OCT 5 1996

Honorable Jim Geringer Governor of Wyoming Cheyenne WY 82002

Subject:

Guidelines for Decision Making in Operation of Wyoming's Contracted

Space in Palisades Reservoir

Dear Governor Geringer:

We have prepared the enclosed document as the operating agreement required by article 10(e) of contract no. 1-07-10-W0823, REPAYMENT CONTRACT WITH THE STATE OF WYOMING FOR STORAGE CAPACITY IN PALISADES RESERVOIR. Initially, an attempt was made to simply describe how Jackson Lake and Palisades Reservoirs are operated and when Wyoming's storage account in Palisades Reservoir should be charged. It was soon recognized that the operation of these two reservoirs could not be separated from the Snake River Reservoir System. It was also recognized that adding constraints to the operation of the Snake River reservoirs could only reduce the flexibility needed to meet the demands that Reclamation and the State of Wyoming mutually value. Reservoir space held for instream flows and other purposes in a reservoir downstream from the reach of primary interest presented challenges to water rights accounting procedures. While the contract does not mention the State of Idaho, Water District 1, as a party to the operating agreement, the preparation and implementation of the agreement require their participation.

Many people contributed to the creation of this document. We especially appreciate the efforts of John Kiefling and Tom Annear of the Wyoming Department of Game and Fish, and Ron Carlson, Watermaster, State of Idaho, Water District 1.

The guidelines provide for a meeting five years from now to review the guidelines. They also provide for two meetings each year for Reclamation to present an operating plan for Jackson Lake Reservoir, and for Wyoming to request modifications of that plan by the use of their stored water.

Changes to the agreement can be made at any time upon agreement of both parties. Hydrologic conditions in the six years since the repayment contract was executed, illustrate a wide range of challenges that could not have been anticipated. This experience confirmed the necessity of keeping these guidelines flexible and easily changed.

Sincerely yours,

15/ John W. Keys, III

Is/ Gordon W. Fassett

John W. Keys, III Regional Director

Gordon W. Fassett Wyoming State Engineer

Same letter sent to Governor Phil Batt of Idaho

cc:

State of Idaho, Water District 1 900 N Skyline Drive Idaho Falls ID 83402

Trout Unlimited PO Box 1022 Jackson WY 83001

Wyoming Game and Fish Department PO Box 67 Jackson WY 83001

Wyoming Game and Fish Department 5400 Bishop Boulevard Cheyenne WY 82006

Karl J. Dreher, Director Department of Water Resources State of Idaho 1301 N Orchard Street Boise ID 83706

bc:

SRA-E-6430 (Burley) PN-3000, PN-6400, PN-3800 John H. Lawson, Wyoming Area Office, PO Box 1630, Mills WY 82644

Mbeus:vf:lw 9/18/96 H:CCOV0996.JG OCT 5 1996

Honorable Phil Batt Governor of Idaho Boise ID 83720

Subject:

Guidelines for Decision Making in Operation of Wyoming's Contracted

Space in Palisades Reservoir

Dear Governor Batt:

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