

KWUA Mission Statement

To preserve, protect and defend the water and power rights of the landowners of the Klamath Basin, while promoting wise management of ecosystem resources.

Contact Us!

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Inside this issue:

KWUA Celebrates Basin Agriculture with 2nd Annual Fall Harvest Tour	1-2
KWUA Comments on California Klamath River TMDL	3
KWUA Status as Interveners in PacifiCorp Rate Case	3
KWAPA Update	4
Rate Case (cont'd)	4
KWUA Board Members	4
BREAKING NEWS: Klamath Hydroelectric Settlement Agreement	5
A Note From the KWUA President	6

KWUA Celebrates Basin Agriculture with 2nd Annual Fall Harvest Tour

Klamath Water Users Association (KWUA) hosted its Second Annual Fall Harvest Tour on September 17th with community partners Herald and News, and Klamath County Chamber of Commerce. This year we were able to show 31 tour attendees around the Klamath Reclamation Project visiting a variety of agricultural operations busy with harvest.

The tour began at Mia and Pia's Brewery on Matney Way where participants received the first presentation of the day from Klamath Basin Research and Extension Director, Willie Riggs. Willie shared information about the economic impact of Klamath Basin agriculture to local, regional and international economies. Over \$300 million dollars in new revenue is



Glenn Barrett and son show feed rations used for their cattle

generated from agriculture alone! This does not include portions of the Klamath Basin in Modoc and Siskiyou Counties.

The first tour stop of the day was at Barrett Livestock in Lorella, where Glenn Barrett and his wife Linda gave us a tour of their operation and spoke about raising cattle for wholesale and locker beef sales. Participants were impressed by the tidiness and organization of the Barrett Ranch and the level of animal husbandry that the Barretts have achieved through a lifetime of ranching.

Potatoes in transit to storage shed



Following lunch at Malin City Park, the tour continued at Gold Dust Potatoes. Tricia Hill and her father Bill Walker showed us around their family run operation which markets potatoes domestically and internationally. It was impressive to see this top-notch

(continued on page 2)

operation and witness the quantity of potatoes being transported to storage.

Next the tour moved to the Tulelake peninsula where Scott Seus, of Seus Family Farms, gave a tour of his horseradish processing plant where raw horseradish is cleaned, packed and sent to Beaver Foods in Beaverton Oregon. This horseradish ultimately becomes Tulelake, Beaver or Inglehoffer brand horseradish.

day concluded at Mia and Pia's Brewery where participants enjoyed pizza, chicken and local brew. The winners of the Fall Harvest Tour Trivia challenge were

awarded a bottle of wine each, and a winner was drawn for the "Basin Basket" filled with products whose origin is in the Klamath Basin.



Mint tea leaf harvest at Seus Family Farm in Tulelake, CA

created a great blend of people to take on this tour. We hope to partner with the Chamber of Commerce and Herald and News on this again in the future.

If you know of someone who could benefit from joining us on next year's tour please contact Belinda Stewart at (541) 883-6100 or belinda@kwua.org . (WUQ)

Scott Seus and son at the mint tea leaf field, Tulelake, CA



The goal of this year's tour was to emphasize the importance of Basin agriculture and educate the public on just how far products grown in the Basin reach into local, regional and international

The following vendors sell locally grown Klamath Basin products:

- Nightfire Natural Foods
- Sherm's Thunderbird Market
- Diamond S Meats
- Howard's Meat Center
- Klamath Falls Saturday Market
- Green Blade Bakery
- The Bread Barn
- Mia and Pia's Pizzeria
- The Creamery Brew Pub
- Wong's Potatoes

A short drive south and we arrived at Mr. Seus' mint tea leaf fields where he grows peppermint for Bigelow Teas. Participants watched as specially adapted combines lumbered through the field picking up windrows of mint and shaking the leaf loose from the stem before hopping the mint into a large container on the back of a tandem axle truck. While watching this harvest the group was treated to some home brewed mint iced tea.

After a busy day of touring the Klamath Reclamation Project the

economies.

This year we were able to coordinate our tour with the first class day of Leadership Klamath, who joined us for their agricultural unit. The diversity of backgrounds in our participants

Mia and Pia's featured a special brew for the occasion



KWUA Comments on California Klamath River TMDL

Klamath Water Users Association submitted comments to the North Coast Regional Water Quality Control Board regarding the recently released California Klamath River Total Maximum Daily Load (TMDL) regulation. There are many items in the document that cause concern for Klamath Reclamation Project irrigators.

The full text of KWUA's comments can be found on our website; www.kwua.org under the "Science and Water" tab.

To summarize our concerns, KWUA believes that the Regional Board prepared the Draft TMDL and Proposed Implementation Plan without sufficient data to support the load allocations, sources and natural background assumptions. Much of this we believe stems from a rushed deadline for compliance with a court ordered Consent Decree.

KWUA urged the Regional Board to seek an extension to ensure that any TMDL's or implementation plans adopted are based on accurate, current data and reasonable assumptions.

KWUA's member districts and irrigators operate within the Klamath Reclamation Project which does not discharge to the Klamath River in California. Given that reality, KWUA believes that the Draft TMDL should not apply to the Klamath Project, thus we limited our comments to the following:

- Load Allocation at Stateline
- Receiving Waters as "sources"
- Misinformation about the Klamath Project
- Natural Background Assumptions
- Unattainable Water Quality Standards
- Implementation of the EPA Lost River TMDL

- Assigning Implementation Measures for Oregon's Compliance
- Feasibility
- Performance Standards
- Insufficient CEQA Analysis
- Site-Specific DO Objective

For an explanation of these concerns please see the full text of comments on our website.

In response to our, and others, comments we hope to see an extension of the completion on this TMDL.

There were some obvious errors in modeling that affect compliance goals for this TMDL. KWUA will continue to track this and other watershed TMDL's for updates and changes of status in months to come. For the most up to date information please visit the North Coast Regional Water Quality Control Board website: www.waterboards.ca.gov/northcoast (WUQ)

KWUA Status as Interveners in PacifiCorp Rate Case

In April Pacific Power filed an application to participate as interveners with the Oregon Public Utility Commission (OPUC) for PacifiCorp's UE-210 rate case. The proposed rate changes, which come on the tail of already increasing rates, would disproportionately increase the rates of Agricultural pumpers (schedule 41) as compared to other classes of ratepayers. For example, PacifiCorp proposed to raise the Schedule 41 (irrigation) rates by an additional 17.5%, while raising rates to other customers by about 8%. This would add a

significant additional burden to agricultural pumpers throughout PacifiCorp's Oregon service territory. The Klamath Water Users Association (KWUA) represents what is arguably the single largest association comprised of PacifiCorp's Oregon agricultural customers. Although the rates of many of KWUA's members are currently mitigated by implementation of ORS 757.227, also known as Oregon's 'rate shock' legislation, those members are transitioning to the full tariff Schedule 41 rate and will, in about 2 years, be impacted

significantly by this rate case. Although residential and industrial customer classes are well represented by established advocacy groups, we have found that there are no other participants representing the specific interests of agricultural pumpers under Schedule 41. KWUA has become a formal intervener in PacifiCorp's rate case in order to defend the sustainability of irrigated agriculture in the Klamath Basin.

Klamath Water and Power Agency Update

Klamath Water and Power Agency (KWAPA) is making measurable progress in coming up to speed with local water and power issues as well as managing the Water Users Mitigation Plan with the United States Bureau of Reclamation (USBR).

In the last few months KWAPA's Executive Director, Hollie Cannon, has worked under the direction of the KWAPA Board of Directors to compose a budget for the upcoming operating year, establish a pump contract bid process for the WUMP program, as well as researching water conservation ideas.

In addition, KWAPA has been formally accepted as a member of the Klamath Settlement Group and has been coming up to speed on the settlement process and participating in calls and meetings as they relate to the local power piece.

There are many placeholders in the KBRA anticipating the participation and involvement of KWAPA on behalf of the Project's agricultural pumpers.

Now that KWAPA is involved in the

process there is considerable work to be done in working out how to equitably share potential power benefits throughout the Upper Basin.

WUMP Groundwater Pumping Program

KWAPA has successfully navigated its first year of managing the WUMP groundwater pumping program. This program was formerly managed by the USBR, but contracted to KWAPA with the idea in mind that local irrigators best know how to manage their water resources on the ground. While KWAPA accepted bids for the 2009 irrigation season, there has been no call to request supplemental groundwater pumping since the Klamath Project has had an adequate water supply year.

There have been some adjustments as KWAPA is learning how best to operate the WUMP program. It is in the best interest of KWAPA to be conservative in spending WUMP funds so as to extend the program until such a time as we have other funding or programs to create supplemental water for the Project.

The USBR has emphasized to KWAPA that they would like to see lowest cost bids accepted first to achieve these goals of the program.

In the coming months, as KWAPA works on policy for the groundwater pumping bid process, they will further clarify the goals of KWAPA in relation to the USBR's program goals. KWAPA has frequent meetings with its USBR program manager and hopes to see the streamlining of these program goals in months to come.

Administrative Miscellany

In addition to KWAPA's busy agency activity in the past months, KWAPA has been working in cooperation with KWUA to find adequate shared office space and an employee to be shared as an assistant Office Manger.

The Boards of KWAPA and KWUA have met over the last month and decided housing the two organizations together is important. The two organizations often participate in the same meetings and have frequent crossover in workloads. **WUQ**

KWUA Board Members

KWUA Board of Directors for 2009:

Position	Member	Alternate
Position 1 (TID)	Earl Danosky	Bill Heiney
Position 2 (KID/ Warren Act)	Dave Solem	Jason Chapman
Position 3 (KDD/ Klamath Hills/ Midland ID)	Luther Horsley	Tim O'Connor
Position 4 At Large	Gary Wright	Mike Byrne
Position 5 (Shasta View and Malin ID)	Rob Unruh	Luke Robinson
Position 6 (Enterprise/ Poe Valley/ Pine Grove ID)	Shane McDonald	L.D. Sorensen
Position 7 (Sunnyside/ Van Brimmer/ Westside ID)	Steve Kandra	Rob Crawford
Position 8 (Ady/ Pioneer/ Plevna/ Keno ID)	Bob Flowers	Jason Flowers
Position 9 (KBID)	Bill Kennedy	Ed Bair
Position 10 (Caledonia)	Mark Campbell	Karl Scronce
Position 11 At Large	Bob Gasser	Scott Seus

Rate Case (cont'd from page 3)

UPDATE:

As of September 2009 we have received notice of a proposed settlement for Oregon schedule 41 ratepayers who would see an increased rate of 5.7% instead of 17.5%.

While no increase feels good, KWUA is pleased to see a more equitable rate standard for the state's agricultural pumpers and counts this intervention as a success. **WUQ**

BREAKING NEWS: Klamath Hydroelectric Settlement Agreement

On Wednesday, September 30th, the Klamath Water Users Association (KWUA) along with 27 other entities including PacifiCorp, local governments, tribes, conservation groups, fishermen and state and federal agencies supported the public release of the Klamath Hydroelectric Settlement Agreement (KHSA). In the coming months parties will focus on elements of this agreement together with a finalized Klamath Basin Restoration Agreement (KBRA) and decide whether or not they will sign both as part of a comprehensive package that deals with a variety of complex resource issues.

KWUA President Luther Horsley, a hay, grain and mint farmer from Midland, OR emphasized that this agreement is part of a larger package and ultimately will only be considered by our members in conjunction with the KBRA. Agricultural interests and others at the table have been working for years to ensure that all Upper Basin irrigators have access to the best possible terms for water security, regulatory assurances and power delivery, elements that will provide meaningful benefits to irrigated agriculture and local economies.

In a release from the U.S. Department of the Interior, Secretary Ken Salazar noted that the KHSA is intended to work in tandem with the proposed KBRA. "Though we have made great progress in recent months, our work is not yet done," Salazar emphasized. I have directed Federal negotiators to immediately begin to finalize the Klamath Basin Restoration Agreement. True basin-wide restoration can only occur if we act

to implement the restoration agreement and the hydroelectric settlement concurrently."

Horsley applauded Secretary Salazar's commitment to complete the remaining work on KBRA. "We look forward to having dedicated time, now that the Hydro Agreement is complete, to update and finalize the KBRA document."

Hollie Cannon, Executive Director of Klamath Water and Power Agency, an entity formed to promote power development by and for irrigators, said the proposed Hydro Agreement includes commitments and a process to acquire and deliver federal power from the Bonneville Power Administration to irrigators inside and outside of the Klamath Project in Oregon. He added that elements of the KBRA are still essential to the overall power program, particularly for agency members in California.

Karl Scronce of the Upper Klamath Water Users Association, who raises wheat in the "off-project" area above Upper Klamath Lake, affirmed that off-project irrigators will receive equal treatment with the Klamath Project under the KHSA and the proposals in the KBRA. "We recognize that all Upper Basin agricultural interests need to work together for the benefit of our communities – and together we have been able to convey the importance of our issues to PacifiCorp, the Department of Interior and other parties."

The Hydro Agreement that was released provides for a pathway that could lead to facilities removal in 2020 pending a detailed analysis by the Secretary of the Interior which will determine whether ultimate

removal is indeed to the benefit of fisheries resources and in the public interest.

However, the Hydro Agreement also addresses issues beyond the power generating dams. Greg Addington, who has been involved in the negotiation process for KWUA, noted that Keno Dam, owned and operated by PacifiCorp, was an important consideration. "Keno is essential to Klamath Project operations as well as to some individual water diverters. To their credit, other parties we have been working with were sensitive to that and recognized the need to protect the interests of irrigators and the Lower Klamath Refuge, which rely on the Keno dam."

Horsley said that this Hydro Agreement is the beginning of what will be a thorough internal review process for all agricultural parties, which will conclude only when there is a final KBRA to evaluate. He added that nothing has been signed and nothing will be a done deal until we hear formally from our member districts. "The KWUA board had the foresight to see this as a possible opportunity to settle long standing water disputes and address a critical need with respect to power". He went on to say that the organization would have been foolish not to take advantage of these circumstances in order to see what could be accomplished.

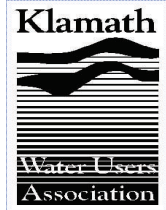
"Regardless of the ultimate outcome, the collaboration and progress made to date, as compared to where things were in this watershed 8 years ago, is remarkable". **WUQ**

**KLAMATH WATER USERS
ASSOCIATION**

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*promoting wise management of
ecosystem resources.*

We're on the Web
www.kwua.org

A Note From the KWUA President

As a farmer and rancher in the Klamath Basin for most of my life, I look forward to the changing seasons year after year. Fall and harvest time is arguably one of the most beautiful times of year in the Klamath Basin.

Recently KWUA, along with the Herald and News and Klamath County Chamber of Commerce, was able to host our Second Annual Fall Harvest Tour to show local community members the important agricultural production happening in our own backyard.

The last two years we have been met with the repeated reaction that people didn't know all that was being produced in the

Klamath Basin, and just how important our Basin is to local, regional and even international economies.

Visiting with people during lunch on the tour, it was rewarding to see the diversity of backgrounds of tour participants. The more people who know the far reaching impacts of local agriculture, the more likely we will be able to continue this heritage of farming and ranching in the Basin.

Undoubtedly the Klamath Basin faces many challenges and regulations that hinder agricultural production, but the support of our community helps reinforce that we are doing something meaningful and lasting in the Basin.

Just a few of the quality products that come out of the Klamath Basin include; 'In N Out' French fries, Pringles, Kettle Chips, Lays Potato Chips, Wong's Potatoes, Bigelow mint teas, Wrigley's mint gum, Colgate toothpaste, Beaver and Tulelake horseradish, and bread from The Bread Barn and Green Blade Bakeries. When you buy local, you support local sustainable agriculture and help to keep more 'new' dollars in our local economy. It's a benefit we will all realize, and from a local producer standpoint, it helps us to know you care about local agriculture and the family farm.



-Luther Horsley