Farmland Reserve, Inc.

c/o AgriNorthwest 6716 W. Rio Grande Ave. Kennewick, WA 99336-2623 (509) 734-1195

February 12, 2021

Jake Madison, Chair Mid-Columbia Water Commission

Re: 2021 Commitment of Washington Trust Water to Mid-Columbia Water Commission (One-Year Trial Transaction)

Consistent with conversations between Mid-Columbia Water Commission staff and OWRD staff, on behalf of Farmland Reserve, Inc. I wish to confirm its intent to lease up to 25.23 cfs of Columbia River water rights owned by Farmland Reserve, Inc. and currently enrolled in the Washington Trust Water Program. I have attached documentation that these rights were accepted into the Washington Temporary Trust program in 2020. These trust rights are donated temporarily instream in Washington through the year 2037 and are not being used to mitigate any out of stream water use in Washington.¹

We want to confirm that we only wish to test this lease for an initial term of one-year but are willing to lease for additional one-year periods as needed and as our supply of trust rights may allow. We feel this will enable us to meet regional water demands in the short-term while allowing us to work out any issues prior to any longer-term commitment. We also feel the one-year lease and the use of temporary trust donations is the safest way to ensure both parties that we do not intend to permanently transfer water from Washington to Oregon at this time.

We understand that a formal lease document between the Commission and Farmland Reserve is forthcoming. We look forward to working out the details of a one-year trial lease prior to the start of the upcoming irrigation season.

Kind regards

Jens Rasmussen

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Land and Government Affairs Manager

ⁱ To obtain approval of our instream trust donations, Farmland Reserve submitted evidence to Washington's Department of Ecology of valid use within the 5 years prior to application for temporary donation into the trust program. The trust acceptance letter reference to temporary trust donations being unavailable to mitigate other rights is a reference to Washington's water banking program that requires a permanent instream donation. It is not a reference to the underlying validity of the water right.