



## **Oregon Water Resources Department Deschutes Basin Workplan: Deschutes Groundwater Mitigation Program Phase 1 Updates**

### **Phase 1 Project Summary & Draft Outcomes January 26, 2024**

#### **Context**

The Deschutes Basin Groundwater Mitigation Program was recognized as a priority for near-term work by Oregon Water Resources Department (OWRD) through the development of the OWRD Deschutes Basin Workplan. The agency aims to evaluate legislative authority extension and program rules for potential refinement to align with its mission. Before considering modifications or rule changes, staff clarified unclear topics within the existing program. This document outlines the covered topics in the initial project phase and OWRD's outcomes on pathways forward for each.

#### **Phase 1 Outcomes**

##### *Task 1: Clarify Program Scope According to Current Rule*

<b>Topic</b>	<b>Issue Statement</b>	<b>Phase 1 Outcome</b>
<b><i>Drought Permit Mitigation Obligation</i></b>	Is mitigation required for the temporary use of groundwater allowed within a drought permit in the Deschutes Groundwater Study Area?	Drought permits authorized within the Deschutes Groundwater Study Area do not currently require mitigation.
<b><i>Surface Water to Groundwater Transfers</i></b>	Is mitigation required for a surface water right that goes through the transfer process to a groundwater right?	No mitigation is currently required for Surface water to groundwater transfer.
<b><i>Secondary Permit to Use Stored Water as Mitigation Credit</i></b>	Can a secondary water right to use stored water be used for mitigation credits as part of the Deschutes Groundwater Mitigation Program?	Secondary permits to release stored water will not be authorized for mitigation credit, due to a net decrease in scenic water way and instream water right flows being met compared to the long-term representative base period.

<b>Pre-Program Permit Extensions</b>	If a groundwater permit in the Deschutes Groundwater Study Area approved between 1987 - 1995, is not developed by the specified date, can the permittee get an extension without mitigation responsibility?	Permits approved after 1987, but before July 19, 1995 that receive a time extension will follow the existing language in the original permit to identify if mitigation is required.
--------------------------------------	---	---

*Task 2: Develop Processes to Increase Clarity in Program Operations*

Topic	Issue Statement	Phase 1 Outcome
<b>Process to Manage Program If Allocation Cap is Met</b>	Develop and communicate a process to current and potential permit holders to describe program operations when allocation cap is met.	Implement a communications plan incorporating: <ul style="list-style-type: none"> <li>- Program allocation status.</li> <li>- Requirements and expectations for existing groundwater permit and certificate holders.</li> <li>- Requirements and expectations for potential groundwater permit applicants.</li> <li>- Expectations and program operations for existing and potential mitigation credit holders.</li> </ul>
<b>Process to Ensure Mitigation Bank Reserve Credits Are Available</b>	Develop a process for when there are enough credits for mitigation obligation but not enough equal to reserve requirement in rule.	OWRD process developed to: <ul style="list-style-type: none"> <li>- Monitor mitigation bank reserve credit availability.</li> <li>- Regulate existing groundwater users until mitigation is fulfilled.</li> </ul>
<b>Process to Evaluate Mitigation Offset Applications</b>	Develop a process for how offset applications will be evaluated by the Department. Clarify timing for issuance of an offset decision.	OWRD process developed. The timing of offset decisions can occur after permit issuance.

**Next Steps – Phase 2 Overview**

Beginning in 2024 OWRD staff will be evaluating the existing program to identify any changes needed to support continued success of the program.

Topics for evaluation include but are not limited to:

- Program allocation cap
- Legislative sunset authority
- Mitigation obligations and strategies for long term availability
- Application review processes
- Data integration and transparency