



Idaho Water Supply Bank

2015 Rental Pools Report

Introduction & Background

The Idaho Water Supply Bank (Bank) is a water exchange market operated by the Idaho Water Resource Board (Board) that allows natural flow water rights and storage water to be temporarily leased and rented for new and supplemental beneficial uses. The Water Supply Bank is comprised of two components: regional rental pools that broker exchanges of storage water, and The Board's Bank, which accommodates the temporary rental of natural flow water rights. This report summarizes 2015 lease and rental transactions through regional rental pools.

Regional rental pool administration is coordinated by local committees, which are appointed by the Board to approve temporary leases and rentals of storage water for a period of up to five years. Committee appointments are for a duration of five years. The Board has authorized local committees to operate five rental pools in Idaho: rental pools in Water Districts 1, 63, 65 and 65-K lease and rent allocations of storage water from regional reservoirs, while the Water District 74 rental pool accommodates the partial season lease and rental of natural flow water rights in order to satisfy the Board's minimum stream flow water rights in the Lemhi River and its tributaries. The Shoshone-Bannock Tribe also operates a rental pool as part of their Water Supply Bank. This report summarizes the 2015 lease and rental of water through the Water Districts No. 1, 63, 65 and 65-K rental pools.

2015 Activity Summary

Collectively between the rental pools of Water District No 1, 63 and 65, 555,608 acre-feet (AF) of water was made available for rental and transfer through the rental pools. Of the 555,608 AF, 202,337 AF (36%) was uncontracted storage water that was transferred through the rental pools by the Bureau of Reclamation to accomplish annual flow-augmentation obligations. The other storage water volume (353,271 AF) transferred through the rental pools consisted of 217,059.50 AF dedicated to "common pools" (for general rental by rental pool participants) and 136,211.50 AF of volume dedicated as pre-established private leases between lessors and renters. The Board levies a 10% administrative surcharge on all common pool and private pool rentals, which in 2015 resulted in revenue of \$583,447.94. The following briefly summarizes regional rental pool transactions.

Upper Snake Rental Pool, Water District No. 1

The Upper Snake Rental Pool is the most active of the Board's rental pools. The Upper Snake Rental Pool consists of a 5,000 AF small pool (for rental requests of less than 100 AF), a 50,000 AF large pool (for larger rentals by rental pool participants), a pool specific to the Bureau of Reclamation (Bureau) (allowing for rentals to meet flow augmentation obligations, based on a pre-determined volume chart) and a supplemental pool (to allow for the rental of storage to satisfy hydropower uses below Milner Dam). Private rental opportunities between rental pool participants are also possible outside of the common pool. The annual rental rate for large, small and Bureau pools of storage water (common pool storage water) is based on annual volume of water allocated to the Upper Snake Reservoir System and may be as low as \$6/AF, or as high as \$22/AF. Variable private rental rates are allowed for private leases. The IWRB collects 10% of the rental price for all common pool and private rentals.

The Bureau of Reclamation transferred 122,362 AF of water through the rental pool, of which 100,000 was through the common pool (the remaining 22,362 AF was a transfer of uncontracted storage water). There were also rentals of 50,628.5 AF of water from the common pool, as well as 34 private leases of 136,211.5 AF of water, including the private leasing of 190 AF of the Board's storage water for delivery to Swan Falls. In total, 286,840 AF of water was rented from the Water District 1 rental pool and subject to the IWRB 10% administrative fee. Water District 1 rental pool activity resulted in revenue of \$497,660.51 in 2015.

Boise River Rental Pool, Water District No. 63

The Boise River Rental Pool rents storage allocations from Anderson Ranch, Arrow Rock, Lucky Peak and Lake Lowell Reservoirs. The Water District has established that the rental rate for storage water is \$14.27/AF, with the Board receiving \$1.43 per AF. 75,013 AF of water was leased into and through the Water District 63 rental pool in 2015, inclusive of 60,932 AF of uncontracted storage water that was transferred through the rental pool by the Bureau of Reclamation to accomplish flow augmentation obligations. Of the 14,081 AF of common pool contributions, 12,031 AF was rented for in basin uses, while 2,050 AF was rented by the Bureau of Reclamation for flow augmentation purposes. The IWRB levied an administrative fee on the 14,081 AF of water rented from the Water District 63 common pool, resulting in revenue of \$20,135.83 during 2015.

Payette River Rental Pool, Water District No. 65

The Payette River Rental Pool authorizes the lease and rental of storage water from lakes and reservoirs on the Payette River system. Water District 65 has established that the rental rate for in-basin uses is \$2/AF while out of basin uses rent for \$14.27/AF. The Board receives either \$0.20/AF or \$1.43/AF depending on rental uses.

A total of 53,350 AF of water was leased to the common pool during 2015; 7,386 AF of common pool water was dedicated for in-basin uses and 44,964 AF of water was leased for out of basin rentals. Of the 53,350 AF, 51,729.4 AF was rented, with 620.6 AF left unrented in 2015. The Bureau of Reclamation accessed 164,007 AF of rental pool water for flow augmentation purposes; the Bureau rented 44,964 AF of water from the common pool and they transferred 119,043 AF of uncontracted storage through the rental pool. The rental of the 51,729.4 AF of water from the Water District 65 rental pool provided the Board with \$65,651.60 in administrative fees levied during 2015.

Lake Fork Rental Pool, Water District No. 65-K

The Lake Fork of the Payette River is a separate rental pool, administered by the Watermaster of Water District 65-K. This rental pool rents storage water along the Lake Fork drainage. The water rental rate is \$13.28/AF. As of March 4, 2016, no report has been yet filed by the Watermaster of Water District 65-K and the amount of water rented through the Water District 65-K rental pool during 2015 is unknown.

Lemhi River Rental Pool, Water District No. 74

The Lemhi River rental pool is administered by the Watermaster of Water District 74. As of March 4, 2016, no report has been yet filed by the Watermaster of Water District 74 and the amount of water rented through the Water District 74 rental pool during 2015 is unknown.

Summary of 2015 Rental Pool Activity:

Rental Pool	2015 Rental Rates & Administrative Fees	Volume Leased into the Rental Pool	Volume Rented from the Rental Pool	IWRB Revenue from Rental Pool Rentals
Water District 1	\$14.50/AF (reservoirs didn't fill but enough water was available for flow augmentation rentals)	286,840 AF	286,840 AF	\$497,660.51
Water District 63	\$14.27/AF (IWRB 10% admin fee = \$1.43/AF)	14,081 AF	14,081 AF	\$20,135.83
Water District 65	\$2/AF for in-basin uses, \$14.27/AF for out of basin uses, (IWRB 10% admin fee = \$0.20/AF for in basin rentals and 1.43/AF for out of basin rentals)	183,121 AF	175,612 AF	\$65,651.60
Water District 65-K	\$13.28/AF rental rate IWRB 10% admin fee = \$1.33/AF)	0 AF	0 AF	\$0.00
Total Volume Leased and Rented in 2015:		484,042 AF	476,533 AF	
Administrative Fees Levied by the IWRB:				\$583,447.94