River verified on 12/23/2013 that there was 908 acre-feet of water available for lease in 2014 at the price of \$105 per acre foot.
- Water users may use water leased through the Washington Trust Water Rights Program as a way to meet mitigation water requirements for new water right permits.

To Move this Forward:

- The Department is communicating with the Basin about the potential to use this water. A new Surface Water Right Permit would need to be secured.
- The Department will demonstrate how water leased through the Washington Trust Water Rights program can be used as mitigation.

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Leasing Unused Developed Washington Water Rights (cont.)

 Basin Irrigators, the Department and the Washington Office of Columbia River will need to work together to discuss securing leased water.

E. Pilot Transaction for a Proposed Umatilla Basin Water Bank and Brokerage

Conduct and analyze a model transaction (using current law and rules) during the 2013 irrigation season that represents a type of transaction that could be facilitated through a water bank, which would be intended to facilitate transactions, in an effective, time-sensitive manner. The pilot would be administered by the Umatilla Basin Water Commission or other entity, and would be subject to existing legal requirements.

Current Status:

• Concept from the CRUST may not be feasible, but similar option exists as identified below.

To Move this Forward:

- The Department is working to identify examples of what can be used for mitigation and will develop outreach materials.
- Stakeholders must determine if there is Basin interest in the development of a "Columbia River Mitigation Bank" or a "Division 33 Mitigation Bank." If so, the Basin Stakeholders and the Department will work to move this forward.
- A mitigation bank would include a system to track and verify quantities of water that are eligible for use as mitigation credits as well as handle financial aspects.

F. Water Conservation Investments in Wallowa Basin

Water Conservation measures related to agricultural use in the Wallowa basin, and potentially other parts of the Grand Ronde basin, might provide additional water for both ecological flows and potential irrigation in the Umatilla Basin. Additional water in these basins would provide significant fish flow benefits.

Current Status:

◆ The Wallowa Soil and Water Conservation District is involved in water conservation work. The Wallowa Soil and Water Conservation District indicated that they would be willing to work with the Department to further inform the Basin about the Allocation of Conserved Water Program and the Water Supply Development Program.

To Move this forward:

- The Department will develop Allocation of Conserved Water outreach materials that describes the program, addresses common misconceptions, and identifies how the program can be used for mitigation water. These outreach materials can be provided to water users, irrigation districts and other groups that could help promote the program.
- The Department will work with the conservation district to hold a workshop on the Allocation of Conserved Water Program.

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G. Interstate Discussions on Potential Joint Investments or Joint Utilization of Water Storage Sites

Several of the options considered by the CRUST involve joint investments in large water storage sites for winter storage and release during the irrigation season. There are potential sites being studied in Washington, Idaho, and Canada. A proposed hydroelectric site to be constructed by Fortis, Inc. located on the Similkameen River in Canada has generated some interest.

Current Status:

Current Status:		
•	In conjunction with Washington, the Department is working with a Canadian energy company, Fortis, to investigate the possibility of state investment in the Similkameen project in exchange for stored water releases to be used as mitigation water for Columbia River withdrawals.	
То	Move this forward:	
•	The Department will continue discussions with Fortis and seek other opportunities for interstate collaboration in the investment and joint utilization of water storage projects.	