

Board's Decision on the Application

MAXIMUM CUB FT/ SECOND	MAXIMUM GAL/MINUTE	MAXIMUM ACRE-FT/YR	TYPE OF USE, PERIOD OF USE
A)7.7 cfs 0.276 cfs	3,455.76 123.87	A)1580.79 af 56 af	A) 385 acres irrigation April 1 to October 15 (Pioneer), and Municipal Water Supply from April 1 to October 15 (Pioneer)
B)35.65 cfs	16,001.18	B)6186.71 af	B) Continuous Municipal, Instream Flow (Temporary) (Regional)
C)38.27 cfs	N/A	C)7823.5 af	C) Instream flows (Permanent) Continuous (Ecology OCR)

ANNUAL CONSUMPTIVE QUANTITY (ACQ)

- A) Consumptive use under this portion of the right shall not exceed 1,312.23 acre-feet.
- B) Consumptive use under this portion of the right shall not exceed 1,769.63 acre-feet.
- C) Non-consumptive use (primary reach only).

TRUST WATER QUANTITY

(Permanent, Primary (P) Reach in Wenatchee River for OCR. No Secondary (S) Reach.)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Qi (cfs)	0.00	0.00	0.00	0.00	12.22	30.85	38.27	27.28	18.74	3.52	0.00	0.00	38.27
Qa (ac-ft)	0.00	0.00	0.00	0.00	750.29	1832.31	2348.83	1674.24	1113.19	104.64	0.00	0.00	7823.50

(Temporary Trust, Primary Reach, Columbia River from RM 453.4 to RM 468.3., Secondary Reach in Columbia River to Pacific Ocean) (Regional)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Qi (cfs) (P)	5.67	5.37	6.34	7.36	10.08	11.60	13.46	12.73	10.23	7.24	5.67	5.73	13.46
Qa (ac-ft) (P)	348.23	329.71	388.98	451.96	618.67	689.06	826.13	781.67	607.56	444.55	348.23	351.94	6186.71
Qi (cfs) (S)	1.62	1.54	1.81	2.11	2.88	3.32	3.85	3.64	2.93	2.07	1.62	1.64	3.85
Qa (ac-ft) (S)	99.61	94.31	111.26	129.28	176.96	197.10	236.30	223.59	173.78	127.16	99.61	100.67	1769.63

SOURCE

Columbia River Wenatchee River and Wells

TRIBUTARY OF (IF SURFACE WATER)

Pacific Ocean

AT A POINT LOCATED:

PARCEL NO.	¼	¼	SECTION	TOWNSHIP N.	RANGE	WRIA	COUNTY. (AKA location)
PODs:							
222003861001	NE	NW	14	23N	19E	45	Chelan (existing)
232028240500	SW	NE	3	22N	20E	45	Chelan (5 th St.)
Wells:	SE	NW	28	23N	20E	45	Chelan (North End)
232033111100							Chelan (Hawley St.)
232034857037	NE	NE	33	23N	20E	45	Chelan (Walla Walla St.)
212205000050	NW	SW	34	23N	20E	45	Chelan (Rock Island Field)
Regional 4+5 Field			5	21N	22E	45	
Hydro pk	NW	NW	19	22N	21E	44	Douglas County
Regional Supply	NE	SE	19	22N	21E	44	Douglas County
Regional Northbank			20	22N	21E	44	Douglas County
Rock Island Field	SW	NEW1/2	28	23N	20E	45	Chelan County
Rock Island Field			6	21N	22E	45	Chelan County
			31	22N	22E	45	Chelan County

LEGAL DESCRIPTION OF PROPERTY ON WHICH WATER IS TO BE USED AS APPROVED BY THE BOARD

- A) Sections 12, 13, and 14 T23N, R19E; Sections 19 through 22, 28, 33 and 34, T23N, R20E; and Section 3, T22N, R20E all in Chelan County, WA. RCW 90.03.386 may have the effect of expanding the place of use of this water right. If the criteria in RCW 90.03.386(2) are not met and a Water System Plan / Small Water System Management Program was approved after September 9, 2003, then the place of use of this water right reverts to the service area described in that document.
- (B) The place of use is expected to conform to the Regional Water System service area set forth in Volume 2 of the 2012 City of Wenatchee Water System Plan. RCW 90.03.386 may have the effect of expanding the place of use of this water right. If the criteria in RCW 90.03.386(2) are not met and a Water System Plan / Small Water System Management Program was approved after September 9, 2003, then the place of use of this water right reverts to the service area described in that document.
(Temporary Trust) Primary Reach: Columbia River from RM 453.4 (Rock Island Dam) to RM 468.3 (confluence with Wenatchee River). Secondary Reach from Columbia River RM 453.4 to the Pacific Ocean.
- (C) (Permanent Trust) Primary Reach: Wenatchee River from River Mile (RM) 6.6 to RM 0 at the confluence of the Wenatchee and Columbia Rivers. No secondary reach.

PARCEL NO.	¼	¼	SECTION	TOWNSHIP N.	RANGE,
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DESCRIPTION OF PROPOSED WORKS

The applicant proposes to replace its existing system that is north of the Wenatchee River with a pressurized pipeline sourced from the mouth of the Wenatchee River. Also proposed is a new pressurized system for a portion of its southern service area sourced from a well. The balance of the proposal is to source the remaining portions of its service area from the Regional municipal water system. These changes will move the sources of the water downstream such that the lower Wenatchee River instream flows will be substantially enhanced.

The Chelan County PUD is undergoing an analysis of the Eastbank Aquifer near Rocky Reach Dam that is the location of well fields providing Regional's main source of municipal water and water for the PUD's hatchery. The Eastbank Aquifer is not included as a source of withdrawal for the water right subject to this change application. As part of its ongoing planning efforts, reflected in its recent water system plan, Regional has identified the need

for an alternate source of municipal water, which will be a significant undertaking (i.e. planning, design, construction, and financing). It is anticipated that the planning effort will take a number of years, and depending on costs of construction, available funds and financing, the plan will likely not be designed and constructed for up to 20 years. Future growth and demand projections (beyond the current 20 year projections) are difficult to make. The attributes of the water right made available pursuant to this change application will address the identified deficiencies in the current 20 year projections. It is anticipated that with the water system planning efforts associated with the to-be-identified alternate source, the water right authorized for municipal purposes may address the demands for the 20-40 year period following the development of the alternate source.

DEVELOPMENT SCHEDULE (A)

BEGIN PROJECT BY THIS DATE: NA	COMPLETE PROJECT BY THIS DATE: 12/31/2015	COMPLETE CHANGE AND PUT WATER TO FULL USE BY THIS DATE: 12/31/2018
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DEVELOPMENT SCHEDULE (B)

BEGIN PROJECT BY THIS DATE: NA	COMPLETE PROJECT BY THIS DATE: 12/31/2032	COMPLETE CHANGE AND PUT WATER TO FULL USE BY THIS DATE: 12/31/2072
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DEVELOPMENT SCHEDULE (C)

BEGIN PROJECT BY THIS DATE: NA	COMPLETE PROJECT BY THIS DATE: 12/31/2015	COMPLETE CHANGE AND PUT WATER TO FULL USE BY THIS DATE: 12/31/2016
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REPORT

BACKGROUND

(i) A description of the water right proposed for transfer, including the board-assigned water right change application number, and the board's tentative determination as to the validity and quantification of the right, as well as the historical water use information that was considered by the board;

In 2008, Pioneer Water Users Association began working with the Washington Water Project of Trout Unlimited (TU) to evaluate funding options to relocate its historic diversion downstream and make efficiency improvements to its irrigation system. The project would improve reliability for existing Pioneer customers and would improve instream flows in the lower Wenatchee River. At the same time, Pioneer wished to address historic changes in source as shareholders formerly served by Pioneer had begun receiving water from the Regional Water System (The City of Wenatchee, East Wenachee Water District and the Chelan County PUD are collectively referred to as the “Regional Water System” or “Regional”). Pioneer and TU began developing funding applications, and from 2009 to 2011 they were successful in obtaining funding for the project from the Office of Columbia River (OCR) and others.

As a result of this project and change application, Pioneer, Regional Water System, and OCR will accomplish the following:

- Pioneer will move its point of diversion downstream to wells, pipe its system, and pump water for both irrigation purposes (the bulk of its service area) and municipal purpose (Walla Walla Avenue residential development).
- Regional will move to existing and proposed wells and diversion locations, acquire the water associated with the defacto changes in source, and acquire additional water savings associated with reduced consumptive use and operational spill/losses from Pioneer that it will use for new growth. Water will be put temporarily in trust
- OCR will receive a permanent transfer of water right savings in the lower Wenatchee River.

On 4/18/2012 an application was filed with the Chelan County Water Conservancy Board and assigned the file number CHEL 12-03. The application was published in the Wenatchee World on 4/29/2012 and 5/6/2012. The application was amended to include additional source points and such amendments are reflected in the public notice published in the Wenatchee World on 5/13/2012 and 5/20/2012. Protest period ended on 6/19/2012. See attached Notice of Application for Changes to a Water Right together with its affidavit of publication. In addition to publication this notice was sent to the Department of Fish and Wildlife, the Department of Archeology and Historical Preservation (DAHP), the Eastern Washington Council of Governments, and the Colville Confederated Tribes. The “super notice” required under RCW 90.42.040 was also completed on 5/31/2012 as required for creation of trust water rights. On 7/12/2012 the application was amended again to include Regional as a signatory as a co-applicant based on the execution of a purchase and sale agreement with Pioneer.

Table 1: Attributes of Water Right as Currently Documented

Name on Certificate, Claim, Permit: Pioneer Water Users Association
Water right Document Number: CL022119
Priority Date, First Use: 3/31/1896
Instantaneous Quantity: 200 cfs
Annual Quantity: 23,200 afy
Source: Wenatchee River
Point of Diversion: NENW Sec. 14, T23N, R19E
Purpose of Use: 5800 acres irrigation and domestic
Period of Use: April 1 st to October 15 th and continuous
Place of Use: Sections 12, 13, and 14 T23N, R19E, Sections 19 through 22, 28, 33 and 34, T23N, R20E and Section 3, T22N, R20E all in Chelan County, WA.

A figure showing the historic place of use and point of diversion from Ecology’s webmap is provided on Figure 1. Proposed diversion and well locations are shown in the hydrogeologic report attached in Appendix 5.

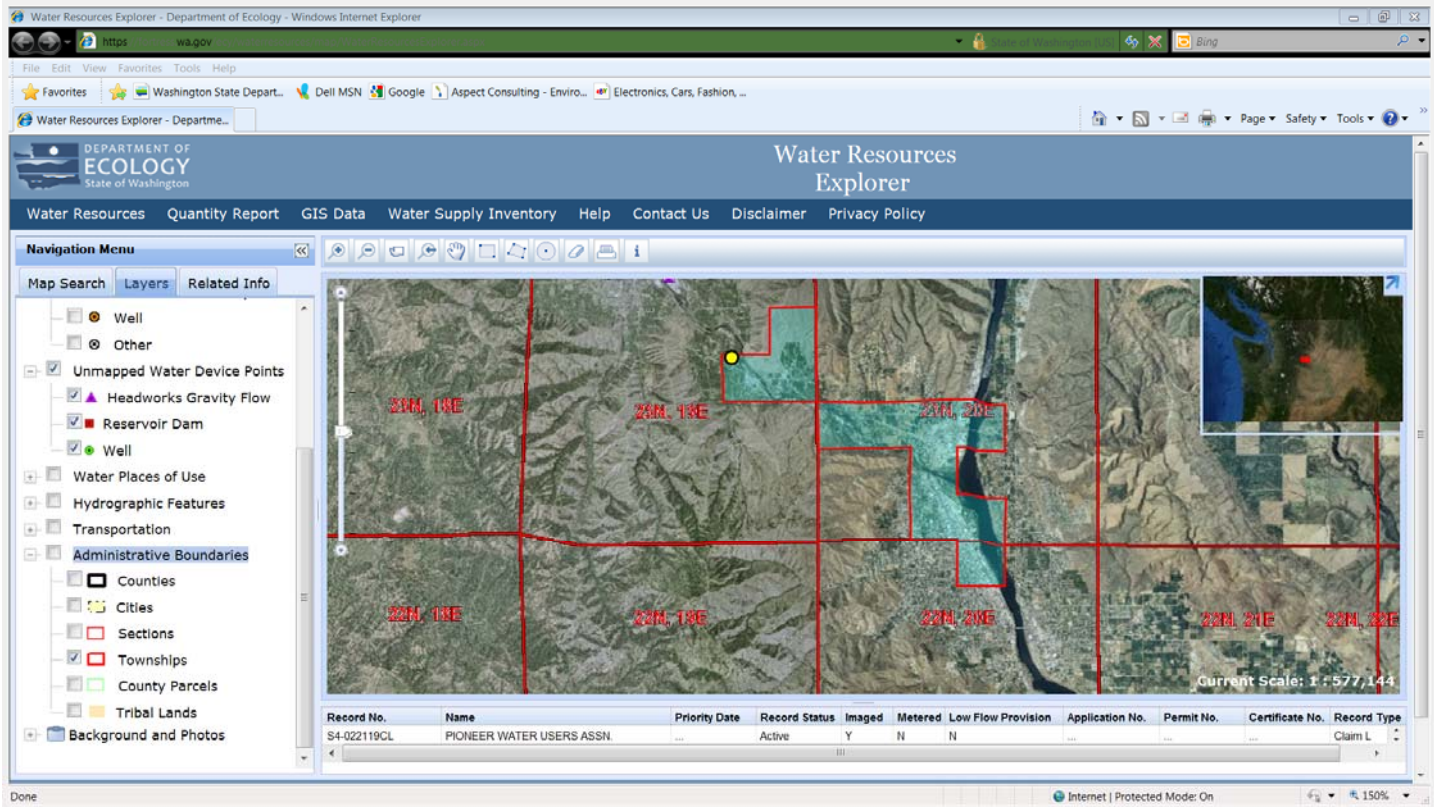


Table 2: Proposed Changes to the Water Right

Proposed owner:	Pioneer Water Users Association / Regional Members / Ecology OCR
Instantaneous Quantity:	43.63 cfs
Annual Quantity:	7823.5afy
Source:	Columbia River, Wenatchee River, and Wells
Points of Diversion:	Wenatchee River NENW Sec. 14, T23N, R19E, Chelan County Columbia River (5 th St) SWNE Sec. 3, T22N, R20E Parcel #222003861024 Wenatchee River SENW Sec. 28, T23N, 20E Parcel #23202824040
Points of Withdrawal	Sections 28, 33 and 34, T23N, R20E, Sections 5 and 6, T21N, R22E, Section 31, T22N, R22E and Sections 19 and 20, T22N, R21E
Purposes of Use:	Irrigation of 385 acres, Continuous Municipal and In-stream flows
Periods of Use:	April 1 st to October 15 th for Irrigation and continuous for in-stream flows and municipal
Places of Use:	<p>A) Sections 12, 13, and 14 T23N, R19E; Sections 19 through 22, 28, 33 and 34, T23N, R20E; and Section 3, T22N, R20E all in Chelan County, WA. RCW 90.03.386 may have the effect of expanding the place of use of this water right. If the criteria in RCW 90.03.386(2) are not met and a Water System Plan / Small Water System Management Program was approved after September 9, 2003, then the place of use of this water right reverts to the service area described in that document.</p> <p>B) The place of use is expected to conform to the Regional Water System service area set forth in Volume 2 of the 2012 City of Wenatchee Water System Plan. RCW 90.03.386 may have the effect of expanding the place of use of this water right. If the criteria in RCW 90.03.386(2) are not met and a Water System Plan / Small Water System Management Program was approved after September 9, 2003, then the place of use of this water right reverts to the service area described in that document.</p> <p>(Temporary Trust) Primary Reach: Columbia River from RM 453.4 (Rock Island Dam) to RM 468.3 (confluence with Wenatchee River). Secondary Reach from Columbia River RM 453.4 to the Pacific Ocean.</p> <p>C) (Permanent Trust) Primary Reach: Wenatchee River from River Mile (RM) 6.6 to RM 0 at the confluence of the Wenatchee and Columbia Rivers. No secondary reach.</p>

History of Water Use:

The applicant submitted a memorandum discussing the history, extent and validity of the right that was accompanied by extensive documentation of the facts and conclusions. This memorandum was the result

of pre-application collaboration with multiple agencies and stakeholders as is evidenced by the attached documentation. This memorandum is adopted as part of this decision and its factual findings are incorporated by this reference as if fully set forth herein.

A summary of the rights history is as follows: The earthen canal utilized by Pioneer Water User's Association has been in operation for more than 114 years for the purpose of providing irrigation and domestic supply to lands generally located between Wenatchee and Monitor. Over this extended period of time numerous de facto changes have occurred including purveyance of water attributable to the right via overlapping municipal systems which are jointly administered through a Regional Water System created by Interlocal Agreement.

The Pioneer water rights include claims #117629 and #022119. The attributes of claim #117629 appear to be included within all relevant attributes of claim #022119 such that they are not additive. These rights include both domestic and irrigation quantities. However, as a result of extensive urbanization and the availability of municipal water service, little, if any, domestic water is presently conveyed by the canal.

Tentative Determination:

The source of water, location of diversion, place of use, and extent of beneficial use are as tentatively described on the front page of this report. Formatted a little differently they are as follows:

Name: Pioneer Water Users Association
 Priority Date: 3/31/1896
 Instant Demand Rate: 43.63 cubic feet per second¹
 Season of Use: April 1 through October 15 for irrigation and continuously for domestic supply
 Point of Diversion: 250 feet South and 200 feet west of the NW corner of the NENW of Section 14, T 23N, R 19EWM. Chelan County
 Place of Use: Sections 12, 13, and 14 T23N, R19E, Sections 19 through 22, 28, 33 and 34, T23N, R20E and Section 3, T22N, R20E all in Chelan County, WA.
 Type of Use: 780 acres of irrigation and domestic
 Annual Demand Rate: 7823.5 acre feet

There have been no prior changes to the subject water right. Hearings were held in Chelan County by the Chelan County Conservancy Board on May 10, 2012, June 14, 2012, and July 12, 2012, which tentatively determined the extent and validity of the right as referenced above following the investigation into the historical water use as described below.

SEPA:

This transfer is not exempt from the provisions of the State Environmental Policy Act. The provisions of the Act were satisfied by the issuance of a Determination of Non-Significance by Chelan County. The Board adopts the Chelan County Determination (See attached).

Proposed Use:

The proposed change is as described on the front page of this report. This change application is intended to provide authority that allows for the applicant to redevelop its canal into a pressurized pipeline. This pressurized pipeline would divert from the mouth of the Wenatchee River to serve the applicant's customers north of the Wenatchee River so that in the future no quantities will be diverted from the current Wenatchee River diversion pursuant to the subject right. This will allow the proposed instream portions of the right in the Wenatchee River to be permanently placed in the State Trust Program from the original diversion to the next downstream proposed diversion. Funding for this project is justified substantially by the expected benefits to Wenatchee River instream flows. The other proposed points of withdrawal and diversion are in hydraulic continuity with the Rock Island pool on the Columbia River (see RH2 report, Appendix 5). The proposed points of diversion and withdrawal serve two purposes: (a) as alternative sources for Pioneer's customers south of the Wenatchee River that are not served from the proposed pressurized pipeline, and (b) to authorize multiple sources of supply for the Regional Water System to deliver water through Regional's delivery system within the service area approved by the Department of Health. This authorization will bring defacto changes to the subject right into compliance. As noted below, Regional may identify alternative withdrawal sites within the Rock Island Pool that are in hydraulic continuity with the Columbia River.

The project also creates water savings beyond the Wenatchee by virtue of reducing consumptive use associated with the formerly open ditch, now replaced by a pipeline. That portion is proposed to be placed

¹ Note that the tentative determination of 43.63 cfs derived by the Board and supported in the Extent and Validity Memo (Appendix 4) is based on historic peak instantaneous diversions. However, the peak trust water quantity of 38.27 cfs is based on Ecology's methodology of peak month diversions proportionate to the Washington Irrigation Guide crop irrigation requirement.

temporarily in the State Trust Program, but authorized for long-term municipal use. Pioneer and the Regional Water System entered into an agreement that transfers a significant portion of the water right to the Regional water system to be withdrawn and diverted from present and future sources along the Columbia River for year round municipal purposes. The place of use is modified to include the present and future service area for the Regional Water System approved by the Department of Health. A detailed explanation of the proposal is included in the extent and validity determination set forth below.

COMMENT AND PROTESTS

There were no protests received during the 30 day protest period. In addition, no oral and written comments were received at an open public meeting of the board or other means as designated by the board during the time the application was before the board.

The information or conclusions in this section were authored and/or developed by Don Phelps, Karin Whitehall, Aaron Penvose, Peter Fraley, Dan Haller, Marc Marquis, Marc Schuppe, Dan Jaspers and Mark Peterson.

INVESTIGATION

A description of the project proposed by the applicant, including any issues related to development, such as the applicant's proposed development schedule and an analysis of the effect of the proposed transfer on other water rights, pending applications for changes or transfers, and instream flows established under state law;

Development Schedule

A description of the proposed project is set forth above. The pipeline construction and other infrastructure designed to replace the non-potable system are expected to be substantially complete by the end of 2015. Much of the beneficial use attributable to those systems will continue throughout construction.

The potable municipal system's points of diversion and withdrawal will likely be constructed only as additional demands manifest or as planned water system configurations come to fruition, but any new diversion or withdrawal points outside of those described in the public notice will be authorized in subsequent changes if necessary. See discussion set forth in the description of proposed works above.

The Board anticipates three certificates of change will issue as a result of this transfer and has identified an appropriate development schedule for each. Irrigation and municipal use for Pioneer Water Association for the "A" portion is expected to continue throughout construction. Since irrigation varies by water year, the Board selected 3 years after construction was complete for a proof of appropriation (assuming a dry year requiring full use of the irrigation quantities in the tentative determination will occur during that period). The "B" portion transferred to municipal use consists of existing defacto changes and water savings associated with the portion transferred to Regional. The "B" portion will be temporarily transferred to trust until Regional's sources are finalized and full demand realized. Municipal planning is required to accommodate long horizons so this authorization adopts lengthily schedules. The "C" portion for instream flow in the Wenatchee River will be perfected immediately following construction, so the Board selected a 2016 date for proof of appropriation for that portion of the right.

Impairment and Effect on Other Water Rights

Other water rights are not expected to be impaired by the proposed changes. The applicant's memorandum contains an extensive discussion of the inter relationships of all water rights within the related area. One of the major purposes of the project is to enhance in-stream flows in the Wenatchee River. The key impairment findings are:

- The points of diversion and points of withdrawal being added are all downstream of the historic diversion.
- Consumptive use will not increase.
- Trust water rights will be created in a manner to avoid impairment to the adopted instream flow in Chapter 173-545 WAC and interruptible water rights subject to curtailment when the instream flow is not met. Because this water right is a claim, until it is adjudicated, Ecology will not enforce its trust water right against interruptible water right holders on the lower Wenatchee River in observance of the *Rettkowski* Supreme Court decision, and as clarified in the *Anderson-Parker* PCHB case. Ecology OCR considered this issue when determining whether to fund the project. Of the total water savings generated in the Wenatchee (38.27 cfs) only about 2 cfs overlaps with interruptibles curtailed when flows are low on the Wenatchee River at Monitor. In other words, approximately 2 cfs of the 38.27 cfs will only be available when instream flows are met and junior water users are not curtailed, and the remaining trust quantity will always be available.
- No well owner will be interfered with as a result of adding new wells to this water right.
- No other water right holder's or applicant's ability to exercise their water right will be diminished as a result of the transfer.

One key water right interrelationship described in the memorandum but worth illuminating further here is the agreement with Regional.

Regional currently supplies 929.5 acre-feet of water authorized in this transfer for municipal purpose by virtue of well-documented defacto changes in source that have occurred. Pioneer still holds title to this water right, even though the source of water supplying the beneficial use changed (and is now explicitly authorized herein). This defacto change quantity consists of 160 acre-feet in shares held by the PUD for the Walla Walla Park (plus 16 acre-feet in system leaks delivering it to the park) and 753.5 acre-feet in residential water use (including 10% leakage). Regional and Pioneer entered into an agreement for transfer of title of this 929.5 acre-feet of the water right, but its uses are expected to remain the same after transfer of title. Regional is transferring this quantity to temporary trust as it evaluates how this new acquisition will best be incorporated into its portfolio of water rights via routine water system planning .

The balance of the right will be partly conformed to existing uses for the new piped system with the balance being changed to municipal uses and titled over to Regional. The quantities conformed for existing uses include Pioneer's North End System and Pioneer's Walla Walla Avenue System. The remainder is associated with conveyance loss and consumptive use formerly associated with evapotranspiration from the open ditch, and determined future development to be served by Regional for the Chelan County Port District, to be changed to municipal purpose of use and sold to Regional for new growth in the Regional water system.

The total Regional municipal quantities described above, inclusive of the defacto changes, the ET savings and the DFD, is the 6,186.71 acre-feet described for municipal water supply use on the face sheet of this transfer. The trust and consumptive use quantities are described in more detail later in this ROE.

The subject right will be additive to the Regional portfolio of rights which are summarized as follows:

Right #	Instant Quantity Gallons Per Minute	Annual Quantity Acre Feet
G4-25575P	30,000	13,277 (annual quantities are not additive for this right)
S3-00938C	7,965	7,393
485-D	150	146
8475C	13.5	22
G3-01133C	2000	1400
G3-20369C	400	480
1529C	2700	485
2015C	500	237
4899C	200	320
4900C	650	1040
4901C	820	1312
4902C	265	424
G3-00918C	1500	1200
G4-24310C	900	800
G4-27802P	2100	620
Subtotal of existing Regional annual quantities:		15,879
Total with Pioneer annual quantities:		22,065.71 (3288 a/f of this is conditioned non-consumptive)

Annual Consumptive Quantity, Enlargement, and Consumptive Use

The applicant memorandum provides an ACQ and enlargement analysis based on consumptive use calculations. The consumptive use and return flow for each portion of the water right is shown in the table below. The table outlines consumptive use by source (Pioneer Canal or defacto Regional diversions), and location of use (e.g. parks, residential use, on-farm, conveyance loss).

Table 3: Quantity Summary by Source

Use	CU (ac-ft)	RF (ac-ft)	Total (ac-ft)	Qi (cfs)
Total Pioneer / Regional Use	3081.86	4741.64	7823.5	43.63
Defacto Regional Municipal Use	588.1	341.4	929.5	21.88
Walla Walla Park	136	40	176	1.05
Park and Residential Use	452.1	301.4	753.5	20.83
Pioneer Canal Diversions	2493.76	4400.24	6894	21.75
On-Farm Use	2343.96	413.64	2757.6	7.7
Conveyance Loss	149.8	3986.6	4136.4	14.05

These quantities can also be evaluated by purpose of use (irrigation, municipal, instream flow) and owner who will be issued the certificate of change. Note that Pioneer is expected to receive a certificate of change for both irrigation supply and municipal supply (see municipal water supplier compliance section).

Table 4: Quantity Summary by Purpose and Entity

Purpose	Total (ac-ft)	ACQ (ac-ft)	Qi (cfs)
Irrigation (Pioneer)	1580.79	1264.63	7.7
Municipal Water Supply (Pioneer)	56.00	47.60	0.276
Municipal Water Supply (Regional)	6186.71	1769.63	35.65
Instream Flow, Permanent (OCR)	7823.5	0	38.27
Instream Flow, Temporary (Regional)	1769.63	1769.63	3.95

Under RCW 90.03.380, consumptive use following the transfer cannot exceed the ACQ. The quantities purveyed through non-potable systems are likely to retain or diminish the consumptive quantities attributed to them for purposes of this change. Municipal quantities purveyed through potable systems shall be provisioned to demonstrate return flows that sustain the return flows historically associated with the right to avoid enlargement of the right. The following table summarizes the consumptive quantities for each owner and area of use to ensure consumptive does not exceed ACQ.

Table 5: ACQ Summary

Use	CU (ac-ft)	RF (ac-ft)	Total (ac-ft)	Qi (cfs)
Pioneer North End System Demand	1264.63	316.16	1580.79	7.7
Pioneer Walla Walla Ave Demand	47.6	8.4	56	0.276
Regional Walla Walla Park Demand	136	40	176	1.05
Subtotal	1448.23	364.56	1812.79	9.03
Remaining Available From Total	1633.63	4377.08	6010.71	34.60
Regional Municipal Use (60% CU assumption)	1633.63	1089.08	2722.71	15.67
Regional Nonconsumptive Use	0	3288.00	3288.00	18.93
Total	3081.86	4741.64	7823.50	43.63

Under PRO 1210, the Board has discretion to add a reasonable return flow for the new use, provided that the quantity does not exceed the authorized amount of the water right. Based on this discretion and the lack of any impairment found by the Board, the total return flow of 4,741.64 acre-feet remains available for use by Pioneer and Regional at the end of the primary trust reach (e.g. Rock Island Pool) and shall be preserved from relinquishment until such time as it is removed from temporary trust.

Trust Water

Trust water under this transfer is allocated for both permanent (OCR) and temporary (Regional) purposes. Under RCW 90.80.055, “a board may act upon applications for the same kinds of transfers that the department itself is authorized to act upon, including an application to establish a trust water right under chapter 90.38 or 90.42 RCW”. This includes both permanent and temporary transfers to trust under RCW 90.42.080(3), “Trust water rights may be acquired by the state on a temporary or permanent basis”. Board statute RCW 90.80.010 also cites to the temporary transfer authority for boards in RCW 90.03.390. The statutory standard for quantifying the permanent and temporary transfers is the same as the tentative determination of the extent and validity of the right under RCW 90.42.030 and RCW 90.90.010.

The following table summarizes the permanent transfer to OCR to trust in the Wenatchee River (primary reach benefit only, Wenatchee RM 6.6 to RM 0), using the Wenatchee station for apples with cover. Although the water right season of use is April 1 to October 15, the WIG doesn’t list a consumptive use for April, so the Board started the trust season in May.

Table 6: Permanent Trust Water Quantity (OCR)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
CIR (in)	0.00	0.00	0.00	0.00	3.37	8.23	10.55	7.52	5.00	0.47	0.00	0.00	35.14
Qi (cfs)	0.00	0.00	0.00	0.00	12.22	30.85	38.27	27.28	18.74	3.52	0.00	0.00	38.27
Qa (ac-ft)	0.00	0.00	0.00	0.00	750.29	1832.31	2348.83	1674.24	1113.19	104.64	0.00	0.00	7823.50

Note that there is a difference in how the peak trust water quantity (38.27 cfs) is calculated versus the peak quantity for extent and validity (43.63 cfs). This is because Ecology policy averages the peak monthly flows for trust (July) whereas extent and validity is peak instantaneous demand.

Until Regional requires the full use of the transferred quantity, it desires the municipal portion to be temporarily transferred to trust. The following table summarizes the temporary transfer to trust based on an

average municipal monthly distribution of use from Volume Two of the 2012 City of Wenatchee Water System Plan.

Table 7: Temporary Trust Water Quantity (Regional)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Avg Use (MG)	94	89	105	122	167	186	223	211	164	120	94	95	1670
Qi (cfs) (P)	5.67	5.37	6.34	7.36	10.08	11.60	13.46	12.73	10.23	7.24	5.67	5.73	13.46
Qa (ac-ft) (P)	348.23	329.71	388.98	451.96	618.67	689.06	826.13	781.67	607.56	444.55	348.23	351.94	6186.71
Qi (cfs) (S)	1.62	1.54	1.81	2.11	2.88	3.32	3.85	3.64	2.93	2.07	1.62	1.64	3.85
Qa (ac-ft)(S)	99.61	94.31	111.26	129.28	176.96	197.10	236.30	223.59	173.78	127.16	99.61	100.67	1769.63

This quantity represents both the total use in the primary reach (P) and the consumptive use in the secondary reach (S). The primary reach occurs in Rock Island Pool from the confluence of the rivers to the dam (RM 468.3 to RM 453.4) and the secondary reach extends from the Columbia to the Pacific Ocean.

This temporary transfer is specified for a discretionary term of 10 years (see provisions section). Note that the difference in the peak temporary trust quantity is in part due to the method of calculation discussed earlier for permanent trust and also because Pioneer does not need as high a peaking rate for its new system so a proportionately greater amount of “Qi” is transferred to Regional.

Municipal Water Supplier Compliance

The Board considered whether the proposed change in purpose of use would meet one or more of the definitions of a municipal water supplier. The Board’s analysis generally comports with Ecology’s revised POL 2030 and is as follows.

RCW 90.03.015(4) defines municipal water supply purposes as: “ *“Municipal water supply purposes” means a beneficial use of water: (a) For residential purposes through fifteen or more residential service connections or for providing residential use of water for a nonresidential population that is, on average, at least twenty-five people for at least sixty days a year; (b) for governmental or governmental proprietary purposes by a city, town, public utility district, county, sewer district, or water district; or (c) indirectly for the purposes in (a) or (b) of this subsection through the delivery of treated or raw water to a public water system for such use. If water is beneficially used under a water right for the purposes listed in (a), (b), or (c) of this subsection, any other beneficial use of water under the right generally associated with the use of water within a municipality is also for “municipal water supply purposes,” including, but not limited to, beneficial use for commercial, industrial, irrigation of parks and open spaces, institutional, landscaping, fire flow, water system maintenance and repair, or related purposes.”*

There are two quantities of water being transferred to municipal use: 56 acre-feet (0.276 cfs, 124 gpm) associated with Pioneer’s Walla Walla Avenue service area and 6,186.71 acre-feet associated with the transfer to Regional (6,242.71 acre-feet total).

The current plans for Pioneer’s Walla Walla Avenue beneficial use are non-agricultural activities, such as lawn watering, landscaping, car washing, recreation and beautification, and other outdoor activities for at least 15 full-time residential connections. Whether the extent of these uses as perfected will represent “residential purposes” is unclear given Ecology guidance and case law. To that end, the authorized purpose in this change will be municipal water supply purpose subject to a provision necessitating a compliance check at the proof of appropriation stage. Otherwise, it will be authorized for irrigation use.

The portion being transferred to Regional will fit multiple municipal water supply definitions, including residential purposes for at least 15 connections, as well as governmental and governmental proprietary use by Regional.

If the proposed transfer is authorized under RCW [90.44.100](#), an analysis of the transfer as to whether it is detrimental to the public interest, including impacts on any watershed planning activity. Public interest shall not be considered if the proposed transfer is authorized pursuant to RCW [90.03.380](#) exclusively;

The proposed transfer is subject to RCW 90.44.100 and therefore, cannot be detrimental to the public interest, including impacts on any watershed planning activities. Additionally, trust water rights are subject to a public interest standard under RCW 90.42.040. The public interest is served by this transfer of ground water because:

- It facilitates land use in a manner consistent with the relevant planning policies including the Wenatchee River Watershed Plan.
- Consistent with the 1971 Water Resources Act, RCW 90.54, it balances conservation of natural resources through creation of instream flow trust quantities in the Wenatchee River with improved

economic benefit to Pioneer via a more reliable water system and Regional via new quantities of water for growth.

- The project is funded by the Office of Columbia River, and consistent with the legislative mission to fund water supply projects that benefit both instream and out-of-stream uses.
- The project has broad local stakeholders support and funding, including from entities such as the Washington Water Project of Trout Unlimited, the Washington State Department of Fish & Wildlife, the Columbia River Policy Advisory Group, Yakama Nation and Chelan County.

Any information indicating that an existing water right or portion of a water right has been relinquished or abandoned due to nonuse and the basis for the determination;

The quantities proposed for change are significantly smaller than what was likely perfected by 1917. This recognizes a relinquishment that was brought about gradually by the urbanization of the place of use. The applicant's memorandum provides an extensive discussion of the information used to support this finding. There is no indication that any portion of the right was abandoned.

The Memorandum notes that portions of the right are preserved by two determined future developments (DFD). The first is associated with property belonging to the Chelan County Port District, and served by Regional. While this decision incorporates those findings and conclusions, they can be further explained. The Port's enabling legislation requires it to hold assets for economic development purposes. The Port's existence and planning documents and the determined future development that they evidence predate the Port's acquisition of the land to which the subject right is appurtenant. This means that the portions of the right that are preserved by the determined future development are only preserved as of the date that the land is acquired by the Port. Prior to Port acquisition these parcels were planted in orchard as they had been since the perfection of the right. The Port removed the trees after acquiring the property and has pursued redevelopment ever since. The chain of title documents and county assessor records relative to these parcels confirm these facts as do historic aerial photos. In these documents valuations and photos show the continuing shift from commercial agriculture to millions of dollars in industrial park infrastructure and improvements that corresponds with Port acquisition and planning. The Board concluded that this meets the DFD standard outlined by Ecology and the Courts.

The second DFD is for contiguous lots owned by 9th Street Development LLC and served by Pioneer. The project consisted of residential development and riparian rehabilitation (see Page 12 of the Memo). The plan fixed concurrent with the property acquisitions in 2005, and full beneficial use on that property occurred within the 2001 to 2005 period before fixing the DFD. The Memo describes actions towards accomplishing the plan, the scope of the plan, and Pioneer and Regional's concurrence with the DFD. The Board concluded that this meets the DFD standard outlined by Ecology and the Courts. Full use of the water in establishing riparian plantings during 2011 and 2012 has successfully concluded the DFD prior to this transfer such that all quantities that were subject to the DFD are available for transfer.

A description of the results of any geologic, hydro-geologic, or other scientific investigations that were considered by the board and how this information contributed to the board's conclusions;

The applicant supplied a hydro-geologic study of potential new well sites to determine sufficient hydraulic continuity with the existing source to find that the proposed sources draw from the same body of water and that proposed withdrawal sites would not impair the wells of other existing rights. This study is adopted and incorporated by this reference as if fully set forth herein (Appendix 5). The purpose of the proposed changes is to allow for future diversions and withdrawals from the Columbia River and its adjacent hydraulically continuous aquifers. This decision finds that upon such findings of continuity and lack of impairment such future withdrawals shall be allowed.

CONCLUSIONS

(i) Whether, and to what extent, a valid water right exists;

The water right proposed for change exists to the extent set forth above on page 1.

(ii) Any relinquishment or abandonment of the water right associated with the water right transfer application as discussed in subsection (6)(d)(i) of this section;

The water right authorized for change is in a valid exercisable status with regard to the amounts proposed for change, the statutory forfeiture provisions of Chapter 90.14 RCW are not met relative to the amounts requested for change. At no time was there intent by the water right holder(s) to abandon the rights authorized for change.

(iii) The result, as adopted by the board, of any hydraulic analysis done related to the proposed water right transfer;

The proposed changes will withdraw or divert water from the same body of water and will not impair any existing water rights.

(iv) The board's conclusions of issues raised by any comments and protests received;

There were no comments or protests.

(v) Whether the transfer proposal will impair existing rights of others;

The proposed changes can be made without injury or detriment to existing water rights.

(vi) If the proposed transfer is authorized pursuant to RCW [90.44.100](#), whether it is detrimental to the public interest. Public interest shall not be considered if the proposed transfer is authorized pursuant to RCW [90.03.380](#) exclusively;

The public interest is served by this transfer of ground water as it facilitates land use in a manner consistent with the relevant planning policies, improves instream flows, and benefits out-of-stream uses. There are no detriments to the public interest resulting from the proposed changes.

Approval of this change will not enlarge the right.

DECISION

(e) Within a section entitled "decision": A complete description of the board's decision, fully and comprehensively addressing the entire application proposal;

Board's Decision on the Application

MAXIMUM CUB FT/ SECOND	MAXIMUM GAL/MINUTE	MAXIMUM ACRE-FT/YR	TYPE OF USE, PERIOD OF USE										
A)7.7 cfs	3,455.76	A)1580.79 af	A) 385 acres irrigation April 1 to October 15 (Pioneer)										
0.276 cfs	123.87	56 af	Municipal Water Supply from April 1 to October 15 (Pioneer)										
B)35.65 cfs	16,001.18	B)6186.71 af	B) Continuous Municipal, Instream Flow (Temporary) (Regional)										
C)38.27 cfs	N/A	C)7823.5 af	C) Instream flows (Permanent) Continuous (Ecology OCR)										
ANNUAL CONSUMPTIVE QUANTITY (ACQ)													
A) Consumptive use under this portion of the right shall not exceed 1,312.23 acre-feet.													
B) Consumptive use under this portion of the right shall not exceed 1,769.63 acre-feet.													
C) Non-consumptive use (primary reach only).													
TRUST WATER QUANTITY (Permanent, Primary Reach in Wenatchee River for OCR.)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
CIR (in)	0.00	0.00	0.00	0.00	3.37	8.23	10.55	7.52	5.00	0.47	0.00	0.00	35.14
Qi (cfs)	0.00	0.00	0.00	0.00	12.22	30.85	38.27	27.28	18.74	3.52	0.00	0.00	38.27
Qa (ac-ft)	0.00	0.00	0.00	0.00	750.29	1832.31	2348.83	1674.24	1113.19	104.64	0.00	0.00	7823.50
(Temporary Trust, Primary Reach, Columbia River from RM 453.4 to RM 468.3., Secondary Reach in Columbia River to Pacific Ocean) (Regional)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Qi (cfs) (P)	5.67	5.37	6.34	7.36	10.08	11.60	13.46	12.73	10.23	7.24	5.67	5.73	13.46
Qa (ac-ft) (P)	348.23	329.71	388.98	451.96	618.67	689.06	826.13	781.67	607.56	444.55	348.23	351.94	6186.71
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Qa (ac-ft) (S)	99.61	94.31	111.26	129.28	176.96	197.10	236.30	223.59	173.78	127.16	99.61	100.67	1769.63
SOURCE Columbia River Wenatchee River and Wells							TRIBUTARY OF (IF SURFACE WATER) Pacific Ocean						
AT A POINT LOCATED: PARCEL NO. <u>PODs:</u>	¼	¼	SECTION	TOWNSHIP N.	RANGE	WRIA	COUNTY. (AKA location)						
222003861001	NE	NW	14	23N	19E	45	Chelan (existing)						
232028240500	SW	NE	3	22N	20E	45	Chelan (5 th St.)						
	SE	NW	28	23N	20E	45	Chelan (North End)						
<u>Wells:</u>													
232033111100	NE	NE	33	23N	20E	45	Chelan (Hawley St.)						
232034857037	NW	SW	34	23N	20E	45	Chelan (Walla Walla St.)						
212205000050			5	21N	22E	45	Chelan (Rock Island Field)						
Regional 4+5 Field	NW	NW	19	22N	21E	44	Douglas County						
Hydro pk	NE	SE	19	22N	21E	44	Douglas County						
Regional Supply			20	22N	21E	44	Douglas County						
Regional Northbank	SW	NE	28	23N	20E	45	Chelan County						
Rock Island Field			6	21N	22E	45	Chelan County						
Rock Island Field		W1/2	31	22N	22E	45	Chelan County						
LEGAL DESCRIPTION OF PROPERTY ON WHICH WATER IS TO BE USED AS APPROVED BY THE BOARD													

<p>A) Sections 12, 13, and 14 T23N, R19E; Sections 19 through 22, 28, 33 and 34, T23N, R20E; and Section 3, T22N, R20E all in Chelan County, WA. RCW 90.03.386 may have the effect of expanding the place of use of this water right. If the criteria in RCW 90.03.386(2) are not met and a Water System Plan / Small Water System Management Program was approved after September 9, 2003, then the place of use of this water right reverts to the service area described in that document.</p> <p>B) The place of use is expected to conform to the Regional Water System service area set forth in Volume 2 of the 2012 City of Wenatchee Water System Plan. RCW 90.03.386 may have the effect of expanding the place of use of this water right. If the criteria in RCW 90.03.386(2) are not met and a Water System Plan / Small Water System Management Program was approved after September 9, 2003, then the place of use of this water right reverts to the service area described in that document.</p> <p>(Temporary Trust) Primary Reach: Columbia River from RM 453.4 (Rock Island Dam) to RM 468.3 (confluence with Wenatchee River). Secondary Reach from Columbia River RM 453.4 to the Pacific Ocean.</p> <p>C) (Permanent Trust) Primary Reach: Wenatchee River from River Mile (RM) 6.6 to RM 0 at the confluence of the Wenatchee and Columbia Rivers. No secondary reach.</p>					
PARCEL NO.	¼	¼	SECTION	TOWNSHIP N.	RANGE,

PROVISIONS

(i) Any conditions and limitations recommended as part of an approved transfer, and/or any other corrective action necessary to maintain the water use in compliance with state laws and regulations;

The following provisions are to be included as a part of the application approval decision referred to in the preceding section:

The amount of water granted is a maximum limit that shall not be exceeded and the water user shall be entitled only to that amount of water within the specified limit that is beneficially used and required. This authorization shall in no way excuse the permittee from compliance with any applicable federal, state, or local statutes, ordinances, or regulations including those administered by other programs of the Department of Ecology.

An approved measuring device shall be installed and maintained for each of the sources identified by this water right in accordance with the rule "Requirements for Measuring and Reporting Water Use", Chapter 173-173 WAC.

Department of Ecology personnel, upon presentation of proper credentials, shall have access at reasonable times, to the records of water use that are kept to meet the above conditions, and to inspect at reasonable times any measuring device used to meet the above conditions.

For water purveyed from potable municipal systems water use data shall be recorded daily. For non-potable water systems water use data shall be recorded weekly. The maximum monthly rate of diversion/withdrawal and the monthly total volume shall be submitted to Ecology by January 31st of each calendar year. Ecology is requiring submittal of daily meter readings to collect seasonal information for water resource planning, management and compliance.

Reported water use data shall be submitted via the Internet or by using forms available at the Central Regional Office of the Department of Ecology in Yakima. To set up an Internet reporting account, access <https://fortress.wa.gov/ecy/wrx/wrx/Meteringx/>. If you have questions or need forms, contact the Central Regional office.

This authorization is subject to Washington Department of Fish and Wildlife juvenile salmon and gamefish screening criteria (pursuant to RCW 77.55.040).

A proof inspection will be conducted prior to final certificate issuance. The certificate will reflect the extent of the project perfected within the limitations of the permit. Aspects will include as appropriate the source(s), system instantaneous capacity, beneficial use(s), annual quantity, acreage, place of use, and satisfaction of provisions.

Multiple diversion and withdrawal points are authorized pursuant to this change. All source points of the right shall be administrated such that the quantities purveyed as authorized herein shall not exceed the total quantities of the right. Holders of the right shall provide evidence of sufficient capacity or telemetry controls at the time of proof of appropriation to ensure this result.

Quantities purveyed through water systems other than those for the non-potable systems identified in this decision shall be required to demonstrate return flows consistent with those historically attributed to the right to prevent the enlargement of the right that would result from greater consumptive use than was historically attributed to the right. The following consumptive use limits shall be observed:

Use	CU (ac-ft)	RF (ac-ft)	Total (ac-ft)	Qi (cfs)
Pioneer North End System Demand (ac-ft)	1264.63	316.16	1580.79	7.7
Pioneer Walla Walla Ave Demand (ac-ft)	47.6	8.4	56	0.276
Regional Walla Walla Park Demand (ac-ft)	136	40	176	1.05
Subtotal	1448.23	364.56	1812.79	9.03
Remaining Available From Total (ac-ft)	1633.63	4377.08	6010.71	34.60
Regional Residential Use (60% CU assumption) (ac-ft)	1633.63	1089.08	2722.71	15.67
Regional Nonconsumptive Use (ac-ft)	0	3288.00	3288.00	18.93
Total (ac-ft)	3081.86	4741.64	7823.50	43.63

Within 60 days of completion of construction of the project, Pioneer Water Association will by Quit Claim Deed convey the trust water quantities to Ecology's Office of Columbia River as described in the Permanent Trust Water Table on the face sheet of this authorization.

The term of the temporary trust is 10 years, except that Pioneer Water Association or Regional may provide 60 days written notice to Ecology and remove all or a portion of said temporary quantities for use in compliance with this or subsequent change authorizations.

Issuance of three (3) Certificates of Change are contemplated for this transfer consistent with the quantities identified herein, and subject to closing of the title transfer between Pioneer and Regional. These are generally summarized as follows:

Certificate	Entity	Purpose	Qi	Qa (ac-ft)	Season
A	Pioneer	Irrigation	3,455.76 gpm	1,580.79	4/1 to 10/15
A	Pioneer	Municipal	123.87 gpm	56.00	4/1 to 10/15
B	Regional	Municipal	16,001.18 gpm	6,186.71	Continuous
C	Ecology OCR	Instream Flow	38.27 cfs	7,823.50	5/1 to 10/15

The undersigned board commissioner certifies that he/she understands the board is responsible "to ensure that all relevant issues identified during its evaluation of the application, or which are raised by any commenting party during the board's evaluation process, are thoroughly evaluated and discussed in the board's deliberations. These discussions must be fully documented in the report of examination." [WAC 173-153-130(5)] The undersigned therefore, certifies that he/she, having reviewed the report of examination, knows and understands the content of this report and concurs with the report's conclusions.

Signed at Wenatchee, Washington.
June 14, 2012

Don Phelps, Chair
Chelan County Water Conservancy Board

Appendix:

1. Application
2. Application Map
3. Copy of the Existing Water Right Document
4. Extent and Validity Memorandum with all attachments and exhibits
5. Hydrogeologic Report
6. SEPA DNS
7. Notice of Application declaration of publication
8. Letter of Transmittal of Notice of Application to Department of Fish and Wildlife and other parties
9. Super Notice for Trust Water