



IN REPLY
REFER TO:

PN 440

United States Department of the Interior

BUREAU OF RECLAMATION
PACIFIC NORTHWEST REGION
FEDERAL BUILDING & U.S. COURTHOUSE
BOX 043-550 WEST FORT STREET
BOISE, IDAHO 83724-0043



SEP 8 - 1989

Mr. Gordon Fassett
Wyoming State Engineer
State Engineer's Office
Herschler Building
Cheyenne WY 82002

Subject: Proposed Sale of Palisades Reservoir Space to the State of
Wyoming-Request for Information (Repayment Contract)

Dear Mr. Fassett:

This is in reply to your letter of August 9, 1989, requesting additional information on the proposed sale of Palisades Reservoir Space to Wyoming and your inquiry as to the status or position of Reclamation regarding any commitment to provide a minimum outflow from Jackson Lake Dam.

The position of Reclamation and the water users regarding releases from Jackson Lake Dam during water short years, is that a release of 100 cubic feet per second (cfs) will be maintained regardless of the gravity of the situation. Because of Reclamation's commitment to the Wyoming Game and Fish Department to not draft Jackson Lake during the period from November 1 until March 15 for the enhancement of mackinaw trout spawning, we would not draw on storage to supplement downstream flow without the written consent of the Wyoming Game and Fish Department. The yield from the proposed sale of 33,000 acre-feet of Palisades space, if full, would provide an additional 183 cfs over a 90 day period. This along with the 100 cfs could yield the 280 cfs identified as the requested maintenance flow in a study prepared by biologists from the Wyoming Game and Fish Department. The study further identified a preferred flow of 400 cfs, or the natural inflow to the reservoir, whichever is less, but in any case, not less than the 280 cfs maintenance flow.

It is our understanding that the yield from the 33,000 acre-feet of Palisades storage, proposed for sale, would be used when hydrologic conditions are such that reductions in releases from Jackson Lake, to less than 280 cfs, are necessary to meet storage needs which would occur in drought years like 1977, 1987, and 1988.

The Commissioner of Reclamation has approved the Basis of Negotiation request allowing us to begin negotiations. We are currently engaged in preparatory activities, including an in-house review of potential contract issues. In addition, public notice of pending contract negotiations with Wyoming is required, along with meeting National Environmental Policy Act requirements prior to contracting with the State. We anticipate that on about October 1 we will be able to begin formal negotiations, including transmittal of a draft repayment contract. If you have any questions please feel free to call me.

Sincerely,

JOHN W. KEYS III

Regional Director

bc: Project/Superintendent, Burley ID
PN 440, 470, 420, 150
Field Solicitor, Boise ID