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## HOUSE BILL 1874

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State of Washington 57th Legislature 2001 Regular Session

By Representatives Linville and G. Chandler

Read first time 02/07/2001. Referred to Committee on Agriculture & Ecology.

- AN ACT Relating to water rights; amending RCW 90.03.383; adding a
- 2 new section to chapter 43.20 RCW; adding new sections to chapter 90.03
- 3 RCW; and adding new sections to chapter 90.44 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 43.20 RCW 6 to read as follows:
- 7 The department of health shall adopt as rules conservation and
- 8 efficiency standards and safeguards that shall apply to the
- 9 transmission of water to and the distribution of water by a public
- 10 water system receiving water through an intertie approved after the
- 11 effective date of this section. The standards shall apply to a public
- 12 water system receiving such water if the public water system has at
- 13 least one thousand service connections.
- 14 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 90.03 RCW
- 15 to read as follows:
- 16 If a water right certificate was issued by the department of
- 17 ecology before the effective date of this section to a public water
- 18 system and, at the time the certificate was issued, the amount of water

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listed on the certificate as being subject to diversion for use under 1 2 the certificate included both amounts beneficially used by the date of the issuance and amounts not yet beneficially used by that date, the 3 4 water right represented by the certificate is for the total of both 5 such amounts. Any amounts not yet beneficially used under such a certificate by the effective date of this section are governed by the 6 7 inchoate portion of the water right and are available to a public water 8 system holding the certificated right for further development as 9 prescribed in section 3 of this act and for transfer or change for 10 further development as prescribed in section 3 of this act. The place of use for the water right represented by such a certificate is the 11 12 place of use listed on the certificate or the place of use identified 13 in the water system plan approved by the department of health on the effective date of this section for the public water system, whichever 14 15 document identifies a larger service area for the public water system.

NEW SECTION. Sec. 3. A new section is added to chapter 90.03 RCW to read as follows:

The beneficial use of water governed by an inchoate portion of a water right described in section 2 or 5 of this act that begins on or after the effective date of this section is subject to the following conditions:

- (1) The beneficial use shall be consistent with any comprehensive land use plan adopted under chapter 36.70A RCW for the area in which the beneficial use takes place or, if comprehensive land use planning has not been conducted for that area under chapter 36.70A RCW, the beneficial use shall be consistent with any comprehensive plan adopted under chapter 36.70 RCW for the area;
- (2) The beneficial use shall be initiated not later than fifty years after the effective date of this section; and
- (3) If a public water system applies for a transfer, change, or amendment to an inchoate portion of its water right to provide for the initial beneficial use of water governed by the inchoate portion of the right, the public water system and the department shall study the effects of the transfer, change, or amendment on habitat for fish stocks listed or proposed for listing as threatened or endangered under the federal endangered species act or as critical or depressed in the state's salmon and steelhead stock inventory. If the proposed use would adversely impact such habitat and the public water system does

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- not withdraw the application, the system shall develop a plan for mitigating the adverse impacts and for monitoring the effectiveness of the mitigation effort. Any such mitigation shall be conducted concurrently with the transfer, change, or amendment of the right. This subsection includes, but is not limited to, any change of the place of use for such an inchoate portion of a water right made through an intertie.
- 8 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 90.03 RCW 9 to read as follows:
- 10 (1) The department may not approve any transfer or change of a water right held by a public water system that changes the place of use 11 12 for the right for beneficial use by a public water system unless the conservation and efficiency measures and safeguards 13 for the 14 distribution of water in the new place of use are at least as stringent 15 as the conservation and efficiency measures and safeguards existing for 16 the distribution of water by the system in the place of use for the original water right before the transfer or change. 17

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- (2) This subsection applies to any transfer or change of a water right that changes the place of use of water so that it may be beneficially used by a public water system with one thousand or more service connections. The department of ecology may not approve such a transfer or change for a water right unless the system for distributing water in the new place of use satisfies the standards and safeguards adopted by the department of health under section 1 of this act.
- NEW SECTION. Sec. 5. A new section is added to chapter 90.44 RCW to read as follows:
- 27 If a water right certificate was issued by the department of 28 ecology before the effective date of this section to a public water 29 system and, at the time the certificate was issued, the amount of water listed on the certificate as being subject to withdrawal for use under 30 the certificate included both amounts beneficially used by the date of 31 32 the issuance and amounts not yet beneficially used by that date, the 33 water right represented by the certificate is for the total of both such amounts. Any amounts not yet beneficially used under such a 34 35 certificate by the effective date of this section are governed by the inchoate portion of the water right and are available to a public water 36 37 system holding the certificated right for further development as

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- 1 prescribed in section 3 of this act and for further development as
- 2 prescribed in section 3 of this act through the amendment of the right.
- 3 The place of use for the water right represented by such a certificate
- 4 is the place of use listed on the certificate or the place of use
- 5 identified in the water system plan approved by the department of
- 6 health on the effective date of this section for the public water
- 7 system, whichever document identifies a larger service area for the
- 8 public water system.
- 9 <u>NEW SECTION.</u> **Sec. 6.** A new section is added to chapter 90.44 RCW 10 to read as follows:
- 11 (1) The department may not approve any amendment of a water right
  12 held by a public water system that changes the place of use for the
  13 right for beneficial use by a public water system unless the
  14 conservation and efficiency measures and safeguards for the
- 14 conservation and efficiency measures and safeguards for the 15 distribution of water in the new place of use are at least as stringent
- 16 as the conservation and efficiency measures and safeguards existing for
- 17 the distribution of water by the system in the place of use for the
- 18 original water right before the amendment.
- 19 (2) This subsection applies to any amendment of a water right that
- 20 changes the place of use of water so that it may be beneficially used
- 21 by a public water system with one thousand or more service connections.
- 22 The department of ecology may not approve such an amendment for a water
- 23 right unless the system for distributing water in the new place of use
- 24 satisfies the standards and safeguards adopted by the department of
- 25 health under section 1 of this act.
- 26 **Sec. 7.** RCW 90.03.383 and 1991 c 350 s 1 are each amended to read 27 as follows:
- 28 (1) The legislature recognizes the value of interties for improving
- 29 the reliability of public water systems, enhancing their management,
- 30 and more efficiently utilizing the increasingly limited resource.
- 31 Given the continued growth in the most populous areas of the state, the
- 32 increased complexity of public water supply management, and the trend
- 33 toward regional planning and regional solutions to resource issues,
- 34 interconnections of public water systems through interties provide a
- 35 valuable tool to ensure reliable public water supplies for the citizens
- 36 of the state. Public water systems have been encouraged in the past to
- 37 utilize interties to achieve public health and resource management

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objectives. The legislature finds that it is in the public interest to recognize interties existing and in use as of January 1, 1991, and to have associated water rights modified by the department of ecology to reflect current use of water through those interties, pursuant to 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.

(2) For the purposes of this section, the following definitions shall apply:

- (a) "Interties" are interconnections between public water systems permitting exchange, acquisition, or delivery of water between those systems for other than emergency supply purposes, where such exchange or delivery is within established instantaneous and annual withdrawal rates specified in the systems' existing water right permits or certificates, or contained in claims filed pursuant to chapter 90.14 RCW, and which results in better management of public water supply consistent with existing rights and obligations. Interties include interconnections between public water systems permitting exchange, acquisition, or delivery of water to serve as primary or secondary sources of supply((, but do not include development of new sources of supply to meet future demand)).
  - (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.
  - (3) Public water systems with interties existing and in use as of January 1, 1991, or that have received written approval from the department of health prior to that date, shall file written notice of those interties with the department of health and the department of 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 than June 30, 1996. The notice shall identify the location of the intertie; the dates of its first use; the purpose, capacity, and current use; the intertie agreement of the parties and the service areas assigned; and other information reasonably necessary to modify 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 existing and in use as of January 1, 1991, the department of ecology, upon receipt of notice meeting the requirements of this subsection, shall, as soon as practicable, modify the place of use descriptions in the water right permits, certificates, or claims to reflect the actual use through such interties, provided that the place of use is within service area designations established in a water system plan approved pursuant to chapter 43.20 RCW, or a coordinated water system plan approved pursuant to chapter 70.116 RCW, and further provided that the water used is within the instantaneous and annual withdrawal rates specified in the water right permit and that no outstanding complaints of impairment to existing water rights have been filed with the department of ecology prior to September 1, 1991. Where such complaints of impairment have been received, the department of ecology shall make all reasonable efforts to resolve them in a timely manner through agreement of the parties or through available administrative remedies.

- (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 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 state-approved plans such as water system plans or other plans which include specific proposals for construction of interties. 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 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

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 reliability, enhance the manageability of the systems, provide opportunities for conjunctive use, or delay or avoid the need to develop new water sources.

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- (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.
- (7) If the intertie is determined by the department of health to be 12 13 necessary to address emergent public health or safety concerns 14 associated with public water supply, the public water system shall 15 amend its water system plan as required and shall file an application 16 with the department of ecology to change its existing water right to 17 reflect the proposed use of the water as described in the approved The department of ecology shall process the 18 water system plan. 19 application for change pursuant to RCW 90.03.380 or 90.44.100 as appropriate, except that, notwithstanding the requirements of those 20 sections regarding notice and protest periods, applicants shall be 21 required to publish notice one time, and the comment period shall be 22 fifteen days from the date of publication of the notice. Within sixty 23 24 days of receiving the application, the department of ecology shall 25 issue findings and advise the department of health if existing water 26 rights are determined to be adversely affected. If no determination is 27 provided by the department of ecology within the sixty-day period, the department of health shall proceed as if existing rights are not 28 29 adversely affected by the proposed intertie. The department of ecology 30 may obtain an extension of the sixty-day period by submitting written notice to the department of health and to the applicant indicating a 31 definite date by which its determination will be made. No additional 32 extensions shall be granted, and in no event shall the total review 33 period for the department of ecology exceed one hundred eighty days. 34
  - (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

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application for change to the underlying water right or claim as 1 necessary to reflect the new place of use. The department of ecology 2 shall consider the applications pursuant to the provisions of RCW 3 4 90.03.380 and 90.44.100 as appropriate. If in its review of proposed interties and associated water rights the department of ecology 5 determines that additional information is required to act on the 6 7 application, the department may request applicants to provide 8 information necessary for its decision, consistent with agency rules 9 and written guidelines. Parties disagreeing with the decision of the 10 department of ecology on the application for change in place of use may appeal the decision to the pollution control hearings board. 11

(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.

(10) An intertie may not be used to deliver a primary or secondary supply of water to a receiving system on a temporary basis unless the terms of the intertie agreement specify the source of the water that will be used by the receiving system to replace the water delivered on the temporary basis, and provide that replacement water will be available for delivery to, or use by, the receiving system before delivery by the supplying system under the agreement is terminated. However, if a primary or secondary supply of water is delivered to a receiving system on a temporary basis by means of an intertie on the effective date of this section and the agreement between the supplying system and receiving system does not contain such provision for such a replacement supply of water for the receiving system, the delivery of the water by the supplying system to the receiving system may not be terminated until the agreement is modified to establish such provisions, and such replacement water is available for delivery to or use by the receiving system.

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