



Farmers Irrigation District 2023 Newsletter

To All Members of Farmers Irrigation District:

2023 was a relatively stable water year. Stream flows were consistently below average, but the District was able to maintain water delivery with minimal disruptions. This was in large part due to improvements within both FID's and patron systems that have reduced water waste and increased water application efficiency. Ongoing efforts to limit waste and improve efficiency will continue to be important as the region faces drier years ahead.

Funding Available for On-Farm Upgrades

The Natural Resource Conservation Service (NRCS) has funding available for FID patrons to upgrade their on-farm irrigation systems. Covered practices include: upgrading to microsprinklers, installing irrigation lines, improving filtration, and expanding irrigation water management practices. Cost share will be **75%** for this year's funding cycle (25% match required). The next application deadline is **November 17, 2023**. Applications can cover multiple years of system implementation. 2024 may be the final year this funding program is available, although additional funding years may be approved if interest is high. For more information, to discuss project ideas, or to begin an application, contact NRCS District Conservationist Carly Heron at carly.heron@usda.gov or 541-352-1037.

Update on Debt Reduction

2023 was the first year of FID's debt reduction payments using the special assessment and increased account fees. By the end of this year, we will have made additional payments of nearly \$415,000 to our highest interest loan. The District will be applying this additional revenue to our debt through 2026. In addition, as we pay off loans, we will apply the amount that we were paying on the loan we paid off and apply it to the next loan (using the snowball effect). The purpose of this is to reduce FID's cashflow requirements when our hydropower revenues drop with the new power contract. The debt reduction plan will reduce the District's number of loans from 7 to 3, reduce our annual loan payments from \$1,834,675 to \$1,159,020, and reduce our total debt by nearly \$6,000,000 (to just over \$9,500,000). All of this will allow the District to cashflow with the reduction in hydropower revenue.

Watershed Plan Update

FID continues to work with Farmers Conservation Alliance and NRCS to complete a Watershed Plan. The Plan outlines a variety of projects the District hopes to complete in coming years, jumpstarts the permitting process, and opens up significant federal funding (75% of proposed project costs). Proposed projects include: piping the final open sections of the Farmers Canal, implementing sediment management at the Farmers Canal intake, expanding Forebay 3, piping Rainy Ditch, and installing additional remote monitoring/control stations. These infrastructure improvements will conserve water, improve operational efficiency, increase delivery reliability to patrons, and increase drought resiliency. Public meetings are scheduled for November 8th and 15th (specific meeting details are available on FID's website). Once the Watershed Plan is finalized, FID will pursue grants or other funding sources to match the federal funds (as the District can't take on any more debt), with the hopes of piping the open sections Farmers Canal in 2025 and 2026.

Power Purchase Agreement Update

Our current Power Purchase Agreement (PPA) with Pacific Power expires the last day of 2025. The District has explored every possible option for selling our power and were brought right back to Pacific Power. Options are pretty limited for small producers like FID and transmission capacity is very limited, so sending our power to other utilities is very difficult and expensive. We expect to sign a new contract with Pacific Power before the end of the year. For a number of reasons, signing a contract sooner rather than later is recommended. As expected, we will lose a significant amount of revenue when the new contract begins. Our averaged rate for our power will go from 8.2¢ per kWh to 4.9¢ per kWh which represents a 40% loss in revenue. Our current annual projected hydro revenue is \$1,826,616 and will drop to \$1,023,138. Annual sales of our Renewable Energy Certificates (RECs) will conservatively be worth \$100,000 and could be as much as \$150,000.

Kingsley Reservoir Expansion Update

The dam raise and all other reservoir expansion construction has been completed. FID is still working through the extensive requirements attached to the new storage right, but hopes to be able to utilize the new permit in the 24-25 storage season. In order to do so, the District must upgrade two fish screens located in the national forest and install new monitoring sites. Because of the additional storage capacity, the District was able to stack our old storage permit on the water leftover from the 2022 irrigation season (when high streamflow allowed the District to use less reservoir water). While the District wasn't able to completely fill the reservoir, this did result in Kingsley Reservoir storing more water than ever before. And was an exciting first step towards increased storage providing a larger "savings account" in preparation for drought years.

Water Rights

State law limits irrigation season to April 15th to September 30th, and it is illegal for FID to deliver irrigation water or for patrons to use FID water for irrigation outside of this window. The District does not guarantee water delivery through the entire season (especially at the beginning of the season), as weather conditions, soil moisture, infrastructure damage, etc. can limit system charging and operation.

FID's water rights limit irrigation applications to 5.61 gallons per minute per water right acre. In addition, water must be "beneficially used, without waste". Watering commercial crops, pasture, landscaping, etc. are examples of beneficial use. Beneficial use does not include: watering noxious weeds, washing cars, or other uses unrelated to plant growth. Water waste includes: watering pavement, overwatering, or allowing leaks or breaks to persist.

Other Updates

FID offers an **on-line bill pay** option available through our website. This is a quick and convenient way to make your annual payment. All payments are due by April 15, and must be in by January 12th to receive the 3% discount.

As always, Farmers Irrigation District would like to have **up-to-date contact information for all patrons**. This information allows FID to improve service and provide notice of known service interruptions. Please contact the office at **541-387-5261** or email us at **fidhr@fidhr.org** to provide updated email and/or phone numbers.

For more information about FID and to get system updates during the irrigation season, go to **www.fidhr.org**.

Thank you,

The FID Team