Summary of PAG Comments

Comments on specific criteria.

1. Is this a Conservation and Water Management, Small Surface Storage\(^1\) or Aquifer storage project?
   - The criteria need to look at purchases and transfers of water rights as well. Permanent acquisition of water for instream flow within the constraints of the Act should be encouraged over conservation projects.
   - Additional work should be done to provide ranking criteria for each of the types of projects (conservation, acquisition, small storage, pump exchange, aquifer storage, etc.)
   - There should be different ranking criteria for each type; some types may be prioritized over others.
   - Need to decide if there should be a separate rating process for each project phase.
   - What specific problem does the project solve?
   - The department should state which projects are a priority so that proposers can target those types of projects.
   - Need to decide if there should be an upfront allocation of available funds to categories of projects and actions (i.e., is new storage a higher priority than conservation?).

2. If a Conservation and Water Management project, does it return water to the Columbia River?
   - The issue of returned water to the Columbia River should be kept as flexible as possible. There may be water management actions (transfers) available with little or no change to Columbia Flows but with changes to tributary flows that are consistent with the intent of the law that should be included for adoption.
   - Should add: “or a tributary of the Columbia River.”
   - Need to clarify if this is directly, through recharge, or reduced groundwater withdrawal.

3. Does the project keep water within the WRIA of origin\(^2\)?
   - Projects that do not support the development of new storage and seek funding for water acquisition or transfer from one WRIA to another need specific legislative authority.
   - Would better read: “Does the project entail transferring water from one WRIA to another.”
   - Could this open up the problem addressed in #4?

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\(^1\) The term ‘Small Surface Storage’ needs definition.

\(^2\) There is debate about how rigorously the legislature intended the restriction on movement of water between WRIs to be. The PAG can help resolve this question by making a specific advisory recommendation after discussion.

- The PAG is not an appropriate body to advise legislative intent.
4. Is the project within a WRIA where a substantial number of applications for water are backlogged or interruptible rights are located? For the purposes of selecting projects the Columbia River Mainstem is considered to be a single WRIA\(^3\).

- The project selection process needs a strong WRIA-based component. It should not consider the Columbia mainstem as a single WRIA.
- Would better read: "Will the project make water available to increase water supply reliability for existing users or to meet unmet demand in WRIAs where there are many pending water applications?"
- Why the single WRIA notion? This could be a needless hotspot.

5. Is the project at or upstream of a documented need for additional water?

- And – “will the saved water go to that documented need.”

6. Has the project been determined by the Technical Advisory Group to be effective, efficient and technically sound?

- Will the project employ commonly accepted methods?
- Any proposed project should demonstrate cost-effectiveness in relation to potential alternative tools or projects and effectiveness in providing wet water.

7. Does the project involve conserved water from a permit or certificate\(^4\) that is senior enough to be protectable?

- I am not sure this is the right way to address this. The focus should be positive and the priority date should not be a limiting factor.

8. Does the project provide long term\(^5\) or permanent benefits?

- Permanent benefits would be better described as capital improvements vs. O & M. There are substantial O&M benefits to be had in water conservation and management and to not include them would be imprudent.
- Better to cut out “long term”; just leave “permanent benefits.”
- Provision of permanent benefits should be a high priority.
- This should replace #7.

9. Does the project provide multiple\(^6\) benefits?

- Could mean benefits to both instream and off-stream use (best).
- Could mean benefits to both agricultural and municipal needs.

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\(^3\) Not certain if this criteria can be applied in a manner consistent with the Hillis rule.

\(^4\) Claims are not protectable.

\(^5\) Need to define ‘long term’. Long term or permanent projects can be considered as capital improvements and may be better described in those terms.

\(^6\) The PAG needs to define what is meant by ‘multiple benefits’.
10. Does the project help to build a balance of water rights and biologic benefits\textsuperscript{7} for projects in the WRIA?

- The biological benefit issue should be handled with great care as it will be extremely difficult to measure empirical biological benefits in most cases and impossible in the Columbia River given any of the conceivable water management actions.
- Would better read: “Will the project resolve an instream flow problem that has been identified as a factor limiting habitat for native fish species?”
- Wrong focus again. The issue is addressed in #9 – the focus is not balance between out of stream and instream.

11. Does the project avoid negative biological effects?

- The biological benefit issue should be handled with great care as it will be extremely difficult to measure empirical biological benefits in most cases and impossible in the Columbia River given any of the conceivable water management actions.
- Need discussion on the relationship of this question and the previous question.
- Should read: “Does the project enhance fish and wildlife needs?”

12. Is the local community, watershed planning group or similar group supportive of the project, or is the project identified in a local watershed, subbasin or recovery plan?

- Projects should not receive a high funding priority if watershed analysis has not been done.
- How does this fund source fit within the context of funding to implement recommendations coming out of watershed planning?
- We need to consider how funds and projects from the CRPMP fit with recommendations coming out of Watershed Planning and BPA’s Subbasin planning.
- Should read: “Is the project supported by the local community and/or by groups such as a local watershed planning group?” Then shift the rest of this thought to a new item:
  - “Is the project identified in a local watershed, subbasin or recovery plan?”

13. Is this an Implementation (on the ground or ‘real’) or an Assessment (planning or research study) project?

- We should not fund studies out of this account.
- Need to decide whether separate grants should be made for assessments, planning and construction (similar to the Yakima River Water Enhancement Project).

14. Is there a hydrologic study that demonstrates the water realized from this project can be reshaped to be available in the July - August Columbia River Mainstem timeframe, or to the April to August Snake River Mainstem timeframe?

\textsuperscript{7} The term Biological Benefits needs definition by the PAG or examples to clarify the meaning of the term.
• Reshaping water in July and August may be the best measure available.
• Would be better to ask, “Are there known barriers to shaping the water as you’ve described.”

15. Does this project return consumed water to the stream?

• The issue of returned water to the Columbia River should be kept as flexible as possible. There may be water management actions (transfers) available with little or no change to Columbia Flows but with changes to tributary flows that are consistent with the intent of the law that should be included for adoption.
• Incorporate this into #11.
• I need this explained. I’m not sure it is relevant.

16. Does the project have partial funding from other sources?

• This should increase the priority for funding.
• This will be beneficial.
• Change to: “what percentage of the cost will be funded through other sources?”
• We should consider specifying a maximum amount of funding dedicated to one project, and/or decide whether we would agree to spend the whole pot on one project in the first round of solicitation.

The Project Application Process:

• Should be transparent to all interested parties,
• Scaled to fit a prior legislative appropriation. (project selection follows the appropriation),
  o This should be deleted. It isn’t clear or helpful.
• Be an annual solicitation with mixed funding encouraged but not required,
• Have Technical Advisory Group review and their recommendation to Ecology,
  o We support the implementation of a technical review committee.
• Ecology makes the final determination on which projects will be funded,
• Have a public notice & 30 day comment period before decisions are implemented, and
• Ecology makes final funding decisions but any changes to the TAG recommendations will be documented in a report to the legislature.

Issues:

1. Should there be a streamlined “small project” (under ~$25k) review process?

   • I don’t agree with this separate process.
   • We support the idea of the streamlined “small project” review process.

2. How much more effort should be invested now to develop these criteria before the EIS is done? Policy alternatives in the draft PEIS may have an affect on how much money there is for the program and may have an affect on the criteria.
3. How much effort should Ecology devote to acquisition projects relative to other conservation and small storage projects?

- Acquisition is far more cost effective than restoration.
- Ecology should decide whether and how to prioritize among project types or locations/WRIAs and put that information out prior to soliciting for proposals.

**General Critique of Project Funding Criteria**

In addition to a number of specific suggestions on the draft criteria, members made some “big picture” or general process comments:

- Projects should be sorted into two tracks, a federal and state track (i.e., within the reclamation project boundaries and outside those boundaries). The evaluation of these tracks would be done by different groups.

- The criteria should be kept as flexible as possible so that potentially good projects are not foreclosed.

- It is essential to build a strong foundation for the spending of money. Ecology needs to first establish clear goals and objectives:
  - What are the criteria which lead the public to understand that the projects will accomplish what the law demands?
  - What is the programmatic goal for how much water is needed to mitigate low flow?
  - How many salmon are enough to declare recovery?

- It’s unclear what problems we are trying to solve. We need to identify our overall objectives. Then we can assess whether the project will generate the benefits it claims; whether it is the best of all the alternatives available to solve that problem; and whether it can be implemented as described.

- We need to decide whether there should be an upfront allocation of funds to categories of projects and actions.

- The existing criteria while they provide some overall frameworks for looking at projects are not very practical nor fit a process that can rank potential benefits, alternatives, and cost/benefit analysis for individual projects. Ultimately the project criteria selected must address:
  - Demonstrated need
  - Cost-effectiveness in relation to potential alternatives and goal of project
  - Scientifically rigorous process
  - Enforceability or monitoring component
  - Effectiveness in providing wet water
  - Potential environmental impacts
• Compliance with federal and state environmental laws
  o Community support
  o Potential for impairment of existing water rights

• The selection criteria should be sorted and restructured from coarser to finer filters as follows:

  o Threshold criteria (language of HB 2860)
  o Sort criteria to bins (by type, by problem, by project phase)
  o Project benefits
  o Project liabilities
  o Technical and Implementation Aspects