



IDAHO WATER USERS ASSOCIATION

Quarterly Newsletter



September, 2017

34th Annual Water Law and Resource Issues Seminar Scheduled for Nov. 9-10 in Boise

A wide-ranging agenda of water law and resource issues will be featured at the Idaho Water Users Association's 34th Annual Water Law and Resource Issues Seminar on November 9-10 at The Riverside Hotel in Boise.

"This year's seminar includes a broad mix of water, legal and environmental issues that will touch just about every element of business and operations for Idaho's water users. It is a virtual buffet of critical issues to be examined during the seminar," noted Paul Arrington, IWUA Executive Director and General Counsel.

The annual seminar provides a critical look into the latest developments on national, regional and local water and environmental issues. IWUA organizers traditionally develop a variety of speakers and panels that include top subject matter experts from around the nation, during the seminar.

Idaho Water Resource Board Approves Projects, Loans

The Idaho Water Resource Board voted to approve \$730,000 for two new projects that will increase the capacity of the Board's managed recharge program at its meeting in Idaho Falls on August 2nd.

One of the projects to be built in the Mid-Snake region will include new turnout structures and headgates on the Richfield-Dietrich Canal. The project will add an additional 100 cfs of recharge capacity from the Big Wood and Little Wood Rivers. The water will flow into a 50-acre lava basin overlying the Eastern Snake Plain Aquifer (ESPA). The estimated project cost is \$150,000.

In the Upper Snake River Valley, the Board approved \$580,000 to expand the Egin Lakes recharge canal by 60 cfs. The Board was also briefed on the status of a hydropower by-pass project under development that will increase the wintertime recharge capacity in the North Side Canal by 130 cfs.

Noting that the Board's goal is to recharge an average of 250,000 acre-feet of water into the ESPA each year, an IDWR official provided a recap from the historic winter of 2016-17 in which the

Board recharged a record 317,714 acre-feet of water at a cost of \$2.4 million in conveyance fees to participating canal companies and irrigation districts. The entities that convey recharge flow through their canal systems and into recharge sites are compensated based on the number of days and amount of water delivered.

The Board intends to develop enough system recharge capacity to maximize recharge diversions during high water years in order to offset periods when less water is available for recharge or when recharge diversion is limited due to canal maintenance or other operational constraints, officials said.

The Board can reach its average annual goal of 250,000 acre-feet if at least 840 cfs is recharged for 150 days. This year, the Board was able to recharge for over 221 days.

In a related matter, an IDWR water resources engineer gave a presentation on the estimated change in ESPA storage volume based on ground water level measurements through March 2017.

Calculations from ground water level measurements indicate an increase in aquifer storage of about 660,000 acre-feet.

The increase can be attributed to Board managed recharge, reductions in ground water diversions and managed recharge associated with the Surface Water Coalition Settlement Agreement of 2016, as well as an exceptional water supply year.

In other news, the Board:

- Extended the term for a loan to 10 ground water districts in the Eastern Snake Plain for two projects that will help resolve water-use conflicts on the ESPA.
- Approved a \$20,000 loan to the Goose Lake Reservoir Company to perform a structural

evaluation of the Goose Lake Dam.

Company officials are seeking to repair or replace the south retaining wall at the dam.

- Took a field trip to Island Park Reservoir to view shoreline properties and infrastructure. The Board has hired a consultant to evaluate the potential effects of raising the water surface elevation of the reservoir. The additional water would be used to improve recreation and fishery conditions in the reservoir and river downstream, and to provide additional storage water for use in the Henry's Fork Basin, on the ESPA, or to meet minimum stream flows downstream.

From the Executive Director "The Idaho Position" on the Columbia River Treaty



**Paul Arrington, IWUA
Executive Director**

For nearly 60-years, the Columbia River Treaty ("CRT") has governed coordinated flood control efforts through the Columbia River Basin – including Brownlee, Dworshak and Albeni Falls dams, located in Idaho. These

so-called "Treaty Dams" provide guaranteed flood control space to

protect development along the Columbia River.

This guaranteed flood control terminates in 2024. At that time, "called upon" flood control operations take over. According to the CRT, "called upon" flood control is used "only to control potential floods in the United States of America (US) that could not be adequately controlled by all the related storage facilities in the US existing at the expiration of 60 years."

It is unclear what "called upon" flood control means for Idaho's reservoirs and other waterways. Unfortunately, the CRT does not provide any guidance on the matter. The US has taken the position that "called upon" storage only affects the operations of 8 specific reservoirs (i.e. the "treaty dams" authorized for "system wide flood

control" operations). Canada, however, asserts that "called upon" flood control requires the use of "all the smaller US reservoirs on the Columbia, Snake and other tributaries" and that "such operations would likely impact multiple water uses on these smaller reservoirs." Does this mean Columbia River Basin flood control operations must now consider other reservoirs, such as Palisades and Lucky Peak, which are only authorized for "local flood control"?

With only 6-years until flood control operations change, now is the time to determine how "called upon" flood control operations will affect the water users of the Columbia River Basin, including those in Idaho.

In addition to the questions regarding future flood control operations, those who rely on power generated through the coordinated generation efforts at the Treaty Dams are eager to address the "Canadian Entitlement" – a CRT-required payment of power provided to Canada each year. This Entitlement greatly exceeds the actual benefits of coordinated operations, costing power users (including many here in Idaho) more than an estimated \$150 million annually.

Renegotiating the CRT will be a complex and time-consuming matter. To date, Idaho's water users have generally taken the position that renegotiation should occur through patient diplomacy – that Canada would come to the negotiating table to address these complicated

issues. We were also concerned with the prior administration leading the negotiations – particularly with efforts to insert ecosystem functions and other environmental issues into the CRT.

With a new administration come new opportunities. Recently, IWUA worked with stakeholders throughout Idaho, including the Governor’s office and the Idaho Consumer Owned Utilities Association, to develop an Idaho Position Paper on the renegotiation of the CRT. In short, the paper takes the following positions:

1. The Canadian Entitlement should be rebalanced to reflect the actual value of coordinated operations;
2. Post-2024 flood control operations should place no greater burden on Idaho’s water users;

3. Ecosystem function should not be included in the Treaty – particularly considering the myriad of environmental laws in place to protect the environment; and
4. The United States and Canada should engage in substantive negotiations by the end of 2017, and should continue those negotiations until an agreement is reached, or a notice of termination of the CRT should be submitted.

In the coming months, we will be presenting this Idaho Position paper to the United States’ lead CRT negotiator, Idaho’s federal delegation and others. If you would like a copy of the position paper, give our office a call and we will send you a copy.

Bonneville Power Administration Adopts 5.4% Power Rate Hike

The Bonneville Power Administration (BPA) has adopted a 5.4 percent average wholesale power rate increase for fiscal years 2018 and 2019 and an average transmission rate decrease of 0.7 percent that takes effect Oct. 1, BPA officials announced recently.

BPA officials say this will help support long-term rate stability and maximize the value of the regional federal power and transmission systems.

The 5.4 percent increase results in an average wholesale power rate of \$35.57 per megawatt-hour, an increase of 2.7 percent annually. The overall rate increase is primarily due to a lower-than-expected demand for power, a declining forecast of surplus power sales revenue due to lower market prices, and escalating costs of programs driven by legal requirements.

Transmission rates will decrease in the next rate period by an average of 0.7 percent due to cost-management efforts and savings from debt-management actions. The new rates also include investments to modernize core utility operating systems that will enable BPA to maximize the efficiency of grid operations and provide the option to participate in emerging markets.

Approximately 1 percent of the power rate increase will be used to replenish BPA’s financial reserves.

The agency created a spill surcharge to recover the costs associated with increased spill that is anticipated as a result of a ruling issued this past spring by the U.S. District Court for the District of Oregon.

The court indicated that it will order increased spill at eight Federal Columbia River Power System Dams on the lower Columbia and Snake Rivers for the 2018 spring fish passage season. The surcharge will be in addition to the new power rates and will be implemented once sufficient information becomes available regarding planned annual spill levels.

Snake River Dams Remain Crucial

BY TERRY FLORES



In his article (“A changing electrical grid may make Snake River dams expendable — and help save salmon,” Aug. 4), Rocky Barker relates an incredibly simplistic argument that we don’t need the lower Snake River dams largely because the federal hydropower system has a power surplus at certain times of the year.

But this occasional surplus, to which the four Snake dams contribute, isn’t an argument for removing them. It’s a reason to preserve them. As experts know, a power system without some surplus is one that goes dark frequently. Without it, our regional system could not instantly meet spikes in energy demand. Just recently we saw the critical importance of a surplus, when energy demand soared past normal levels across the Northwest along with 100-degree temperatures.

Barker quotes anti-dam activists who say dam removal would have no impact on the Northwest power system. The facts don’t bear out their claims. Without the flexibility and reliability that the Snake dams supply — and which intermittent renewables like wind and solar cannot yet provide — Idaho and the Northwest would be vulnerable to rolling brownouts or even blackouts in times of peak demand. Like last week, or last winter’s stretch of extremely cold weather.

Despite the Statesman’s years long campaign for dam removal, ordinary Idahoans aren’t convinced. They continue to support the dual goals of salmon restoration and preserving the federal hydropower dams that supply nearly 60 percent of the energy produced in the Northwest — and 90 percent of the region’s carbon-free renewable energy.

We know this because in April, Northwest RiverPartners commissioned a poll of residents in Idaho, Washington, Oregon and western Montana. We hired DHM Research, a long-established, nonpartisan and independent polling firm. They ensured the questions were fair and unbiased no matter whose viewpoint the answers might support.

Four out of five Idahoans (84 percent) agreed with this statement: It is critical to the Northwest for dams and salmon to coexist.

On the topic of the Snake dams, the best arguments made by dam removal advocates were laid out alongside the best arguments for keeping the dams. A clear majority, 55 percent of Idaho respondents, agreed that removing the dams is an extreme solution that could do more harm than good.

And, more than 60 percent of Idaho respondents agreed with this statement: The Snake River dams will remain crucial for the Pacific Northwest for the foreseeable future. While solar and wind power may grow, hydropower is by far the most practical renewable energy source we have.

Regular Idahoans seem to understand a lot more than anti-dam activists (and the Statesman) give them credit for: the need for a balanced approach to helping salmon — without ripping out integral pieces of the hydropower system that powers the Northwest’s economy, keeps our skies among the cleanest in the nation, and provides myriad benefits including flood control, irrigation, navigation and recreation.

Terry Flores is executive director of Northwest RiverPartners, an alliance of farmers, utilities, ports and businesses in Idaho, Washington, Oregon and Montana. Its website is: <http://nwriverpartners.org>

Editor’s Note: The above editorial opinion appeared Aug. 19 in the Idaho Statesman in reply to a previous opinion by Rocky Barker, the Idaho Statesman’s environment reporter.