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IN REPLY REFER TO:

FAXOGRAM

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To:

MAY 10 1989

Memorandum

Regional Director, Boise ID Attention: 200, 400, 700

Project Manager, Grand Coulee WA

Project Manager, Ephrata WA Project Manager, Burley ID Project Manager, Yakima WA

From:

Regional Public Affairs Officer, Boise ID

Subject: Visit to PN Region of Deputy Assistant Secretary Watson (VISIT)

Following is the draft agenda/itinerary I mentioned to you per our phone conversation of May 9. The topical discussions will be based on the issue papers, your subjects attached. This is a draft and could possibly change. We'll finalyze early next week after the Regional Director gets a chance to review it.

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AGENDA/ITINERARY FOR MEETING

DEPUTY ASSISTANT SECRETARY DR. WATSON

MAY 18-20, 1989

THURSDAY, MAY 18 (RD Conference Room Scheduled All Day)

<u>Time TBA</u> Arrives Boise, picked up by Regional Director, John Keys. RON Boise (reservations?)

FRIDAY, MAY 19

8:00-8:30 am General briefing/discussion with Regional Director in his office. Regional Director will participate in all sessions.

8:30-10:00 Planning matters with Bob Riley and selected Staff.

Umatilla ProjectYakima Project

o Oregon Planning Studies

10:00-10:15 Break

10:15-12:00 Water, Power, Land matters with Bob Barbo and Selected staff

o * Powerplant Uprates, rewinds - Terry Kent

* USBP/FERC Conflicts - A/ Bolen

O RRA - Cathy Konrath & Ryan Patterson

o Sho-Ban Water Rights - Ed Thomas & Jack Hockberge-

12:00-1:00 pm Lunch

1:00-2:00 Design and Construction Division with Harold McDowell and Selected staff

Safety of Dams

o Oroville-Tonasket

2:00-2:30 Minidoka Project Office with Max Vandenburg and RO 470 - Dan Freder 20

o Storage Season Flows South Fork Snake River

2:30-2:45 Break

2:45-3:30 Columbia Basin Project (RD)

Columbia Basin Additional Development

3:30-4:00 Flathead Project (RD handle)

Flathead Indian Irrigation Project

SATURDAY, MAY 19

7:00 am	Regional Director will pick Dr. Watson at his hotel
7:30 am	Depart Boise via PN Region plane for Grand Coulee Passengers: Dr. Watson, John Keys, Others?
8:00	Arrive Electric City airport - met by Don Tracy
8:15-9:15	Discuss GCD issues at project headquarters
	 General Overview Multi-Party agreement Units 22, 23, 24 Winding Problems
9:15-9:30	Break
9:30-12:00	Begin tour of GCD complex
12:00-1:00 pm	Informal lunch at Grand Coulee area restaurant
1:15	Depart Electric City Airport for flight to Yakima. Regional Director will conduct aerial tour of CGP enroute.
2:15	Arrive Yakima airport met by Ray Nelson
2:30-4:30	Tour of nearby Yakima project facilities, led by Ray Nelson
4:45	Leave Yakima for ??

ISSUE — RESOLUTION OF A CONFLICT BETWEEN IRRIGATORS WITHIN THE FEDERAL UMATILLA RECLAMATION PROJECT AND THE CONFEDERATED TRIBES OF THE UMATILLA INDIAN RESERVATION OVER USE OF UMATILLA RIVER WATER.

- ISSUE BACKGROUND Irrigation diversions from the Umatilla River, many of which are associated with the Federal Umatilla Reclamation project, have been a major contributor to the near elimination of Umatilla Basin salmon and steelhead runs. The Confederated Tribes of the Umatilla Indian Reservation in 1855 entered into a treaty with the United States, and among the provisions of that treaty was a reservation of a viable salmon fishery for the tribes. The tribes want fish runs restored. The Federal Government is involved in the issue because of the Federal Reclamation project and the treaty commitment. Streamflow enhancement is the key to the restoration program, and the tribes say they will pursue action to take water from non-Indian irrigation uses for fishery purposes if progress is not made to resolve the problem. In 1979, Congress directed the Bureau of Reclamation to work with Umatilla basin citizens to develop a plan to resolve the issue.
- STATUS Reclamation, working with local groups, identified a plan to resolve the water use conflict. The project would be a major factor in restoring fish runs and would assure that water supply commitments to irrigators could be met. Water would be pumped from the nearby Columbia River to irrigators and this would allow diversions of water from the Umatilla River to be reduced or discontinued during periods of critical fishery need. Fish ladder and screen improvements would also be made. The project would cost about \$44 million to construct at 1986 price levels. Reclamation completed a Planning Report/Final Environmental Statement on the project in 1988. Congress proceeded with legislation to authorize construction of the project prior to final processing of the planning documents by the Secretary of the Interior. However, Interior was represented by the Commissioner of Reclamation at all congressional hearings. Congress acted favorably on the legislation, and on October 28, 1988, the President signed the bill (S. 2148) into law.

The tribes and other local interests want construction initiated on an expedited schedule so that streamflow enhancement will be available to protect fish runs now returning to the Umatilla River mouth. These early runs are a result of related fishery mitigation measures being undertaken by the State of Oregon and Bonneville Power Administration. Reclamation has done some advance planning work on the project and is planning to expedite design work on project features that could be implemented early. However, since construction authorization for the project was not in hand, Reclamation's proposed fiscal year 1990 construction budget does not include funds to initiate preconstruction and construction activities. The tribes and local interests can be expected to seek a fiscal year 1990 construction fund write-in through the Oregon congressional delegation.

ISSUE — RESOLUTION OF WATER NEEDS IN THE YAKIMA RIVER BASIN IS ONE OF THE TOP PRIORITIES BEING ADDRESSED BY THE BUREAU OF RECLAMATION.

- CURRENT DEPARTMENTAL POSITION The Department does not support legislative initiatives prior to the completion of feasibility studies.
- POSITION OF MAJOR CONSTITUENTS The major constituencies (State of Washington, Yakima Indian Nation, and irrigation entities) have been supportive of legislative initiatives to expedite resolution of basin's water needs. The congressional delegation supports such action and is critical of the Department's position.

ISSUE BACKGROUND — There are competing demands for water to meet irrigation needs and to maintain instream flows to enhance the anadromous fishery. Additional water for future use on the Yakima Indian Reservation is also required. An adjudication of the basin's waters which includes tribal claims is underway in state court. The Yakima River Basin Water Enhancement Project (YRBWEP) study, begun in 1981, is addressing on- and off-reservation water needs, and measures are being implemented in phases to expedite development. Congress authorized improvements to "main stem" fish ladders and screens in 1984, and this cooperative program involving local, state, Reclamation and Federal agencies will shortly be completed. Other early implementation measures, primarily improvements to water delivery systems, are under consideration. The Yakima Indian Nation, through a cooperative agreement with the Bureau of Reclamation, is investigating water and land resource development and management opportunities on the reservation.

In April 1988, Senators Evans and Adams and Congressman Morrison of Washington State introduced comprehensive legislation (S. 2322/H.R. 4453) to provide for additional water through nonstorage and storage measures, and a stipulated settlement of water claims. A hearing before the Senate Subcommittee on Water and Power was held on June 28, 1988, at which the Department testified that "We must oppose enactment of S. 2322 at this time as the planning process has not been completed."

Considerable progress was made on modifications to the comprehensive legislation to address the various concerns of the parties. However, in mid-September 1988, efforts to secure enactment of legislation during the remainder of the congressional session were terminated due to the inability to reach a local consensus. At the state court's direction, the Department of Justice filed in late September the "outside limit" of its total water claim for the Yakima Indian Nation which essentially requires all of the present available water supply. Also, the court has been requested by some of the irrigation districts to provide its interpretation of prior congressional legislation addressing irrigation water supplies to the Yakima Indian Reservation. Discussions to structure the scope of future YRBWEP activities will take place in November and December 1988.

ISSUE — NEW OREGON PLANNING INVESTIGATIONS BEGINNING IN FISCAL YEAR 1989 AND PROPOSED FOR FISCAL YEAR 1990.

- CURRENT DEPARTMENTAL POSITION Reclamation is working with the Oregon Department of Water Resources in four river basins on water optimization studies that emphasize institutional, conservation, and low capital cost solutions to water needs.
- POSITION OF MAJOR CONSTITUENTS The Oregon Water Resources Commission is taking an active role in the management and optimization of the state's water resources. However, they lack technical resources and project implementation capability, and have sought Reclamation's assistance in these areas. A number of constituencies within Oregon have been working with the commission and the legislature to encourage greater efficiencies on irrigation projects in an effort to devote more water to instream flows.

ISSUE BACKGROUND — The John Day study (fiscal year 1989 start) involves Reclamation coordination of interagency efforts in basin water management. Reclamation's study will focus on nonstructural and low cost structural and institutional solutions to problems of high spring runoff and inadequate summer and fall flows.

In the Josephine County study (fiscal year 1989 start), Reclamation is working with the state and an irrigation district to find solutions to problems related to an urbanizing irrigation district. It is hoped that this study will serve as a model for dealing with similar situations throughout the state.

In the Willamette Basin study (fiscal year 1989 start), the emphasis is on system optimization and joint use to satisfy water quality needs in the Tualatin River basin, and cooperating with the Corps of Engineers and the state in a review of storage use in existing basin reservoirs.

In the Deschutes study (a proposed fiscal year 1990 planning start), Reclamation will work with the state and local irrigation districts to explore conservation opportunities that would lead to flow enhancement in the Deschutes River. The study will provide an opportunity to test Oregon's new water conservation legislation. It is hoped that study findings will lead to improvements in water use, facilitate water conservation efforts in the basin, and serve as a model for other areas throughout the state.

ISSUE — UPRATES/REWINDS AND REHABILITATION OF PACIFIC NORTHWEST (PN) REGION POWERPLANTS.

- CURRENT DEPARTMENTAL POSITION The "Assessment '87...A New Direction for the Bureau of Reclamation" report approved by Interior identified that Reclamation should look for opportunities for improved power generation efficiencies. Uprates, rehabilitation, and betterment of existing powerplants are part of this goal.
- POSITION OF MAJOR CONSTITUENTS Bonneville Power Administration (BPA), their power constituencies, and Reclamation's irrigation districts that are entitled to reserve power, support the uprates/rewinds and rehabilitation of PN Region powerplants.

ISSUE BACKGROUND — Reclamation has the following powerplants scheduled for uprates/rewinds or rehabilitation in the PN Region, and currently has all of the below powerplant uprates/rewinds and rehabilitations in budget requests.

- 1. Hungry Horse Powerplant uprate/rewind contract was awarded in October 1988 and is to be completed in 1993. The powerplant capacity will be increased by 144 MW. The annual peaking generation will be increased by 74,400 kWh at a cost of 4.3 mills per kWh.
- 2. Palisades Powerplant uprate/rewind is schedule for award in FY 1990 and to be completed in FY 1994. The powerplant capacity will be increased by 47 MW. The annual generation will be increased by 58,100 kWh at a cost of 12 mills per kWh.
- 3. Minidoka Powerplant rehabilitation is scheduled for award in FY 1990 and to be completed in FY 1992. The powerplant capacity will be increased by 5.5 MW. The annual generation will be increased by 39,900 kWh at a cost of 16 mills per kWh.
- 4. Boise Diversion Powerplant is scheduled for a study in FY 1991 to determine whether it is feasible and cost effective to rehabilitate the powerplant which was built in the early 1900's:
- 5. Black Canyon Powerplant is scheduled for a study FY 1991 to determine whether it is feasible and cost effective to uprate the powerplant while we are doing the rewind. Electric tests on the generator indicate they are getting close to failure.

ISSUE — CONFLICTS BETWEEN RECLAMATION AND FERC HYDROELECTRIC DEVELOPMENTS.

- CURRENT DEPARTMENTAL POSITION Those hydroelectric sites which have been authorized for Federal development are outside FERC jurisdiction.
 Interior will not recognize any permits or licenses issued for these sites and will so inform the permittee/licensee by letter.
- POSITION OF MAJOR CONSTITUENTS The irrigation districts having repayment obligations for the Reclamation facilities involved do not want outside entities involved in development of these sites.

ISSUE BACKGROUND — In general, FERC has recognized that those sites which have been specifically authorized for Federal development by Congress are outside its jurisdiction.

However, at two sites which were administratively authorized by the President, Black Canyon and Boise Diversion Dams, FERC has taken the position that only the existing Federal powerplants are outside its jurisdiction and that the remaining capability at these sites is available for permitting and licensing. It appears that Minidoka Dam may also be in this category but the issue has not been raised due to lack of applications.

The Secretary of the Interior by letter of September 3, 1985, informed FERC that the Boise River Diversion Dam was outside FERC's jurisdiction and recommended rejection of Great Western Power and Light's application for preliminary permit to study. FERC apparently ignored this recommendation, issuing a preliminary permit to the applicant on July 14, 1986. The Secretary then informed the applicant by letter of October 1, 1986, that the permit had been improperly issued and that a special use permit would not be granted for this site.

The Secretary by letter of September 28, 1987, also informed FERC that the Black Canyon Dam was outside FERC's jurisdiction and objected to the issuance of any permits or licenses for the site. On July 29, 1988, FERC issued a preliminary study permit to the Gem and Ridgeview Irrigation Districts for Black Canyon Dam.

CURRENT ACTIONS — On October 25, 1988, FERC accepted Great Western Power and Light's application for a license on Boise River Diversion Dam. The Secretary by letter of October 28, 1988, informed Gem and Ridgeview Irrigation Districts that their permit for Black Canyon Dam had been improperly issued and that a special use permit would not be granted for this site.

ISSUE — COMPLIANCE TO THE RECLAMATION REFORM ACT (RRA) - PACIFIC NORTHWEST REGION

- DEPARTMENT POSITION The Department of the Interior has promulgated rules and regulations to enforce the Reclamation Reform Act of 1982 (Public Law 97-293).
- POSITION OF MAJOR CONSTITUENCIES Contracting entities subject to the Reclamation Reform Act throughout the Pacific Northwest Region have cooperated in implementing the law.

ISSUE BACKGROUND - Landholders with more than 40 acres of owned or leased land on Reclamation projects westwide must file either a reporting or certification disclosure form annually to be eligible for project water. Reclamation has a Program Evaluation process in which all contracting entities' records are reviewed by means of a Water District Review to assure compliance to the form requirements. Failure to comply with the form requirements results in loss of eligibility for project water along with an assessment to compensate the United States for an unlawful conversion of the government's property interest in the water so delivered.

STATUS - During the 1988 water year, Water District Reviews were conducted on 30 contracting entities in the PN Region. Water District Reviews for the remaining 80 entities in the region will take place in 1989 and 1990. As a result of the Water District Reviews, it was found that three districts, Farmers Cooperative Irrigation Company, Lower Payett Ditch Company, and Idaho Irrigation District, knowingly delivered water to noncompliers. Those districts will be assessed a charge for compensation to the United States for the unlawful acts. New York Irrigation District failed to provide their water users the disclosure forms and because project water was in the system, Reclamation directed the district to cease deliveries. The district did so and worked closely with the water users to gain compliance. Once compliance was obtained, the district resumed deliveries.

A few cases have been identified where deliberate reporting of incorrect information may have occurred. These cases are being reviewed and may be turned over to the Inspector General or other enforcement authorities, as appropriate.

Full cost bills are being issued to approximately 100 landholders who executed irrevocable elections to become subject to the discretionary provisions of the RRA after the "Hammer Clause" became effective on May 13, 1987. In so doing, land in excess of prior law entitlements accrued full cost from May 13, 1987, through the date the irrevocable election was executed. These full cost charges involve several hundred thousand dollars and it is likely that these charges will be challenged in court.

ISSUE — SHO-BAN RESERVED WATER RIGHT NEGOTIATIONS

- CURRENT DEPARTMENTAL POSITION The Interior negotiating team is participating with teams representing the Snake River basin water users, the Tribe, and the State of Idaho, in an effort to arrive at a negotiated quantification of the reserved water rights appurtenant to the Fort Hall Indian Reservation. The Department of Justice is participating as a trustee for the Tribal interests. The Interior team has adopted the role of facilitator, with the objective of assisting the other three parties in working out a settlement acceptable to them.
- POSITION OF MAJOR CONSTITUENTS The Tribe has submitted claims for irrigation and claims for on- and near-reservation instream flows. They have stated an intent to submit a claim for off-reservation instream flows at a later date. The State and the water users have asserted that practicably irrigable acreage (PIA), on which the Tribe's claims are based, is excessive. Reclamation is advising and assisting the Departmental negotiating team.

ISSUE BACKGROUND — Adjudication of the Snake River Basin was initiated in the Idaho State District Court on November 19, 1987, pursuant to direction of the Idaho State Legislature. The adjudication action was carefully and purposely structured to include Federal water rights. A Scheduling Order issued by the court on May 27, 1988, provides for filing a negotiated agreement quantifying the Sho-Ban reserved water right (in lieu of a water right claim) by March 31, 1989. The order provides that the time for filing a claim for the reserved water rights is extended until 90 days after the deadline for submitting the negotiated agreement. To meet this schedule a claim is required by June 30, 1989, if a negotiated agreement is not completed by March 30, 1989.

It is accepted by all parties that there is a Federal Reserved Water Right appurtenant to the Fort Hall Indian Reservation. The date of priority of the reserved right (the date the reservation was established) is 1867. The Tribe has made claims for instream flows for maintenance of fish and wildlife habitats as well as diversion rights for development of the Reservation property. The priority places the reserved water right ahead of all other water rights on the system. The water users and the State are concerned that the Indian reserved water right will conflict with other existing uses and future developments.

The Tribe has advised that its on- and near-reservation instream flow claim is intended to include only currently unappropriated water, in order to avoid conflicts with other existing uses. The Tribe has submitted a claim for 782,107 acre-feet of water per year for irrigation of 197,682 of Practicably Irrigable Acres (PIA) of land, of which

413,310 acre-feet is for future development of 113,860 acres of land. The Tribe has employed Stetson Engineers of San Francisco, California, for technical assistance.

The water users (represented by ERO Engineers of Denver, Colorado) assert that, under current economic conditions, no additional Reservation land has economical development potential. The State and the water users also assert that the entry of an 1867 priority into the upper Snake River water rights would severely disrupt the water right accounting and distribution system that has evolved over the past 80 years. They are also concerned that the entry of an 1867 priority to a significant quantity of natural flows would disproportionately impact certain water users, particularly those relying substantially on natural flows as opposed to storage.

CURRENT ACTIONS — The water users in collaboration with the State submitted a counterproposal to the Tribes. The principal elements of the counterproposal include:

- A guarantee of up to 356,764 acre-feet of surface water for irrigation of up to 89,191 acres of land
- The uncontracted storage space in the Reclamation reservoirs be made available for the guarantee
- The total PIA of tribal lands be limited to 125,669 acres (36,524 acres susceptible to development from ground water).

Sources of additional water, such as rebuilding of Teton Dam, purchase of presently unused storage entitlements, and purchase and retirement of existing irrigated lands have been considered and discussed. The Tribe would like to receive a block of water to market off-reservation and funds for development of reservation land as part of the settlement.

ISSUE — SAFETY OF DAMS PROGRAM

- CURRENT DEPARTMENTAL POSITION Reclamation is in the process of inspecting, evaluating, and, if necessary, modifying structures to correct safety of dams deficiencies on dams in the Pacific Northwest Region, as directed under the Safety of Dams Acts of 1978 and amended in 1984, "In order to preserve the structural safety of Bureau of Reclamation Dams and related facilities, the Secretary of the Interior is authorized to perform such modifications as he determines to be reasonably required."
- POSITION OF MAJOR CONSTITUENTS Irrigation Districts operate and maintain many of the structures on which work is being performed, and have cost-sharing responsibility under the Safety of Dams Act of 1984. Reclamation will be working with these districts throughout the Safety of Dams process. Also, Reclamation will be working with various fish and wildlife agencies to see that construction activities and related modifications meet NEPA compliance.

ISSUE BACKGROUND — Safety of dam deficiencies, funded under the Safety of Dams Acts include deficiencies attributed to:

- New hydrologic data
- New seismic data
- Changes in the state-of-the-art criteria

So far, dams that have undergone modifications under the Safety of Dams program in this region include Island Park, Soldiers Meadows, and Jackson Lake dams. American Falls Dam received safety of dams modifications prior to the Safety of Dams Acts. Reclamation has about 70 dams in the PN Region, most of which require evaluation under the Safety of Dams Act.

CURRENT STATUS — Corrective Action Studies are currently underway on Deer Flat, Cold Springs, Arthur R. Bowman, Wickiup, Crane Prairie, and Bumping Lake Dams. Construction to repair the first of these structures could begin in 1990. It is anticipated that investigations to be completed during the next 12 months will lead to initiation of Corrective Action Studies in Ochoco, Fish Lake, and McKay Dams. Field exploration and investigations on dams in the Region in the Safety Evaluation of Existing Dams (SEED) Program has been active, with funding for these activities approaching \$500,000 in FY 1988 and FY 1989. Recently, field exploration has revealed poor concrete at Clear Lake Dam and in the outlet tunnel at Como Dam, conditions which previously were not known. Reclamation is currently negotiating with tribes of the Flathead Indian Reservation in Montana to conduct all phases of Safety of Dams work on about 14 reservation dams in poor condition. The PN Region will be active in much of this work.

ISSUE — COMPLETION OF OROVILLE-TONASKET UNIT EXTENSION, CHIEF JOSEPH DAM PROJECT

- CURRENT DEPARTMENTAL POSITION Reclamation is in the process of modifying a recently constructed pressure irrigation system. Modifications will provide settlement ponds and strainers to remove silt and organic material.
- POSITION OF MAJOR CONSTITUENTS Oroville-Tonasket Irrigation District
 has assumed responsibility for operation and maintenance. The district operates and
 maintains the system with substantial input from Reclamation forces, but has not
 fully accepted that the modifications will solve their problems and consequently has
 adopted a wait-and-see attitude.

ISSUE BACKGROUND — The Oroville-Tonasket Unit Extension, Chief Joseph Dam Project, was authorized and funded by Congress in the late 1970's after Reclamation completed its study for replacement of an old, deteriorating wooden flume distribution system serving the 10,000-acre Oroville-Tonasket Irrigation District. The project was constructed in three different schedules, beginning in 1981. Schedules I and II use large, submersible pumps which pump directly from the Okanogan River. Although the filtration problem was recognized and addressed in the design, sand, silt, and debris from the river have caused severe problems in operating facilities constructed under Schedules I and II. During the spring of 1987, all river pumping plants were on line. Substantial amounts of silt and organic material were entering the systems, plugging lines and sprinkler heads. The Reclamation/District team studied the problems and identified modifications to the systems which would eliminate the silt and organic problem. Public meetings were held and input from the irrigators was received and analyzed. In December of 1987, Congress approved an \$18 million increase in the appropriation ceiling from \$70 million to \$88 million.

Construction on the first pumping plant modification began during the summer of 1988. All work is estimated to be completed by March of 1990.

CURRENT STATUS — The modification contract for Bonaparte Pumping Plant was awarded on May 2, 1988, for \$1 million. Work is now approximately 70 percent complete. All work is expected to be completed by March 1989. The second contract (Ellisforde and East Tonasket Pumping Plant Modifications) was awarded on September 23, 1988, for \$2.4 million. Work is scheduled to be completed by March of 1990. The third and final contract, which will modify the Cordell and Crater Lakes distribution systems, is scheduled to be awarded in the spring of 1989 and to be completed by March 1990. Estimated cost is \$1.4 million.

After completion of the third modification contract — assuming that the modified pumping systems operate as anticipated — the finished works will be formally transferred to the Oroville-Tonasket Irrigation District. The transfer document will identify any remaining deficiencies and the means by which they will be corrected.

ISSUE — MANAGEMENT OF THE FLATHEAD INDIAN IRRIGATION PROJECT WHICH CONSISTS OF 127,000 ACRES, 16 DAMS, AND OVER 1300 MILES OF CANALS.

- CURRENT DEPARTMENTAL POSITION The Pacific Northwest Region of the Bureau of Reclamation is working with the Bureau of Indian Affairs (BIA) under a Memorandum of Understanding completed by the appropriate Under Secretaries. This MOU had Reclamation provide a Management Team to provide guidance and to accomplish a rehabilitation and betterment (R&B) program on the project.
- POSITION OF MAJOR CONSTITUENTS The Waterusers Group, Flathead Joint Board of Control, through the offices of the Montana Congressional delegation, requested intervention and the management of the project to be turned over to Reclamation. They feel the degradation of the project was caused by the inaction of the BIA. The project is nearing total collapse on its own. The Joint Board of Control is attempting to obtain funding for the R&B program and the eventual turnover of the project to them.

The Confederated Salish and Kootenai Tribes (CS&KT) of the Flathead Indian Reservation are resisting any move that affects tribal lands and natural resources because impact on their fishery and water is at this time unclear. They see changes as occurring solely for the benefit of the non-Indian farmer on the reservation; the non-Indian farmer represents 75 to 80 percent of the Waterusers population and 80 to 85 percent of the total population on the reservation.

Due to the difference in emphasis of the BIA, CS&KT and Waterusers, consensus on the management of the project is stalemated and requires definition from the level of the Secretary.

ISSUE BACKGROUND — The Flathead Indian Irrigation Project (FIIP) consisted of a BIA Power and Irrigation Project as an independent office under the Portland Area Office, BIA, Portland, Oregon. In 1985 a Comprehensive Review Report on the status of the project management was completed. The report was completed with Reclamation and BIA personnel over a 2-year period. The only recommendation completed in the report was the consolidation of FIIP into the Flathead Agency.

CURRENT ACTIONS — Safety of Dams has also been identified as a major problem, but possible solutions may be forthcoming. The Tribes are requesting to contract the program from BIA under PL 93-638 and have contacted Reclamation in Denver to subcontract the design and construction problems on dams and reservoirs under this Project. The Flathead Joint Board of Control still has concerns over the management of the project and may continue to try to have it transferred to Reclamation.

ISSUE — STORAGE SEASON FLOWS IN THE SOUTH FORK OF THE SNAKE RIVER, IDAHO AND WYOMING.

- CURRENT DEPARTMENTAL POSITION Reclamation is working with the Fish and Wildlife Service (FWS) and other State and Federal agencies to determine the instream flow needs for water-related resources on the South Fork and the alternatives available to meet them. Current drought conditions severely limit options to meet contractual commitments to spaceholders and provide desirable instream flows during the nonirrigation (storage) season, November 1 to April 1.
- POSITION OF MAJOR CONSTITUENTS The identification and adoption of instream flow needs for the South Fork are actively supported by fish and wildlife interests and agencies, conservation organizations, and recreational and commercial users. Some of these groups have joined in taking legal action (based on the alleged need for NEPA compliance) to require a 2,000 cfs minimum flow on the South Fork below Palisades Dam. An initial hearing on the suit is scheduled for November 8, 1988.

To the extent that adherence to any established minimum flows would affect existing water rights or the availability of contracted or unallocated storage in Reclamation reservoirs, the adoption of such minimum flows is a major concern to the water-user interests in southern Idaho. The water users support a minimum flow of 100 cfs below Jackson Lake and 550 cfs below Palisades even in extremely water-short years.

ISSUE BACKGROUND — Two Reclamation dams, Jackson Lake Dam in Wyoming and Palisades Dam in Idaho, are the major structures controlling flows and providing storage on the South Fork. The river stretches below these dams have developed highly productive trout fisheries and are significant tourist attractions. The instream flows below these structures have been of concern during the water-short years of 1977, 1987, and 1983.

During the fall and winter of 1987-88, the flows in the Snake River below Palisades Dam were lowered to 750 cfs, allegedly increasing fish mortality and reducing spawning and rearing habitat. An emergency closure of sport fishing resulted. The area contains 10 nesting pairs of bald eagles which prey upon the resident fishery, and therefore, early in 1988, Reclamation initiated informal consultation under the Endangered Species Act. This process is continuing, and Reclamation is now evaluating 1988 information on these eagles' food base and nesting success. The continuing drought conditions dictate that

flows below Palisades again be reduced to 750 cfs about November 1, 1988. In accordance with previous agreements, Reclamation is consulting with the Idaho Fish and Game Department on the timing and quantity of these flows.

Though no formal minimum flow has been established below either dam, the state fisheries agencies for Wyoming and Idaho have indicated that minimum winter flows of approximately 400 cfs and 1,080 cfs are necessary to maintain fish flows below Jackson Lake and Palisades, respectively. The States of Idaho and Wyoming have both expressed interest in exploring methods to provide additional water for instream needs.

CURRENT STATUS — Aerial photography of the South Fork below Palisades is underway to aid consideration of a cooperative (state and Federal) instream flow measurement study of that river stretch. Photos will be taken at four river levels: 2,200, 1,700, 1,100, and 750 cfs. Reclamation is studying the use of some uncontracted space in Palisades Reservoir to enhance instream flows below Jackson Lake and Palisade Dams. Action on this possibility is currently on hold pending the outcome of the lawsuit and negotiation of Indian Water Rights claims in the Swan Falls adjudication of the Snake River.