

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	8 - 0 - 0
Yeas:	Bailey, Barnhart, Bentz, Boone, Jenson, Smith J., Thompson, Cannon
Nays:	0
Exc.:	0
Prepared By:	Beth Patrino, Administrator
Meeting Dates:	2/2, 2/9, 2/11

WHAT THE MEASURE DOES: Directs that hydroelectric license continues in effect if project is located in Umatilla Basin; transfer of license, rights or property is to Umatilla County; transfer results from foreclosure of tax lien; and transfer occurred on or before January 1, 2010. Directs termination of license and water right included in the license: if Umatilla County begins operating project for hydroelectric generation; if two years after transfer unless Umatilla County has transferred all licenses, rights and property of project to new owner; or if new owner fails to comply with other provisions of Act prior to project operation. Requires project license and any water right included in the license be subordinate in priority to any instream water right for which certificate is issued on or before effective date of Act. Requires Water Resources Department (WRD) to modify license conditions to include fish passage and screening requirements. Requires new owner to develop implementation plan that identifies project repairs or modifications necessary for project to meet fish passage and screening criteria of Oregon Department of Fish and Wildlife (ODFW). Upon approval by ODFW, WRD to incorporate plan as condition of license. Lists minimum content of implementation plan. Provides water right is not subject to cancellation based upon failure to make beneficial use of water during specified times and circumstances. If water right is cancelled, directs WRD to convert water right to instream right. Repeals Act January 2, 2018. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- Background on hydroelectric project affected by measure
- Law directing termination of hydroelectric license upon transfer of project to municipality
- Narrowing of bill to address one project

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: The Water Resources Department is responsible for licensing all hydroelectric facilities in the state, except facilities owned exclusively by the federal government. Hydroelectric facilities receive a license and a water right. Privately-owned hydroelectric facilities receive a time-limited water right. Time-limited water rights have been issued for time periods varying from 20 to 50 years. The water right is subject to the reauthorization of the hydroelectric project at the time of license expiration. A publicly-owned facility's water right does not have a time limit. Under ORS 543.440, a hydroelectric project license terminates upon the voluntary or involuntary transfer of the project to the state or any municipal corporation.

The Jim Boyd hydroelectric project is located on the Umatilla River in Umatilla County. The project was issued a minor license by the Federal Energy Regulatory Agency in 1984. The project has not operated since June 2002 when its power purchase agreement expired.