Water User Group Planning Committee Recommendation – September 3, 2020

Problem Statement:

The Department of Environment, Great Lakes, and Energy (EGLE) Water Use Program has seen an increase in the number of watershed management areas classified as Zone C. Water User Committees (WUC) can be effective tools for water users to cooperatively resolve water conflicts or potential adverse resource impacts (ARI).

Part 327 Great Lakes Preservation of the Natural Resources and Environmental Protection Act requires EGLE to convene a meeting of registered and permitted large quantity water users within a watershed when it has determined that ARIs are occurring or are likely to occur due to one or more large quantity withdrawals. The purpose of the meeting is to attempt to facilitate an agreement on voluntary measures to prevent ARIs.

In addition, under Part 327, all persons making large quantity withdrawals within a watershed are encouraged to establish a WUC to evaluate the status of current water resources, water use, and trends in water use within the watershed and to assist in long-term water resources planning before a potential adverse resource impact occurs.

A WUC may be composed of all registrants, permit holders, and local government officials within the watershed. WUCs work collaboratively to identify and implement voluntary agreements to collectively reduce their impact on the watershed and accommodate new or increased use by existing users. Water users provide direct input to determine solutions that provide equitable water access and prevent or resolve water use conflicts and ARI. The process is expected to emulate what would likely transpire in civil litigation, with the advantage of avoiding legal expenses and delays.

WUCs have the potential to play an important role in preventing or resolving water use conflicts and ARIs. EGLE will likely need to convene one or more WUCs in the near future and currently lacks the tools and tactics to convene a successful WUC. In addition, WUCs may choose to come together proactively and would also benefit from a user manual to assist them in managing local water resources.

Recommendation:

Given the complexity of Michigan's water rights and laws, the state's water resources, and the potential for conflict, the Water User Group Planning Committee recommends that EGLE develop a WUC User's Manual to equip WUCs with information, tools, and resources to develop realistic shared solutions to sustainably manage water use. The goal of this manual is to provide steps that will assist the WUCs with successfully developing shared solutions for managing water resources.

The WUC manual will be an essential tool for the EGLE Water Use Program and future WUCs. It will educate people about Michigan's water laws and water rights; the role of state agencies and various water user groups; and strategies and best practices for WUCs to achieve success.

The manual should address the three scenarios where WUCs may be convened:

a. Following a denial by EGLE of a proposed new large withdrawal due to the likelihood of it causing an ARI. The WUC would be convened by the water user(s).

- b. Following a determination by EGLE that an ARI is occurring or is likely to occur and no WUC already exists. The WUC would be convened by EGLE.
- c. Large quantity water users choose to self-convene to proactively manage local water resources and plan for future use.

Steps Needed to Achieve the Task:

The WUG Planning Committee recommends that EGLE issue a competitive funding opportunity to solicit grant proposals using a similar approach to the <u>Sustainable Small Harbor Initiative</u> which used an <u>Integrated Assessment Approach</u> involving a multidisciplinary project team that works collaboratively with state agency natural resource managers; policy makers; stakeholders and other interested parties to develop the WUC manual; implement a comprehensive stakeholder engagement strategy to ensure meaningful input and feedback on the manual; and conduct one or more case studies of WUCs in watershed management areas where there is the potential for an ARI.

Using a similar approach to the Integrated Assessment, the project team would collaborate with state natural resource managers and policy makers, stakeholders and other interested parties to develop tools and strategies to equip WUCs in their development of shared solutions to sustainably manage water use within their water management area. The project would be based on existing research and technical information about Michigan's water laws and water rights, water governance, Michigan's water resources, effective community engagement and collaborative decision-making process.

Desired outcome:

EGLE and WUCs are equipped with the resources, information, tools, tactics, and steps to successfully establish and function WUCs to develop shared solutions for managing water resources to prevent or resolve water use conflicts and ARI.

Estimated Cost:

Based on the Sustainable Small Harbors Initiative, the estimated cost to develop the manual; implement a stakeholder engagement process; and conduct one or two case studies is approximately \$250,000. Funding for this project may be provided by EGLE Office of the Great Lakes through the Michigan Great Lakes Protection Fund.