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## SUBSTITUTE HOUSE BILL 2303

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State of Washington 55th Legislature 1998 Regular Session

By House Committee on Agriculture & Ecology (originally sponsored by Representatives Chandler, Regala, Huff, Kastama, Bush, McDonald, Sullivan and Linville)

Read first time . Referred to Committee on .

- AN ACT Relating to water rights; and amending RCW 90.03.383 and 2 90.03.290.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 90.03.383 and 1991 c 350 s 1 are each amended to read 5 as follows:
- 6 (1) The legislature recognizes the value of interties for improving 7 the reliability of public water systems, enhancing their management,
- 8 and more efficiently utilizing the increasingly limited resource.
- 9 Given the continued growth in the most populous areas of the state, the
- 10 increased complexity of public water supply management, and the trend
- 11 toward regional planning and regional solutions to resource issues,
- 12 interconnections of public water systems through interties provide a
- 13 valuable tool to ensure reliable public water supplies for the citizens
- 14 of the state. Public water systems have been encouraged in the past to
- 15 utilize interties to achieve public health and resource management
- 16 objectives. The legislature finds that it is in the public interest to
- 17 recognize interties existing and in use as of January 1, 1991, and to
- 18 have associated water rights modified by the department of ecology to
- 19 reflect current use of water through those interties, pursuant to

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- subsection (3) of this section. The legislature further finds it in the public interest to develop a coordinated process to review proposals for interties commencing use after January 1, 1991.
- 4 (2) For the purposes of this section, the following definitions 5 shall apply:
- 6 (a) "Interties" are interconnections between public water systems 7 permitting exchange or delivery of water between those systems for 8 other than emergency supply purposes, where such exchange or delivery 9 is within established instantaneous and annual withdrawal rates 10 specified in the ((systems')) supplying system's existing water right permits or certificates, or contained in claims filed pursuant to 11 chapter 90.14 RCW, and which results in better management of public 12 13 water supply consistent with existing rights and obligations. 14 Interties include interconnections between public water systems 15 permitting exchange or delivery of water to serve as primary or secondary sources of supply, but do not include development of new 16 17 sources of supply to meet future demand requiring new water right applications to and appropriations by the department of ecology. As 18 19 referred to in this section, changes of points of use for existing water right permits, certificates, or claims are not within the meaning 20 of a development of new sources of supply. 21
  - (b) "Service area" is the area designated in a water system plan or a coordinated water system plan pursuant to chapter 43.20 or 70.116 RCW respectively. When a public water system does not have a designated service area subject to the approval process of those chapters, the service area shall be the designated place of use contained in the water right permit or certificate, or contained in the claim filed pursuant to chapter 90.14 RCW.
- 29 (3) Public water systems with interties existing and in use as of 30 January 1, 1991, or that have received written approval from the department of health prior to that date, shall file written notice of 31 those interties with the department of health and the department of 32 33 ecology. The notice may be incorporated into the public water system's five-year update of its water system plan, but shall be filed no later 34 35 than June 30, 1996. The notice shall identify the location of the intertie; the dates of its first use; the purpose, capacity, and 36 37 current use; the intertie agreement of the parties and the service areas assigned; and other information reasonably necessary to modify 38 39 the water right permit. Notwithstanding the provisions of RCW

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90.03.380 and 90.44.100, for public water systems with interties 1 existing and in use as of January 1, 1991, the department of ecology, 2 upon receipt of notice meeting the requirements of this subsection, 3 4 shall, as soon as practicable, modify the place of use descriptions in the water right permits, certificates, or claims to reflect the actual 5 use through such interties, provided that the place of use is within 6 7 service area designations established in a water system plan approved 8 pursuant to chapter 43.20 RCW, or a coordinated water system plan 9 approved pursuant to chapter 70.116 RCW, and further provided that the 10 water used is within the instantaneous and annual withdrawal rates specified in the water right permit and that no outstanding complaints 11 of impairment to existing water rights have been filed with the 12 13 department of ecology prior to September 1, 1991. Where such complaints of impairment have been received, the department of ecology 14 15 shall make all reasonable efforts to resolve them in a timely manner 16 through agreement of the parties or through available administrative 17 remedies.

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(4) Notwithstanding the provisions of RCW 90.03.380 and 90.44.100, exchange or delivery of water through interties commencing use after January 1, 1991, shall be permitted when the intertie improves overall system reliability, enhances the manageability of the systems, provides opportunities for conjunctive use, or delays or avoids the need to develop new water sources, and otherwise meets the requirements of this section, provided that ((each)) a supplying public water system's water use shall not exceed the instantaneous or annual withdrawal rate specified in its water right authorization, shall not adversely affect existing water rights, and shall not be inconsistent with stateapproved plans such as water system plans or other plans which include specific proposals for construction of interties. A receiving public water system's use may exceed its water right authorization if the receiving public water system's withdrawal does not exceed the instantaneous or annual withdrawal rate specified in the receiving public water system's water right authorization. Interties commencing use after January 1, 1991, shall not be inconsistent with regional water resource plans developed pursuant to chapter 90.54 RCW.

(5) For public water systems subject to the approval process of chapter 43.20 RCW or chapter 70.116 RCW, proposals for interties commencing use after January 1, 1991, shall be incorporated into water system plans pursuant to chapter 43.20 RCW or coordinated water system

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plans pursuant to chapter 70.116 RCW and submitted to the department of health and the department of ecology for review and approval as provided for in subsections (5) through (9) of this section. The plan shall state how the proposed intertie will improve overall system reliability, enhance the manageability of the systems, provide opportunities for conjunctive use, or delay or avoid the need to develop new water sources.

- (6) The department of health shall be responsible for review and approval of proposals for new interties. In its review the department of health shall determine whether the intertie satisfies the criteria of subsection (4) of this section, with the exception of water rights considerations, which are the responsibility of the department of ecology, ((and)) shall determine whether the intertie is necessary to address emergent public health or safety concerns associated with public water supply, and shall determine whether long-term supply is addressed in the intertie agreement between the systems.
- (7) If the intertie is determined by the department of health to be necessary to address emergent public health or safety concerns associated with public water supply, the public water system shall amend its water system plan as required and shall file an application with the department of ecology to change its existing water right to reflect the proposed use of the water as described in the approved The department of ecology shall process the water system plan. application for change pursuant to RCW 90.03.380 or 90.44.100 as appropriate, except that, notwithstanding the requirements of those sections regarding notice and protest periods, applicants shall be required to publish notice one time, and the comment period shall be fifteen days from the date of publication of the notice. Within sixty days of receiving the application, the department of ecology shall issue findings and advise the department of health if existing water rights are determined to be adversely affected. If no determination is provided by the department of ecology within the sixty-day period, the department of health shall proceed as if existing rights are not adversely affected by the proposed intertie. The department of ecology may obtain an extension of the sixty-day period by submitting written notice to the department of health and to the applicant indicating a definite date by which its determination will be made. No additional extensions shall be granted, and in no event shall the total review period for the department of ecology exceed one hundred eighty days.

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- (8) If the department of health determines the proposed intertie appears to meet the requirements of subsection (4) of this section but is not necessary to address emergent public health or safety concerns associated with public water supply, the department of health shall instruct the applicant to submit to the department of ecology an application for change to the underlying water right or claim as necessary to reflect the new place of use. The department of ecology shall consider the applications pursuant to the provisions of RCW 90.03.380 and 90.44.100 as appropriate. If in its review of proposed interties and associated water rights the department of ecology determines that additional information is required to act on the application, the department may request applicants to provide information necessary for its decision, consistent with agency rules and written guidelines. Parties disagreeing with the decision of the department of ecology on the application for change in place of use may appeal the decision to the pollution control hearings board.
  - (9) The department of health may approve plans containing intertie proposals prior to the department of ecology's decision on the water right application for change in place of use. However, notwithstanding such approval, construction work on the intertie shall not begin until the department of ecology issues the appropriate water right document to the applicant consistent with the approved plan.

## **Sec. 2.** RCW 90.03.290 and 1994 c 264 s 84 are each amended to read 24 as follows:

When an application complying with the provisions of this chapter and with the rules ((and regulations)) of the department has been filed, the same shall be placed on record with the department, and it shall be its duty to investigate the application, and determine what water, if any, is available for appropriation, and find and determine to what beneficial use or uses it can be applied. If it is proposed to appropriate water for irrigation purposes, the department shall investigate, determine and find what lands are capable of irrigation by means of water found available for appropriation. If it is proposed to appropriate water for the purpose of power development, the department shall investigate, determine and find whether the proposed development is likely to prove detrimental to the public interest, having in mind the highest feasible use of the waters belonging to the public. If the application does not contain, and the applicant does not promptly

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furnish sufficient information on which to base such findings, the 1 department may issue a preliminary permit, for a period of not to 2 exceed three years, requiring the applicant to make such surveys, 3 4 investigations, studies, and progress reports, as in the opinion of the 5 department may be necessary. If the applicant fails to comply with the conditions of the preliminary permit, it and the application or 6 7 applications on which it is based shall be automatically canceled and 8 the applicant so notified. If the holder of a preliminary permit 9 shall, before its expiration, file with the department a verified 10 report of expenditures made and work done under the preliminary permit, which, in the opinion of the department, establishes the good faith, 11 12 intent and ability of the applicant to carry on the proposed 13 development, the preliminary permit may, with the approval of the governor, be extended, but not to exceed a maximum period of five years 14 15 from the date of the issuance of the preliminary permit. 16 department shall make and file as part of the record in the matter, 17 written findings of fact concerning all things investigated, and if it shall find that there is water available for appropriation for a 18 19 beneficial use, and the appropriation thereof as proposed in the 20 application will not impair existing rights or be detrimental to the public welfare, it shall issue a permit stating the amount of water to 21 which the applicant shall be entitled and the beneficial use or uses to 22 which it may be applied: PROVIDED, That where the water applied for is 23 24 to be used for irrigation purposes, it shall become appurtenant only to 25 such land as may be reclaimed thereby to the full extent of the soil 26 for agricultural purposes. But where there is no unappropriated water 27 in the proposed source of supply, or where the proposed use conflicts with existing rights, or threatens to prove detrimental to the public 28 29 interest, having due regard to the highest feasible development of the 30 use of the waters belonging to the public, it shall be duty of the department to reject such application and to refuse to issue the permit 31 asked for. If the permit is refused because of conflict with existing 32 33 rights and such applicant shall acquire same by purchase 34 condemnation under RCW 90.03.040, the department may thereupon grant 35 such permit. Any application may be approved for a less amount of water than that applied for, if there exists substantial reason 36 37 therefor, and in any event shall not be approved for more water than 38 can be applied to beneficial use for the purposes named in the 39 application. In determining whether or not a permit shall issue upon

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any application, it shall be the duty of the department to investigate 2 all facts relevant and material to the application. If the applicant is a public water system that is a party to an existing intertie 3 4 agreement, the department shall also consider the existence, nature, economics, and terms of the agreement between the intertied public 5 water systems when making a determination on the application for new 6 7 water rights by the public water system. After the department approves 8 ((said)) the application in whole or in part and before any permit 9 shall be issued thereon to the applicant, such applicant shall pay the 10 fee provided in RCW 90.03.470: PROVIDED FURTHER, That in the event a permit is issued by the department upon any application, it shall be 11 its duty to notify the director of fish and wildlife of such issuance. 12

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