



To: Members of the Oregon Water Resources Commission

From: Deschutes County Commissioner Phil Chang

Re: Groundwater Allocation Rulemaking

September 26, 2023

Dear Oregon Water Resource Commissioners,

Thank you for your stewardship of Oregon's water resources and your efforts to slow or reverse the decline of groundwater levels across the state. I would like to share some thoughts on how to accomplish those goals within the fast growing communities and unique hydro-geologic setting of the upper Deschutes Basin. I offer these comments both as a County Commissioner and as a natural resource professional who has worked in water resources for over 25 years.

The new groundwater allocation rules being drafted by OWRD may put the agency on a collision course with other state agencies charged with advancing the Governor's ambitious housing production goals and with managing Oregon's unique land use planning system. Governor Kotek has set a target of producing 36,000 additional housing units per year to address dire shortages in our state and Oregon's land use planning system directs most growth and housing development to occur within incorporated cities through Urban Growth Boundary (UGB) expansions.

As drafted, the new groundwater allocation rules would treat any new permit application for groundwater extraction in the Deschutes Basin the same whether that application came from an incorporated city, a new rural residential subdivision, or a proposed destination resort. This would be like using an axe on new applications when a scalpel is what is needed. Incorporated cities are the place where the Governor's housing goals will need to be met and they are required by state statute to maintain a 20 year supply of buildable land to accommodate anticipated future growth. As drafted, these new rules could make it extremely difficult for incorporated cities to line up an adequate supply of water to match the required land supply.

Cities need to be prioritized over other applicants for new groundwater permits for residential development. This prioritization also makes sense because urban homes - with smaller landscaped area and access to municipal utility efficiency programs - typically use less water than rural homes. If we need to dedicate additional water to future housing to accommodate growth, that housing should be as water efficient as possible. We can learn important lessons about efficiency from the City of Bend whose service population grew by over 26,169 people (34%) in the past 18 years but has only increased its annual surface and groundwater extraction by 8.5% in that time. Prioritizing incorporated cities for new groundwater allocations could be coupled with requirements to pursue ambitious municipal conservation and efficiency programs and also with supportive technical and financial assistance.

Besides differentiating between homes in incorporated cities and homes in rural subdivisions or resort communities, groundwater policy needs to address individual rural residential homes on exempt wells. With very high daily use





thresholds, no metering to determine whether those thresholds are being observed, and up to a half acre of irrigated landscape allowed, exempt well homes are some of the least water efficient households in the Oregon high desert. But if the new groundwater allocation rules make it very difficult for any community water system to get a permit for additional groundwater utilization, and if Deschutes County faces tremendous growth pressure in the coming decades, the new rules could have the perverse outcome of channeling more future growth into exempt well properties which are not addressed by the draft rules. We currently have 17,000 exempt wells in Deschutes County. Adding thousands of additional exempt wells – even as many existing exempt wells are currently going dry – would not be water smart.

I very much appreciate the Department and the Commission's intent with this rule making process and want to suggest that to meaningfully slow the decline of groundwater levels in the Deschutes Basin it will likely take more than denying future groundwater rights applications. A massive amount of groundwater moves through the Deschutes Basin. Historically, this has been replenished by a massive amount of precipitation in the Central Cascades. After many years of below historic average precipitation we should be asking whether this is the 'new normal' and whether we need to adjust our overall water usage accordingly.

So beyond constraining additional groundwater permits we need to get current groundwater rights holders to become more efficient so that as a basin we can maintain the current benefits of water use while using less. Incorporated cities, unincorporated communities, resort communities, and our 17,000 exempt well properties all need to be incentivized and encouraged to reduce their per household consumption of groundwater. A broad scale efficiency initiative could provide a significant portion of the 'new' water we need to accommodate future growth in Deschutes County without placing additional strain on our declining groundwater resources.

OWRD staff have mentioned the possibility of a local planning process or designation of a critical groundwater area to address our unique needs and unique resource in the Deschutes Basin. This is a community that is capable of such sophisticated analysis, planning, and allocation and we do have a substantial amount of the required data already. But these processes are also huge undertakings and financial and technical assistance from the state would likely be needed to make one of these processes possible.

In summary, I would like to ask that as the Water Resources Commission considers new groundwater allocation policies that you:

- 1) Provide special consideration and priority for incorporated cities for new groundwater allocations which can be paired with ambitious conservation and efficiency requirements
- 2) Address exempt wells in your rule making to avoid the perverse outcome of directing more future growth into very water-inefficient exempt well home development
- 3) Consider how to motivate and incentivize conservation and efficiency among current groundwater users as a way to make 'new' supply available.
- 4) Provide technical and financial assistance for local planning processes or critical groundwater area designation processes.



COMMISSIONER PHIL CHANG

The Commission has a greater role to play in achieving a sustainable groundwater future than just saying no to new permits and depending on water users to figure it out. The Commission can play a proactive role in ensuring that key water users get the water they need and that existing water users are using groundwater as efficiently as possible and then sharing any savings to stretch our limited water resources further.

Thank you for your consideration. If you would like to discuss the upper Deschutes basin or any of the suggestions in this letter further please do not hesitate to contact me.

Sincerely,

Phil Chang
Deschutes County Commissioner

