2013 - 2014
Water Policy Interim Committee
Work Plan

June 2013

DRAFT

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Introduction

This is the work plan for the Water Policy Interim Committee (WPIC) for the 2013-2014 interim. This document contains:

- Staff for the WPIC.
- An explanation of how the WPIC plans its work.
- A description of possible study topics and work plan tasks.
- An interim time line.

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How the WPIC Plans its Work

The WPIC was created in 2009 to study water policy. During the legislative interim, the WPIC may focus on the study topics assigned to it as well as any water policy issue.

The WPIC establishes a work plan at the beginning of the interim. This is a draft of the work plan. The draft work plan and the accompanying matrix are decision-making tools to help the committee set priorities and decide how and where to spend the WPIC's limited time and resources.

The primary constraints limiting the study agenda for the interim are the number of issues that can be effectively addressed within the available time and the resources of the committee and staff.

The adopted work plan is a road map for the 2013-2014 interim. Staff develops detailed draft work plans and timetables for each task. A draft time line, which illustrates the overall schedule that these work plans will fit into once the meeting schedule and work plan are finalized, is presented at the end of this document.

Work Plan Topics

Study Resolution

The 2013 Legislature passed House Joint Resolution No. 26 directing the WPIC to examine the intersecting interests of estate owners and ditch owners over the subject of ditch locations. The study comes out of a failed attempt to pass House Bill No. 149, which sought to accommodate estate and ditch owners when irrigated agricultural interests may conflict with new residential development in irrigated river valleys. A copy of this resolution is included in your packet.

OPTION A	OPTION B	OPTION C	OPTION D
0.25 FTE ✓ All of Option B ✓In-depth legal analysis of study issues **Deliverables:** ✓ Final report with recommendations. ✓ Legislation	**.1 FTE** ✓ All of Option C ✓ Tour relevant sites in Helena Valley ✓ Analyze relevant actions, policies, or legal decisions in other states ✓ Create work group of interested parties to suggest options **Deliverables:** ✓ Brief report ✓ Legislation	**.05 FTE** ✓ Review relevant policies, legal decisions in Montana ✓ Summarize relevant actions, policies, or legal decisions in other states ✓ Panel discussion **Deliverables:** ✓ Legislation	No Action

Water-Related Statutory Issues

While the Environmental Quality Council retains oversight of agencies that deal with water as well as being cited in several water-related statutes, the EQC and the WPIC have worked collaboratively in the past to eliminate duplication. In practice, this means that statutorily required reports are provided to both committees, but presentations are usually made to only the WPIC.

Rules will be developed for water-related legislation passed by the 2013 Legislature, including rules for temporary lease of water rights, a combined appropriation, and stream depletion zones. Rules related to water quality also may be proposed.

The EQC duties cited in 85-2-105, MCA, which may be shared with the WPIC, include:

• Advise the Legislature on the adequacy of Montana's water policy.

• Advise the Legislature on important state, regional, national, and international developments that affect Montana's water resources.

• Oversee policies and activities of executive branch agencies and other state institutions that affect Montana's water resources.

• Assist with interagency coordination related to water resources.

• Communicate with the public about water policy and water resources.

Water-related statutory duties of the EQC include:

• 75-5-313, MCA, requires the DEQ to provide a summary of the status of the base numeric nutrient standards, the nutrient standards variances, and implementation of those standards and variances, including estimated economic impacts to the EQC. (revised 2011, SB 367)

• 85-1-203, MCA, requires the DNRC to submit a copy of the State Water Plan or any plan changes to the EQC. (SB 303, 2009, accelerated requirements)

• 85-1-621, MCA, requires the DNRC to submit a biennial report to the EQC that describes the status of the Renewable Resource Grant and Loan Program financed with funds from the Resource Indemnity Trust.

• 85-2-281, MCA, requires the Water Court and the DNRC to report to the EQC on the progress of the adjudication process until 2020.

• 85-2-350, MCA, requires Clark Fork River Task Force to report to the EQC annually.

• 85-2-436, MCA, requires the FWP to submit a summary report to the EQC by December 1 of odd-numbered years of all appropriation rights changed to an instream flow purpose in the previous two years.

• 85-2-436, MCA, requires the June 3, 2013 FWP to submit a summary report to the EQC by December 1 of odd-numbered years of all appropriation rights changed to an instream flow purpose in the previous 2 years.

• 85-20-1401, MCA, requires the DNRC to provide a periodic report to the EQC related to the U.S. Forest Service reserved water rights compact and state water reservation applications.

• House Bill 37 passed by the 2013 Legislature requires the DNRC to report annually on the temporary leases of appropriation rights.

Other Water Issues

Water issues may come before the WPIC in a number of ways, including legislation, member suggestions, and the work of entities that deal with water issues. Explanations and options of these topics are included below.

Water transactions policy	Committee member suggestion	**0.25 FTE** ✓ Option B ✓ Analysis of water transactions policy **Deliverables:** ✓ Report ✓ Draft legislation, if any	**0.1 FTE** ✓ Option C ✓ Panel discussion including stakeholders and Western States Water Council representative ✓ Summary of issues related to water transactions policy **Deliverables:** ✓ Report ✓ Draft legislation, if any	**0.05 FTE** ✓ Disseminate report from Western States Water Council related to water transactions ✓ DNRC presentation on water transactions policy **Deliverables:** ✓ Brief report ✓ Draft legislation, if any
Exempt well issues and update	Committee member suggestion			**0.05 FTE** ✓ DNRC presentation on current and future exempt well issues, including update on combined appropriation rule-making ✓ Summarize and update past WPIC studies/reports on exempt wells **Deliverables:** ✓ Brief report ✓ Draft legislation, if any

Future of agricultural water use	Committee member suggestion	**0.5 FTE** ✓Option B ✓Analysis of key stresses, supply and demand issues, and climate variability affecting the future of Montana agriculture ✓Analysis of research priorities related to future agricultural water use ✓Develop concepts for building resiliency into the agricultural water use system **Deliverables:** ✓Report ✓Draft legislation, if any	**0.25 FTE** ✓Option C ✓Summary of available climate information related to the future of agricultural water use in Montana ✓Develop stakeholders group to explore issues related to the future of agricultural water use **Deliverables:** ✓Report ✓Draft legislation, if any	**0.5 FTE** ✓Panel discussions of future of agricultural water use, including effects of key stresses, future supply and demand, climate variability, research priorities, and resiliency of the agricultural water use system. **Deliverables:** ✓Brief report ✓Draft legislation, if any
Role of Water Court in permit and change decisions	Senate Natural Resources Committee letter		**0.1 FTE** ✓ All of Option C ✓ Possible work group of interested persons to investigate options **Deliverables:** ✓ Brief report ✓ Draft legislation, if any	**0.05 FTE** ✓ Summarize Water Court statutes and duties ✓ Summarize current appeal process ✓ Panel discussion **Deliverables:** ✓ Draft legislation, if any

Receive Compact Commission report on CSKT compact	Directive from governor via veto of SB265	**0.5 FTE** ✓ Option B intensified ✓ Public hearings outside Helena, if budget allows **Deliverables:** ✓ Legal opinions ✓ Report ✓ Draft legislation, if any	**0.25 FTE** ✓ Topic-specific background briefings ✓ Topic-specific panel discussions ✓ Additional topic-specific legal analysis **Deliverables:** ✓ Legal opinion ✓ Brief report ✓ Draft legislation, if any	**0.1 FTE** ✓ General panel discussion or hearing ✓ Topic-specific legal analysis **Deliverables:** ✓ Legal briefing ✓ Draft legislation, if any

Some items suggested by members may be covered by a presenters at a meeting. Suggestions of this sort include:

✓Federal fiscal effects on Montana floodplain program
✓Water marketing
✓"Wetted-p" model vs. seasonal hydrologic graph in water volume determinations
✓Hydrological impacts of 2011 wildfires
✓DNRC, AG reports on effect of SB217 -- watershed good neighbor policy with federal government
✓DNRC update on water rights exempt from filing (SB355)
✓Non-degradation standards and diversions of water
✓Pondera County and Reservoir Co., Water Court Report
✓Definition of perennial stream in 310 permits

Resource Allocation

There is approximately **1 FTE** of staff time available to conduct the work identified by the WPIC.

Work Plan Time Line

Date	Tasks
June 17-18, 2013 -- Helena	➤ Elect officers ➤ Review 2013 water legislation ➤ Agency/program overviews - DEQ, DNRC, FWP, GWIP ➤ Update on adjudication, water right ownership transfers, DNRC, WC ➤ Update on drought and water supply ➤ Nutrient Work Group - Standards update - (75-5-313, MCA) ➤ Overview of state water plan update ➤ Ground water studies update ➤ Water Information System update (85-2-105, MCA) ➤ Compact Commission update ➤ Public input on study issues ➤ Discuss possible study issues ➤ Adopt rules ➤ Review budget, meeting dates ➤ Public comment
Sept. 9-10, 2013- - Helena	➤ Adjudication update - DNRC, WC ➤ Groundwater studies - GWIP ➤ Temporary leasing report, HB37 - DNRC ➤ Clark Fork River Basin Task Force update - (85-2-350, MCA) ➤ State Water Plan update, (85-1-203, MCA) - DNRC ➤ Water-related research by state entity (85-2-105, MCA) ➤ Identify areas where more information is needed - WPIC ➤ Revisions to work plan, if necessary - WPIC ➤ Adopt work plan - WPIC ➤ Public comment
Jan. 6-7, 2014 -- Helena	➤ State Water Plan update, (85-1-203, MCA) - DNRC ➤ Adjudication update - DNRC, WC ➤ Groundwater studies - GWIP ➤ Renewable Resource Grant and Loan Program update, (85-1-621, MCA) ➤ Instream leasing report, (85-2-436, MCA) - FWP ➤ Identify areas where more information is needed - WPIC ➤ Revisions to work plan, if necessary - WPIC ➤ Discussion of draft report, legislation, if necessary - WPIC ➤ Discuss exempt well options - WPIC ➤ Identify areas and issues for exempt well meetings - WPIC ➤ Public comment

March 17-18, 2014 -- Helena	➤ State Water Plan update, (85-1-203, MCA) - DNRC ➤ Adjudication update - DNRC, WC ➤ Groundwater studies - GWIP ➤ Identify areas where more information is needed - WPIC ➤ Revisions to work plan, if necessary - WPIC ➤ Discussion of draft report, legislation, if necessary - WPIC ➤ Public comment
May 12-13, 2014	➤ State Water Plan update, (85-1-203, MCA) - DNRC ➤ Adjudication update - DNRC, WC ➤ Groundwater studies - GWIP ➤ Identify areas where more information is needed - WPIC ➤ Revisions to work plan, if necessary - WPIC ➤ Discussion of draft report, legislation, if necessary - WPIC ➤ Public comment
July 7-8, 2014 -- Helena	➤ Nutrient Work Group - Standards update - (75-5-313, MCA) ➤ State Water Plan update, (85-1-203, MCA) - DNRC ➤ Adjudication update - DNRC, WC ➤ Groundwater studies - GWIP ➤ Identify areas where more information is needed - WPIC ➤ Revisions to work plan, if necessary - WPIC ➤ Discuss and revise draft report, legislation - WPIC ➤ Public comment
August 2014	➤ Public comment on draft report, proposed legislation
Sept. 8-9, 2014 -- Helena	➤ State Water Plan update, (85-1-203, MCA) - DNRC ➤ Nutrient Work Group - Standards update - (75-5-313, MCA) ➤ Adjudication update - DNRC, WC ➤ Groundwater studies - GWIP ➤ Temporary leasing report, HB37 - DNRC ➤ Clark Fork River Basin Task Force update - (85-2-350, MCA) ➤ Review public comment on draft report, legislation ➤ Revise draft report, legislation ➤ Approve proposed legislation - WPIC ➤ Selection of bill sponsors - WPIC ➤ Approve WPIC report - WPIC ➤ Overview of proposed agency legislation - DNRC, DEQ, FWP ➤ Public comment