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April 28, 2015

MEMORANDUM

- TO: Council members
- FROM: Lynn Palensky

SUBJECT: Briefing on the Columbia Basin Water Transaction Program (CBWTP)

BACKGROUND:

- Presenter: Scott McCaulou, CBWTP Program Director (National Fish and Wildlife Foundation), and Chris Furey, Bonneville Power Administration.
- Summary: Scott and Chris will provide an overview of the history of the program, its current structure, including the Program's transaction review process, as well as highlight accomplishments to date and future challenges. The last CBWTP presentation to the Council was in February 2013.
- Relevance: The CBWTP is an ongoing program implementing a core measure in the Habitat Strategy section of the Program (page 42). This basinwide stream flow restoration program that has an annual program budget of about \$5 million.
- Workplan: This program is being tracked in the Fish and Wildlife Division Work plan.
- Background: Bonneville Power Administration (BPA) and the Northwest Power and Conservation Council established the Columbia Basin Water Transactions Program (CBWTP) in 2002 in response to Reasonable and Prudent Alternative 151 of the 2000 Federal Columbia River Power System

Steve Crow Executive Director Biological Opinion and Provision A.8 of the Council's 2000 Fish and Wildlife Program. The primary focus of the CBWTP is to fund water transactions that restore streamflow on ecologically-significant Columbia Basin tributaries. The CBWTP is administered through a partnership between BPA and the National Fish and Wildlife Foundation (NFWF). Subbasin plans and other habitat assessments throughout the Columbia Basin cite inadequate streamflows as a key factor limiting the productivity of both anadromous and resident fish species. Water transactions provide an effective and appropriate response to this key limiting factor. Restored streamflows benefit multiple fish species, particularly Chinook and steelhead.

The CBWTP works through nine qualified local entities (QLEs). The QLEs include three state water agencies and six nonprofit organizations (see attached list). These QLEs receive funds to implement and monitor water transactions in multiple priority watersheds throughout the Columbia Basin.

Since 2002, the QLEs have completed over 300 water right transactions that have restored over 724,000 acre-feet of flow to key tributary streams in the Columbia Basin. These transactions have included a number of innovative methods, including split-season leases, source switches, permanent purchases and water produced through significant capital investments in irrigation efficiency projects. The terms of these deals have varied from short-term to permanent. The CBWTP anticipates that transactions funded transaction will be increasingly long-term and permanent, providing instream benefits beyond the year of funding.

More Info: See the <u>CBWTP website</u>.