

Oregon Water Utility Council American Water Works Association Pacific Northwest Section P.O Box 872467 Vancouver, WA 98687

March 25, 2025

Senate Committee on Natural Resources and Wildfire 900 Court St. NE Salem Oregon 97301

RE: Opposition to Senate Bill 1153 - Request for Workgroup or Taskforce

Chair Golden, Vice-Chair Nash, and Committee Members,

I am writing on behalf of the Oregon Water Utility Council (OWUC) to share our concerns with Senate Bill 1153 and urge you **to oppose** the bill as written. OWUC is a committee of the Pacific Northwest Section of the American Water Works Association and is made up of cities, special districts, public utility districts and private companies that supply drinking water to more than 75% of the population of Oregon. OWUC is committee to supplying safe, reliable and cost-effective drinking water supplies to the communities we serve. With our partners, League of Oregon Cities, Special Districts Association of Oregon, and Oregon Association of Water Utilities, we would like to help the committee and public understand why we are collectively opposed to Senate Bill 1153 – and share that we are open to amendments that are supportive of drinking water needs.

First know that OWUC supports basin-wide efforts to prevent the overallocation of Oregon's limited water supply and protect fish flows and water quality in Oregon's rivers. As we head into a future where new water supplies are limited and water rights are increasingly more difficult to acquire, the water right transfer process serves as a critical administrative tool for municipal water right holders to manage their existing water rights more efficiently and allow for some flexibility.

However, before considering any changes to transfer statutes, we must first address critical improvements to the contested case process and overall efficiency within the Oregon Water Resources Department (OWRD). Currently, there are 227 protests and contested cases pending at OWRD. There are also several historical examples of these cases taking well over a decade to resolve. Municipal water providers need certainty in the provision of drinking water to our citizens, businesses, hospitals, school and the like. Our ability to accommodate additional housing production and growth could be jeopardized with delays.

Also, municipal drinking water utilities are already subject to numerous regulatory requirements to safeguard water resources, including:

• **Fish persistence flows** mandated by the Oregon Department of Fish and Wildlife (ODFW) as conditions of our water rights;

• Water measurement and reporting requirements to track and manage water use efficiently;

• Water management and conservation plans, which must be approved before municipalities can access additional water under their permits;

• **Robust conservation programs** aimed at promoting efficiency and reducing overall water consumption; and

• Mitigation efforts to address project impacts that benefit the resource.

When municipal water intake projects involve a change in the point of diversion for moving a drinking water intake facility, they must undergo a rigorous permitting process that includes a Clean Water Act Section 404 Removal/Fill Permit, review by the Army Corps of Engineers and the Oregon Department of State Lands (DSL). This process triggers:

• Endangered Species Act consultation with the National Marine Fisheries Service and the U.S. Fish and Wildlife Service;

- Threatened and endangered species review by ODFW;
- Water quality certification by the Oregon Department of Environmental Quality; and
- Tribal consultation under Section 106 of the Historic Preservation Act.

The Clean Water Act's "Least Damaging Practicable Alternative" standard already ensures that municipal projects adopt the least harmful approach to aquatic ecosystems, regardless of cost. Adding additional regulatory layers beyond this extensive permitting framework would be redundant, costly, and could delay critical municipal water projects that serve our communities.

Request for Participation in Discussion

Given the complexity surrounding SB 1153 and similar transfer bills introduced this session, we believe that all stakeholders would benefit from a structured conversation this session. We respectfully request that, if the Governor's Office or the Committee wishes to advance this issue, we have an opportunity to be part of the discussion and solution.

It is important to note that municipalities are not seeking additional transfer flexibility. Given the extensive permitting and environmental requirements already in place, our members do not consider it reasonable to accept additional conditions on municipal water rights. However, we are open to participating in discussions that focus on identifying areas of improvement in the current system.

We appreciate your consideration of our concerns and welcome the opportunity for continued dialogue. Please reach out if your committee would like to have further discussions with OWUC. I appreciate your consideration and look forward to helping foster a resolution to this complex issue.

Respectfully,

Sincerely,

Rebecca Geisen Chair, Oregon Water Utility Council

cc: OWUC Membership