



State of Idaho

DEPARTMENT OF WATER RESOURCES

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C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Interim Director

September 5, 2007

TO: Interested Parties (See Distribution List)

RE: Updated Water Supply through September 3, 2007 For Twin Falls Canal Company, and Response to Letter from Twin Falls Canal Company dated August 20, 2007

Dear Interested Party:

This letter and enclosures are being provided to interested parties on our Surface Water Coalition distribution list, with the intent of adding this information to the record in the Surface Water Coalition call. The letter has two purposes. First, to convey graphs and explanatory text describing that the water supply for 2007 has continued to improve for Twin Falls Canal Company (TFCC) since our last assessment dated August 13, 2007, as described in the enclosed memorandum. Second, this letter responds to the enclosed letter dated August 20, 2007, from Mr. Vince Alberdi of TFCC.

Mr. Alberdi has indicated that disposition of the 40,000 acre-feet rented by TFCC has not been resolved with IGWA. The enclosed Order sets a status conference for September 24, 2007 at 10:00 am to explore resolution of this issue.

We will continue to carefully monitor and periodically report on the water supplies available to members of the Surface Water Coalition during the remainder of Water Year 2007. In addition, I anticipate providing additional guidance regarding some additional 2007 issues such as the allocation of replacement water provided by the food processors and the implementation of Minidoka Credits. Issues regarding 2008 will continue to be referred to the Hearing Officer.

Sincerely,

David R. Tuthill, Jr.
Director

Enclosures:

- Updated Water Supply through September 3, 2007 for Twin Falls Canal Company
- Letter from Twin Falls Canal Company dated August 3, 2007
- Order Setting Status Conference
- Distribution List



MEMORANDUM

DATE: September 5, 2007
TO: Dave Tuthill
FROM: Steve Burrell
RE: Updated Water Supply through September 3, 2007 for Twin Falls Canal Company

Average daily flow on Spring Creek at Sheepskin Road increased about 5 percent about two weeks ago and has maintained that increased rate up until the present (see Figure 1). This would indicate base spring flows have also increased in the Near Blackfoot to Neeley reach two weeks ago.

Figure 2 shows the reach gains calculated by the water rights accounting program for the Near Blackfoot to Milner reaches. From September 1 through September 3, reach gains have increased 16 percent. This increase could be a reflection of increased base spring flows, but also may be a result of the decrease in outflow from American Falls reservoir by 2000 cubic feet per second from August 31 through September 3. The daily time step used in the water right accounting program is a computational limitation that sometimes causes rapid changes in reach gains when sharp change in gage flows occur during a short time frame. Running average smoothing routines in the program are designed to adjust for this inexactness in subsequent accounting runs.

Forecasted storage use for Twin Falls Canal Company (TFCC) for the remainder of the 2007 season using 2003 historical diversions is shown in Figure 3. Diversions and natural flow from 2003 were selected in earlier analysis because of similarity of water use patterns to 2007. TFCC is predicted to now have about 13,000 acre-feet of storage remaining at the end of the season. Storage use projected for TFCC in the August 1, 2007 Memorandum, *2007 water supply update*, showed a deficit of about 5,000 acre-feet at the end of the season. This latest analysis indicates TFCC used 18,000 acre-feet less storage during the month of August than we projected on August 1. This decreased storage use is primarily because of the greater actual natural flow availability during August than was assumed in the forecast.

Figure 4 shows the total diversions for the 2007 season using 2003 diversions after September 3, and the minimum full supply based on 1995 diversions of 1,075,900 acre-feet. With the current actual and predicted diversions, TFCC will likely use 3,000 acre-feet less than their minimum full supply in 2007.

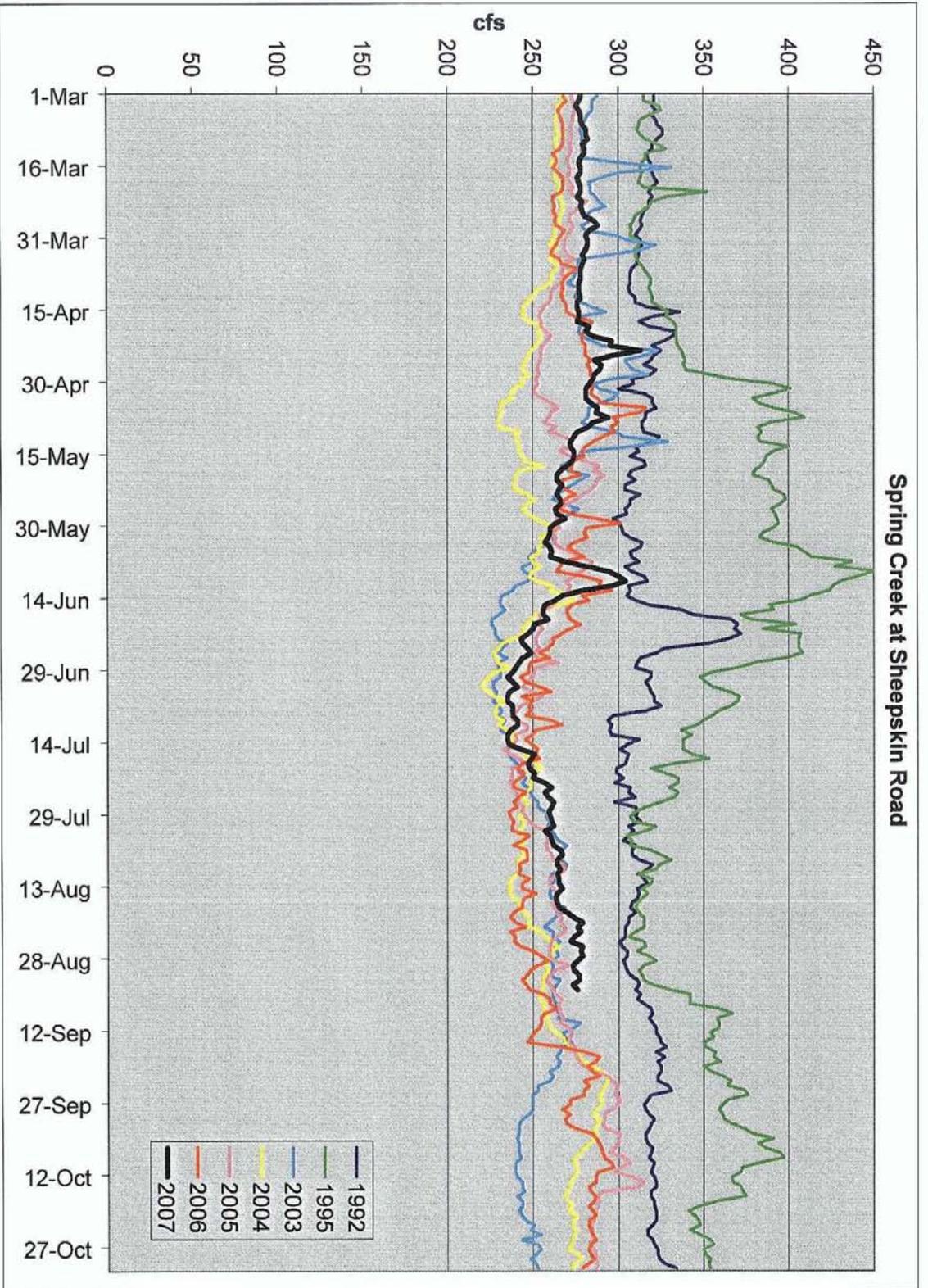


Figure 1

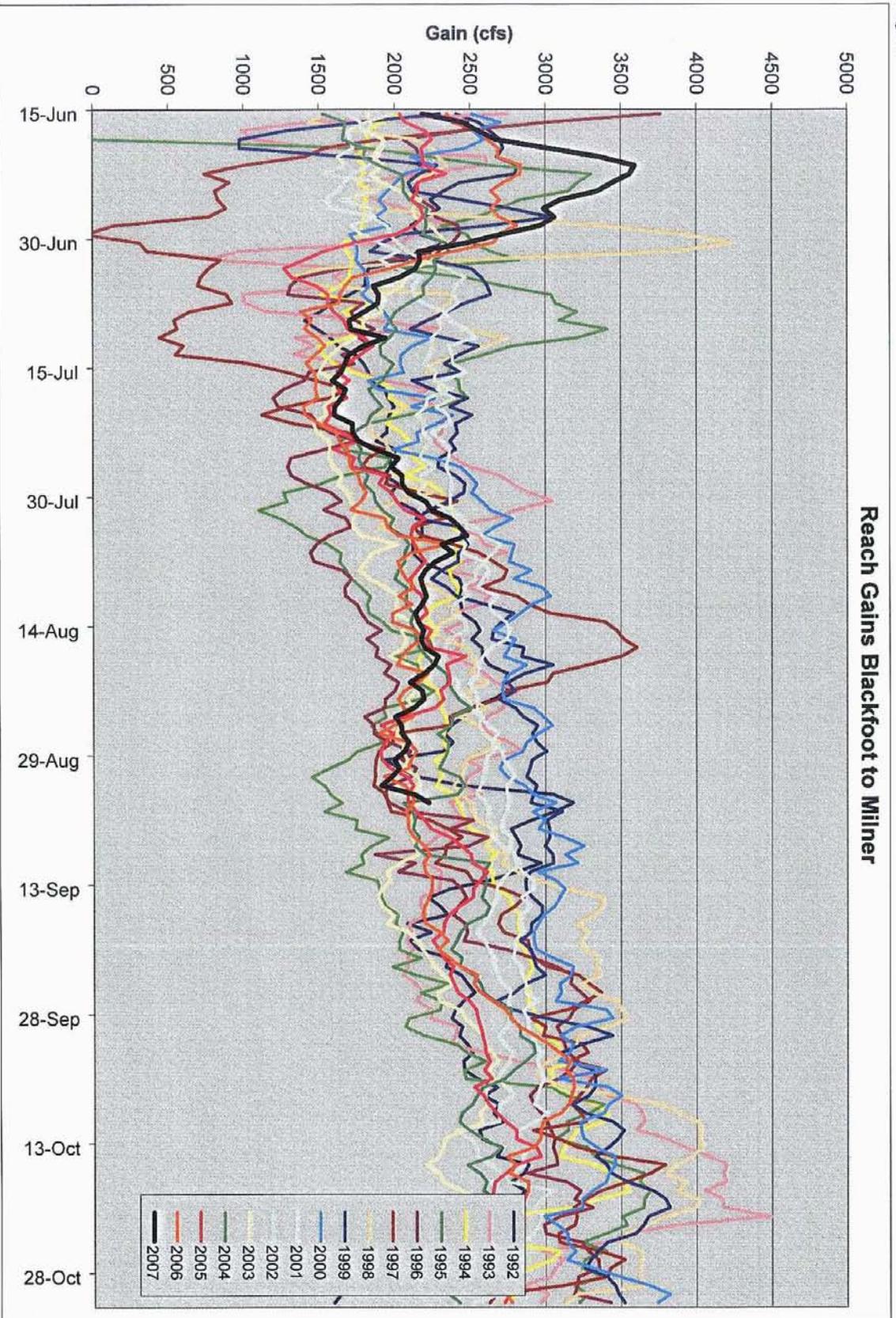


Figure 2

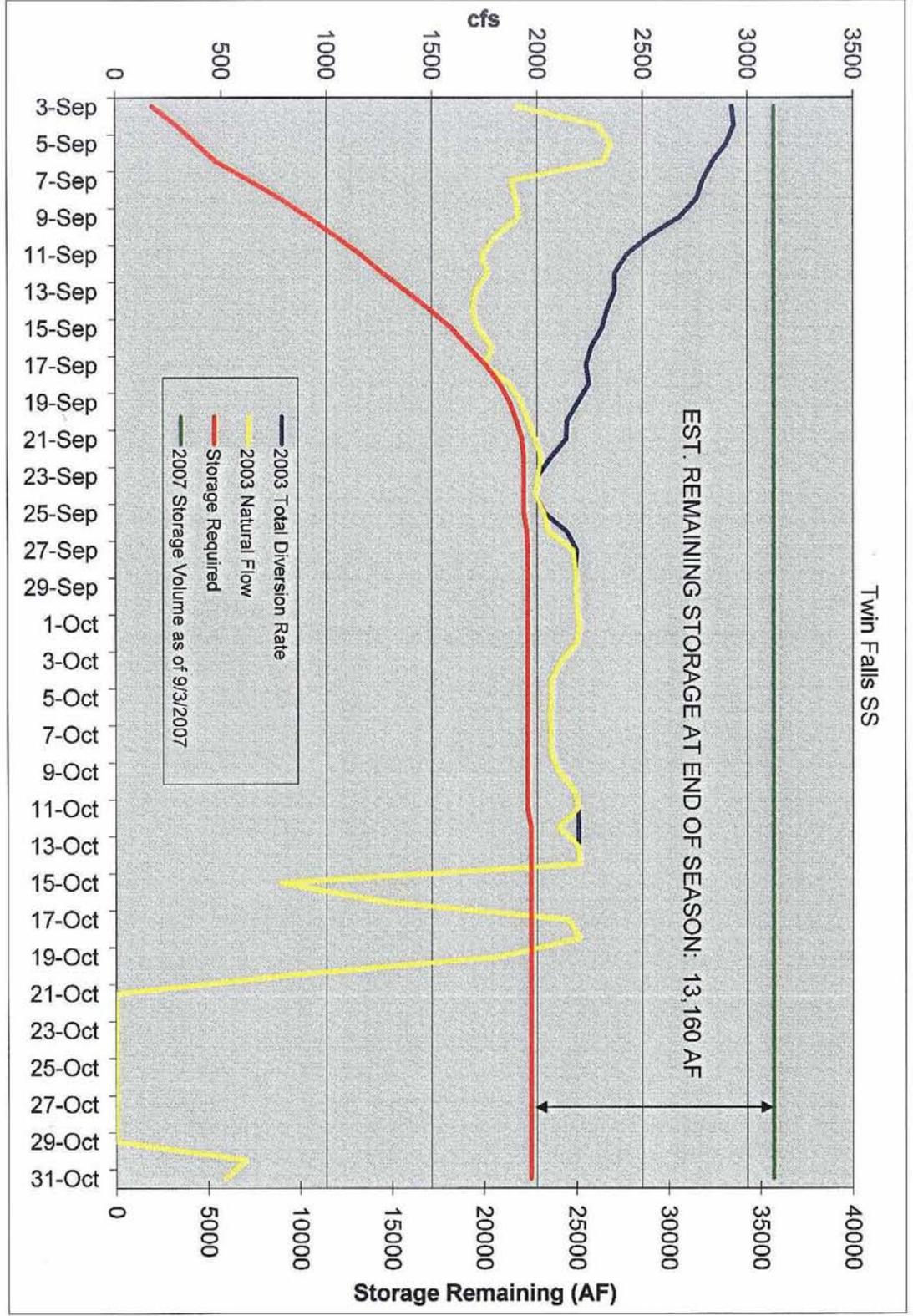


Figure 3

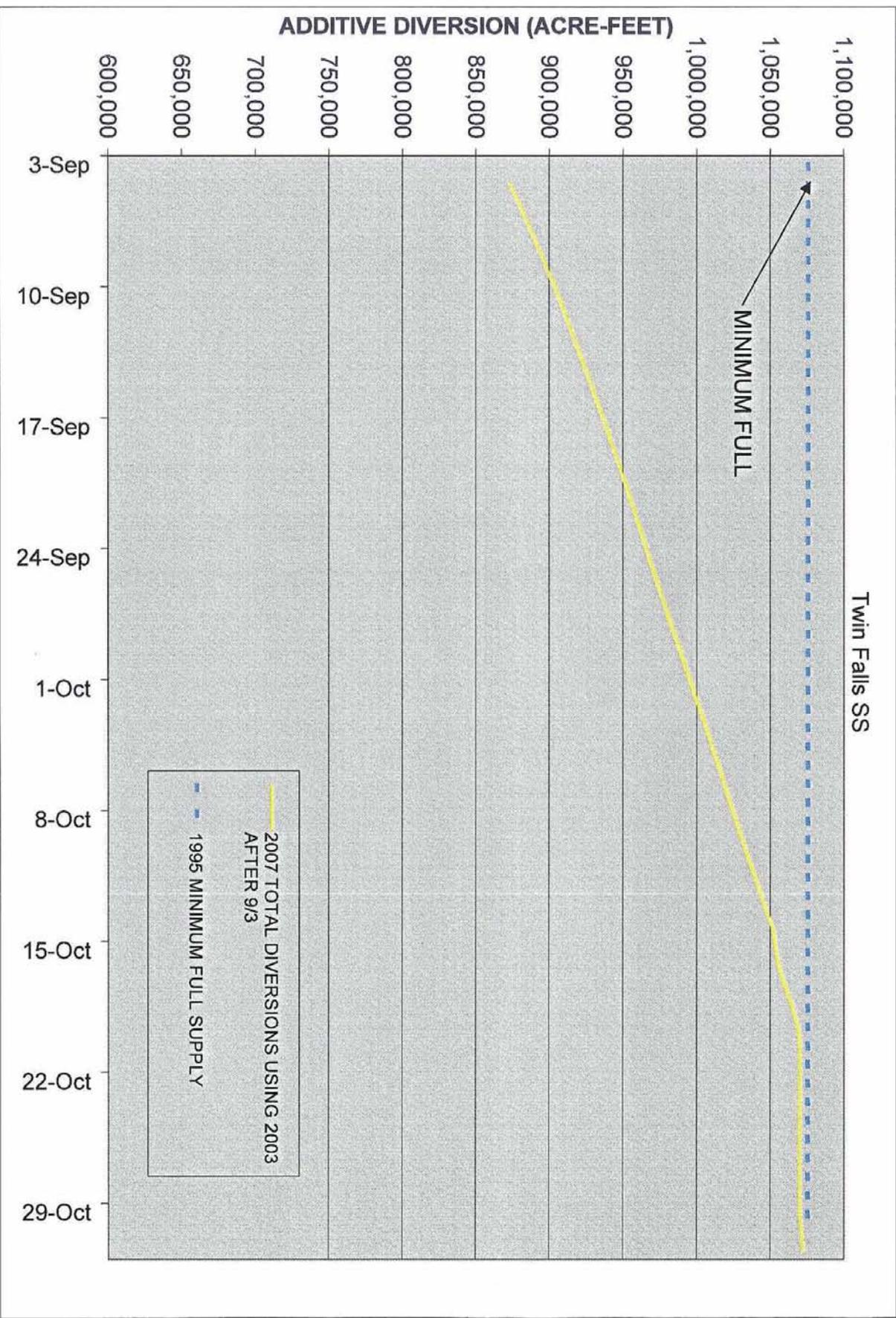


Figure 4



TWIN FALLS CANAL COMPANY

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POST OFFICE BOX 326
TWIN FALLS, IDAHO 83303-0326



August 20, 2007

Director David Tuthill
Idaho Department of Water Resources
State of Idaho
P.O. Box 83720
Boise, Idaho 83720-0098

RECEIVED
AUG 22 2007
DEPARTMENT OF
WATER RESOURCES

Re: Twin Falls Canal Company Water Supply

Dear Director:

Your August 13, 2007 supplemental water supply assessment for Twin Falls Canal Company would appear to encourage the water users to reconcile your apparent modification of the Water District 1 rental pool procedures wherein you expressly assigned to IGWA the late season fill storage rental by Twin Falls Canal Company which has been approved by the Watermaster. Given that it was your direct action which re-assigned TFCC's rental of 40,000 ac-ft of storage to IGWA for the use of mitigation to be provided by junior priority ground water users, TFCC believes it is your responsibility as Director to reconcile this issue. In communications with the Watermaster, it would appear that he also questions this assignment action. TFCC certainly believes that other spaceholders within Water District 1 who are suffering shortages this year would have been more than willing to rent storage water if it had been available to lease. In addition, other applications to the rental pool that were unfulfilled are now affected by your unilateral assignment to IGWA. Your apparent preference for junior priority groundwater users in circumvention of the approved rental pool priorities must be addressed by your office. It was based upon your June statements that TFCC went forward with the lease. In light of your actions, it is your responsibility as Director to ensure that there is no undue delay in the reimbursement of monies owed to TFCC and subsequently, that Water District 1 is in no way compromised by your actions. TFCC looks forward to your immediate response to reconcile the accounting issues and order the reimbursement of the lease payment made by TFCC in reliance upon your statements at the June status conference.

Thank you in advance for your timely response.

Sincerely,

Vince Alberdi
General Manager

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF DISTRIBUTION OF WATER)
TO VARIOUS WATER RIGHTS HELD BY OR FOR)
THE BENEFIT OF A&B IRRIGATION DISTRICT,)
AMERICAN FALLS RESERVOIR DISTRICT #2,)
BURLEY IRRIGATION DISTRICT, MILNER)
IRRIGATION DISTRICT, MINIDOKA IRRIGATION)
DISTRICT, NORTH SIDE CANAL COMPANY,)
AND TWIN FALLS CANAL COMPANY)
_____)

**NOTICE OF STATUS
CONFERENCE**

PLEASE TAKE NOTICE that the Director of the Department of Water Resources has set a status conference in this matter for **September 24, 2007, starting at 10:00 a.m. (MST)** at the Department's offices located at 322 E. Front Street, Boise, Idaho, in the Director's Conference Room.

All parties to the matter must be represented at the conference in person or by telephone. If participating by telephone, please dial 713-577-1201 and provide participant code 260503.

The purpose of the status conference is to discuss updated information regarding the amount of natural flow water and storage water available to members of the Surface Water Coalition during 2007, and to discuss the letter of August 20, 2007 from Vince Alberdi of the Twin Falls Canal Company to the Director. The status conference will be recorded.

The conference will be conducted in accordance with the accessibility requirements of the Americans with Disabilities Act. If you require special accommodations in order to attend, participate in or understand the conference, please advise the Department within prior to the

conference. Inquires for special accommodations should be directed to Victoria Wigle,
Administrative Assistant to the Director, Idaho Department of Water Resources, P.O. Box
83720, Boise, Idaho 83720-0098, telephone: (208) 287-4803, fax: (208) 287-6700.

Dated this 6th day of September 2007.


for: _____
DAVID R. TUTHILL, JR.
Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 17th day of September 2007, the above and foregoing, was served by the method indicated below, and addressed to the following:

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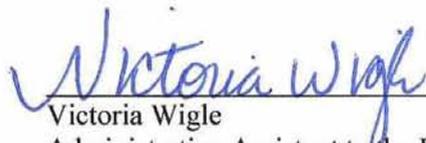
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