Idaho MOA/Fish Accord Water Transactions Program Annual Report Project No. 2008-608-00 Report covers work performed under BPA contract #69884 Report was completed under BPA contract #69884 Report covers work performed from: October, 2016 – September, 2017 Amy Cassel, IWRB, Salmon, ID Report Created: May 2018

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## A. Introduction/Background Information

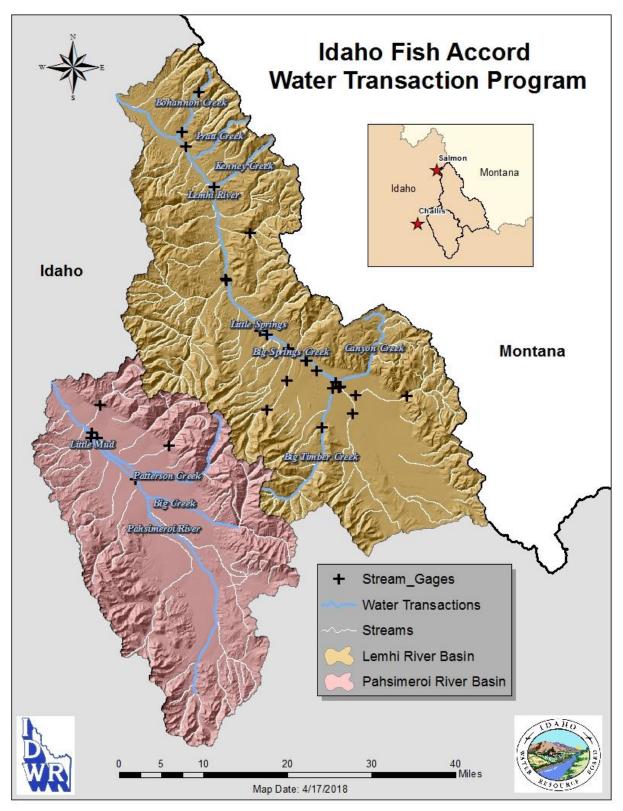
The MOA Idaho Water Transactions Program complements the Columbia Basin Water Transactions Program (CBWTP) and utilizes the transaction tracking and procedural aspects of CBWTP to enhance the effectiveness of implementation. The primary goal of the Idaho Water Transactions Program is to fund the acquisition of interests in water rights for use in restoring stream flow to ecologically significant reaches in the Lemhi and Pahsimeroi River basins.

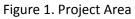
As a result of legal water withdrawals during the peak irrigation season, stretches of the mainstem Lemhi and Pahsimeroi Rivers and their tributaries run low - and sometimes dry - in summer and early fall with significant consequences for imperiled salmon, steelhead, trout, and other aquatic species. The Upper Salmon Subbasin Plan and other habitat assessment plans cite inadequate stream flows as a key factor limiting the productivity of both anadromous and resident fish species. Often, the inadequate stream flows are the result of the competing consumptive water uses, primarily crop irrigation. Voluntary, market-based water transactions provide an effective, appropriate, and fair response to balance the competing consumptive uses of water with the need to address this key limiting factor. Restored stream flows benefit multiple species including Chinook salmon, steelhead, and bull trout.

Water transaction development under the Idaho MOA/Fish Accord Water Transaction Program utilizes the transaction tracking and procedural aspects of CBWTP to enhance the effectiveness of implementation. The program uses temporary and permanent acquisition of water rights and other incentive-based approaches to assist landowners who wish to voluntarily restore flows to key fish habitat.

Restoring flow for fish through water transactions includes acquiring temporary and permanent interests in water rights. These interests are secured through a variety of mechanisms including the conversion of agricultural practices (e.g. source switches), the conversion of agricultural lands to other land uses, or the acquisition of land or interests in land for riparian restoration. The IWRB focuses its efforts in areas where restoring stream flow will benefit critical life history stages of anadromous and resident species in priority areas throughout the Lemhi and Pahsimeroi River basins.

Since 2008, the IWRB in cooperation with OSC, NFWF, BPA and a multitude of other program partners and cost share sources have completed over 26 water right transactions that have restored over 70.2 cubic feet per second of flow to key streams in the Lemhi and Pahsimeroi River Basins. These transactions have included a number of innovative methods, including short and long-term leases, source switches, permanent purchases, and voluntary diversion reduction agreements. The term of these deals has varied from short-term to permanent.





## B. Completed Work

The IWRB completed a one-year minimum stream flow transaction to maintain 2 cfs in lower Bohannon Creek from March 15 – June 30, 2017 to protect steelhead redds. The Idaho Department of Fish and Game observed redds within the primary reach during the transaction period. Without the agreement, the water users could have dewatered the stream and dried up the redds.

Pratt Creek, which is tributary to Sandy Creek and ultimately the Lemhi River, was reconnected in 2017 with a 20-year agreement not to divert between a senior water user and the IWRB. The agreement, which required a transfer of 0.41 cfs of senior water to a new point of diversion on Sandy Creek, was a critical component of the overall Pratt Creek habitat objectives. A permanent conservation easement between an upstream Pratt Creek landowner and The Nature Conservancy was inked in 2016 and includes a 1.5 cfs flow requirement to the mouth of Pratt Creek. That 1.5 cfs easement requirement and the 0.41 cfs agreement with the IWRB requires that approximately 2 cfs be delivered to the mouth of Pratt Creek to improve passage for juvenile Chinook salmon and steelhead.

In addition to the new transaction, the Board completed the second year of the Lower Lemhi Annual Agreement to maintain 25-35 cfs in the Lower Lemhi River. Winter 2016-2017 received higher than average snowpack at lower elevations in the Lemhi Valley and the result was higher than average flow on the Lemhi River during the 2017 irrigation season. Therefore, the Water District 74 Watermaster actively curtailed the annual transaction participants for only 5 days, maintaining the minimum stream flow and protecting fish passage and habitat through the reach.

Program staff also monitored all 21 active Accord transactions pursuant to the Columbia Basin Water Transactions Program Accounting Framework. Stream gaging stations on Big Timber Creek, Kenney Creek, and Canyon Creek were maintained for the 2017 irrigation season and contributed to the monitoring and enforcement of the transactions on those streams.

The active transactions and monitoring align with the project objectives and NOAA Fisheries Ecological Concern Category Limiting Factor 9.2 Decreased Water Quantity by increasing flow through defined reaches and improving the total volume of water restored to those reaches. Project data was shared through the CBWTP and project partners to help evaluate whether increased stream flow is improving available habitat and improving the egg to smolt survival ratio.

## C. Lessons Learned & Adaptive Management

Transaction development remains a challenge since the simple transactions have been completed. The transactions currently in development rely upon a complex mix of project implementation partners, funding, and willing landowners.

Flow restoration in the Pahsimeroi River Basin continues to be a challenge because the only minimum stream flow water right on the lower Pahsimeroi River is always met. That limits the ability of the Board to call for rented water through dewatered stream reaches. Instead, projects must be developed where there is no risk of junior water users diverting transacted flows out of the ecological reach. Staff continues to work with the Water Supply Bank Coordinator and Board members to investigate some novel ideas to open up restoration opportunities in the Pahsimeroi River Basin.