Temporary Mitigation vs. Permanent Mitigation

Temporary Mitigation Credits – only available from the Deschutes River Conservancy Groundwater Mitigation Bank*

- Must be purchased annually to maintain permit, regardless of water used
- Credit availability not guaranteed year-to-year
- Credits are supplied by instream leases
- Price per credit depends on prices paid for water leased and protected instream and additional costs associated with leasing that water (maps, fees, staff time)
- For every 1 credit of use the state requires the Bank to hold one credit in reserve due to temporary nature of credits (2:1 supply to demand ratio). If groundwater user needs one acre of mitigation, Bank must lease 2 acres instream
- An alternative for those who are not sure how long they will hold onto their property and for those unable to secure permanent credits
- Credits may not be consistently available in certain zones of impact (ZOI) such as the Crooked River, Upper and Little Deschutes ZOI’s
- Risk a little higher, but cost lower
- The Deschutes River Conservancy Groundwater Mitigation Bank is the only bank sanctioned by the state to sell temporary credits, though *Arnold Irrigation Dist. may soon have a bank that will be able to sell temporary credits
- 1.8 credits (acre-feet) per acre for irrigation uses
- $150.00 per credit annually for 2-36 credits. $275 min. (includes reserve credit)
- $275.00 per credit annually more than 36 or less than 2 credits (includes reserve credit) – 2018 pricing
- $270.00 – $495 per acre (1.8 credits per acre x $150 or $275 per credit) – 2018 pricing

Permanent Mitigation Credits

- Purchase once to attain permanent water, no further purchase necessary
- Permanent credits do not expire at year end
- Created and supplied by the purchase and permanent transfer instream of surface water or by transferring an existing and more senior ground water right that would have had similar impacts
- Price per credit varies with price paid for water, district exit fees, state transfer fees, and time associated with acquiring water
- No reserve credit required, ratio is 1:1 supply to demand ratio
- Permanent credits = security if purchased from an established state sanctioned “water bank” or with the bank as agent
- Limited availability
- $2,500 to $3,000 per credit depending on the source of the credits, independent water marketers/consultants may sell for well over $10,000 per credit
- $4,500 to more than $18,000 per acre

Simplified Picture:

![Diagram showing supply and demand for temporary and permanent mitigation credits]