

## State of Idaho DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720 - (208) 327-7900

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GOVERNOR

R. KEITH HIGGINSON

DIRECTOR

February 28, 1990

John W. Keys Bureau of Reclamation Federal Building 550 W. Fort Street, Box 043 Boise, ID 83724-0043

Dear John:

Thank you for sending me a copy of the draft repayment contract you have proposed with the State of Wyoming for 33,000 acre feet of storage space in Palisades Reservoir.

The contract appears to be a standard form of Bureau contract which contemplates delivery of water from storage to some place of re-diversion and use in Wyoming. I recognize that Wyoming may not yet be utilizing its entitlement to Snake River water under terms of the Snake River Compact. Until such time as it uses its first right to 1/2 of 4% of the flow at the state line (which was estimated at 5 MAF), it does not need to provide replacement storage. Under this circumstance, the contract provisions will allow Wyoming to call for the water and use it as it sees fit.

However, the contract should provide that when Wyoming use exceeds the first 1/2 of 4%, the yield of the replacement storage space should be at the call of the State of Idaho. We have talked about a situation in which Wyoming might receive the benefit of traded space to gain use of Jackson Reservoir water which could be released to maintain instream flows in the river through Jackson Hole and then could be recaptured for subsequent replacement uses in Idaho.

The proposed repayment contract does not contemplate replacement uses in Idaho. I am wondering what type of document you would suggest we endorse to ensure the Wyoming replacement obligation can be satisfied.

John W. Keys Page 2 February 28, 1990

I have asked Jeff Fassett to consider this. I would also appreciate your views on how the two states might approach the accounting for past and present Wyoming uses to allow for a determination as to when Wyoming's obligation to provide replacement storage applies.

Sincerely,

R. KEITH HIGGINSON

Director

RKH:dc

cc: Jeff Fassett

Gene Gray w/copy of contract J.D. Williams w/copy of contract

Ron Carlson