



MINUTES

BEAR RIVER COMMISSION REGULAR MEETING ONE HUNDRED NINETEENTH COMMISSION MEETING NOVEMBER 15, 2011

BEAR RIVER COMMISSION

106 West 500 South
Suite 101
Bountiful, Utah 84010-6203
801-292-4662
801-524-6320 fax

CHAIR

Dee C. Hansen

IDAHO

COMMISSIONERS

Gary Spackman
Kerry Romrell
Marcus J. Gibbs

UTAH

COMMISSIONERS

Dennis J. Strong
Blair Francis
Charles W. Holmgren

WYOMING

COMMISSIONERS

Patrick T. Tyrrell
Sam Lowham
Gordon Thornock

ENGINEER-MANAGER

Don A. Barnett

I. Call to order – The regular meeting of the Bear River Commission was called to order by Vice Chairman Charles Holmgren at 1:05 p.m. on Tuesday, November 15, 2011, at the Utah Department of Natural Resources building in Salt Lake City, Utah. This was the one-hundred and nineteenth meeting of the Commission. Holmgren welcomed everyone to the meeting and asked them to introduce themselves. He noted that Kerry Romrell was participating in the meeting as a new Commissioner from Idaho. An attendance roster is attached to these minutes as Appendix A.

I.B. Recognitions – Holmgren turned some time over to the State of Idaho for a presentation. Gary Spackman explained that Commissioner Rodney Wallentine had represented the Central Division and the upper Idaho water users very well and was a dedicated member of the Commission for 27 years. As Wallentine was leaving the Commission, Spackman presented a Resolution of Appreciation for his service to be signed by the Commissioners and forwarded to Mr. Wallentine. The resolution was adopted by the Commission.

I.C. Approval of agenda – Vice Chairman Holmgren then addressed the agenda for the meeting. The agenda was approved without change, and a copy is attached to these minutes as Appendix B.

II. Approval of minutes of last Commission meeting – Holmgren asked if there were any changes to the minutes of the previous Commission meeting held on April 19, 2011, in Brigham City, Utah. As there were no changes, the minutes were approved.

III. Reports of Secretary and Treasurer – Dennis Strong reviewed the report on expenditures for the previous year, as well as the current report. He noted that Utah DEQ had not yet paid the Commission for stream gaging for the previous year, and they were in the process of rectifying that oversight. That would affect the carryover, but he indicated that they would straighten that out and get it added to the budget for the current year.

Randy Staker gave an overview of how FY 2011 ended (see Appendix C). With a carryover of \$94,446.88, income of \$134,999.48 and expenses of \$130,658.21, the ending balance for the year was \$98,788.15. For FY 2012, income to date is approximately \$122,342 with expenses being \$85,485, leaving a cash balance of \$135,644. A motion was made to accept the report of the Treasurer and the motion carried.

IV. Direction to the Technical Advisory Committee on depletions – From discussions with the Management Committee regarding depletions, Gary Spackman first complimented the Technical Advisory Committee (TAC) on their extraordinary efforts in finding common ground and going forward together in evaluating in parallel the three individual states' components of depletions. With some additional background work in actual field examinations and review of water rights, the states used their geographical information systems (GIS) and aerial imagery to evaluate the water use in their areas. Comparing this modern technology with past images from 1990, they were able to identify currently irrigated acres which had not been irrigated in the past, as well as previously irrigated acres which are no longer irrigated. Combining the two, they came up with a net sum of additional acres irrigated in each of the states. Through additional meetings and telephone conferences, they came to an agreement in principle on the findings of the technical staff.

Spackman commented that there were a few additional steps needed to finish up the process. The Management Committee recommended that the TAC 1) review each state's numbers and methods to ensure consistency, 2) define "supplemental use of water" as opposed to supplemental supply and develop numerical standards for determining supplemental supply, 3) look at developing a standard for what supplemental use really means and come up with actual numerical standards to be adopted, 4) determine when these standards should apply, whether pre-1976 or post-1976.

Pat Tyrrell commented on the amazing new tools currently available to do this work and what additional tools might be available in 20 years to critique what they are presently doing. He noted that in Wyoming, 80 percent of the acres identified as different were due to reclassification, further showing the difficult task of the GIS staff in each of the states. He agreed with Spackman's definition of supplemental, commenting on Wyoming's use of those terms, and felt it important to make sure that the definition of supplemental use versus supply is characterized the same in each of the states. He felt that it would also be important to verify the depletion rates in addition to the supplemental rates.

Dennis Strong added that Utah concurs and also expressed appreciation for all the hard work that had been done by everyone.

Spackman added that they would like the TAC to draft a "sentinel document" which would explain 1) how the net new acres were determined or calculated, which may include narrative, graphs and illustrations, 2) the resources that were used to determine the net new acres, 3) the location of these resources so they can be accessed by others in the future, and 4) the importance of the products resulting from this analysis and the future use of those products. This could be helpful in future years as depletions are further reviewed.

Additionally they would request that the TAC review new consumptive use information prepared by Bob Hill of Utah State University to determine if the Commission might in the future use this new data and analysis to adopt new numbers and an associated cropping pattern from which to come up with a new set of depletion numbers. Tyrrell commented that the work of Bob Hill is quite close to what the Commission is presently using. He felt that the TAC ought to have the flexibility and freedom to make a recommendation as to whether this work is simply a confirmation of the old numbers or if new numbers ought to be adopted. He then made a motion to adopt the direction to the TAC that Spackman had articulated.

Strong clarified that they wanted the TAC to make a recommendation or suggestion as to how the process might move forward in the future, specifically by not only stating what had been done, but

also what might be done to make it better and simpler and to avoid some of the challenges that they encountered. The motion passed.

V. 2011 water year - record setting? – Cory Angeroth shared stream flow information with the Commission, showing some graphs of various areas. He explained that the spring runoff was delayed by about a month due to the cool weather and that the cool weather was instrumental in avoiding some major spikes that could have caused serious flooding damage. In many places there was a near record volume of runoff. He showed information and analysis on four different gages which included comparisons between the current year and the record year of 1984. He noted that runoff from the Corinne gage was 1.67 million acre-feet compared to 640,000 acre-feet in 2010 and 3.6 million acre-feet in the record year of 1984. Angeroth mentioned that he would be producing a fact sheet which would summarize all this information and which would document the runoff and recharge of the year.

Connely Baldwin reported that Bear Lake rose 11.5 feet this year, which is the largest single year rise ever, with the second largest being only 7.7 feet. They were able to store all the water in Bear Lake and reduce the flooding impact downstream. They were not compelled to make any flood control releases due to the level of Bear Lake. As they were in flood control mode, he discussed the guidelines and operations used for flood control. Baldwin explained that Bear Lake was not originally envisioned as a flood control reservoir. The original purposes of Bear Lake were intended to be irrigation and power. In the 1980s, the courts made it clear that PacifiCorp had an obligation to manage the lake for flood control as well. He showed a graph that showed all of the Bear Lake levels since October 1980 and added that the target date to reach 5918 feet each year is March 31st. When in flood control mode, they store as much as possible during the runoff up to 5923.65 feet and then make flood control releases as necessary to meet the target elevation of 5918 by the next spring.

VI. Commission websites – Don Barnett reported to the Commission that the new Bear River Commission website was up and running at bearrivercommission.org. He explained what is available on the website. A focus of the site was to have a place to preserve and access important Commission documents. The Compact and amended Bylaws are available there, as well as various Commission procedures and histories. Also included are annual and biennial reports and minutes of meetings. There are historic documents going back to 1942, including pre-Compact up through the current Amended Compact documents and minutes of meetings. There's a tab that includes some important maps of the Bear River Basin, as well as other tabs which will provide information about the Commission, meeting notices, links and contact information. Barnett explained that the site is a work in progress and any input would be appreciated.

Barnett explained that Bret Berger has been involved in real-time data on the Bear River for a long time. Berger then explained the website bearriverbasin.org where real time data from gages in the Bear River Basin is available. He suggested that most people probably go straight to the rivers page which gives a schematic of the river and current flows. The "data viewer" allows you to go back and forth through time using different time frames. You can see the data in tabular format and download or export the data. You can do comparisons to past years. The site shows the different canal systems with monitoring sites on the diversions, as well as the reservoirs. You can view the Snotel data and the latest tabular report from NRCS, as well as many other useful tools and information. Barnett mentioned that many people were using the old site for real time data during the irrigation season, but suggested that everyone should become acquainted with the new site as the old site may not be available much longer. It was suggested that adding a date of priority would

be very helpful for water users when there are calls for regulation. This date would be different in each reach of the river and would be the date for the priority cuts. Berger felt that they could include that information on the site. Barnett mentioned that Berger had recently had a meeting for watermasters, river commissioners and TAC members to train them on use of the site. Appreciation was expressed to those who have worked on the improvements in available real-time data as this information is most helpful.

Berger also showed a stage monitoring device that is available through his company for those who might be interested. Barnett explained that the data would go straight to MetriDyne and would not need the LoggerNet system for pre-processing.

The Commission took a break during which pictures were taken of the Commissioners to be included on the website.

VII. Records & Public Involvement Committee report – Gordon Thornock began by welcoming Kerry Romrell as a member of the Records & Public Involvement Committee. He mentioned that the committee had discussed gages, which Angeroth had covered previously. He added that the State of Idaho has their real time equipment purchased and hadn't yet been able to install all of it due to high water. Regarding the biennial reports, the 15th was completed and the 16th needed to be reviewed by the middle of December. The committee also discussed a proposal to include the Commission in the Mud Lake and Bear Lake Symposium in April. The decision was not to participate financially, but to be aware and provide assistance if necessary.

Regarding the Symposium, Tyrrell added that it is on the river and there may be some Compact implications. He felt they should keep a presence and stay involved as a Commission at some level of participation and maybe discuss it further. Spackman added that even though the Commission would not be participating financially in the Symposium, it should not be a statement by the Commission or the states that they are disinterested or would not be willing to provide staff to participate in those discussions.

VIII. Operations Committee report – Marc Gibbs commented that the real time data website has become a very important asset and is greatly appreciated. In the committee meeting, Blair Francis explained how they managed Woodruff Narrows Reservoir and drafted it before the runoff started to make room for the anticipated runoff, which prevented flooding to a major degree. He was appreciative of the willingness of Commission members to work together and try to manage the river for the benefit of everyone. In the Central and Lower Division, the biggest problem was what to do with all the water. They wondered if Stewart Dam and Rainbow Canal would be able to handle the peak flows. Fortunately the peaks were not nearly as big as anticipated and were spread out resulting in an exceptional amount of storage water to the mutual benefit of all. It was reported that Bear Lake was now being managed in a flood control mode preparing for the following year. He indicated that their canal company has urged the power company to utilize their best judgment in dealing with lake storage levels.

Gibbs reported that the TAC had been working on depletions and are continuing to measure the M&I depletions from the three states. There was a little discussion on water rights pending on the Bear River system which included Black Bear in Bear Lake. That development has now gone to bankruptcy and their water right is up for sale. Paris Hills Mining is a new industry looking at mining phosphate from Bloomington to Paris and creating jobs in the area. It would be an underground mine. They also discussed Twin Lakes Canal Company and the dam they are

considering building on the Bear River. It should begin its hearing process at the beginning of the year. The last water right involved Idamont Farms in the Montpelier area.

Connelly Baldwin then gave a report on PacifiCorp operations. His handout is attached as Appendix D. The high elevation of Bear Lake at 5,921.47 feet was on August 14th, which is the latest it has ever peaked and only 2 feet lower than the highest allowable elevation. There were no irrigation storage releases.

Vice Chairman Holmgren gave the report on the Bear River Water Users Association in the absence of Carly Burton. Based on historic flow diversion data of 2011, this would be the third year in history where there were no calculated Bear Lake storage releases for irrigation. However, there were some problems for the Bear River irrigators. Many farmers had great difficulty harvesting early hay and planting crops for later in the season. Crops were pushed back two to four weeks and fortunately, the warm extended fall helped in that regard. It would be important not to be complacent as a result of the recovery of Bear Lake this year. Conservation is still an important component in the overall health of Bear River and Bear Lake.

He reported that attorneys for Bear River Water Users Association were negotiating a stipulation agreement with Twin Lakes Canal Company to resolve the Association's concerns expressed in the protest of the Twin Lakes application.

IX. Water Quality Committee report – Don Barnett gave the Water Quality Committee report in the place of Walt Baker. The committee met the previous day and had a lively discussion on several topics. He noted that it had been about ten years since the Commission had created the Water Quality Committee which has brought the three states' water quality people together. They reported that they had completed five years' worth of joint water quality monitoring work which involves sampling 21 sites along the entire length of the river in the space of one or two days, which they do four times a year, to create an overall water quality mapping of the Bear River system. A report has been written on this effort and they have agreed to continue that process in the future.

Barnett reported that they had a good presentation from Utah State University relative to the WIS and the continuance of the WIS. He explained that the water quality agencies were on the front line, but this was a grant which was given to the Bear River Commission involving Utah State University as a major contractor. They created the WIS and are now moving it over to a new platform which will save future money and make it so that those involved in the water quality effort have more ready access to update the information on the WIS. This effort is moving ahead and should be completed in six months.

The stream gaging program was reviewed and the water quality agencies agreed to cost participate with the Commission in another year of stream gaging costs.

There was also a presentation from the manager of the Bear Lake National Wildlife Refuge. She discussed operations at the refuge. Barnett talked about the silt that is filtered out in the Mud Lake complex, but there is a lot of silt that either goes into Bear Lake or on down the river. With high flows this year, there was a greater amount of silt. The Fish & Wildlife Service discussed how in recent years they have used dikes to reduce the portion of Mud Lake that Bear River waters can flow into. In doing so, there is less area to accommodate the silt. Measurements of water quality at Pescadero gage, just below Bear Lake, can be dramatically different from day to day depending on

operations going on in the Mud Lake complex. This will be of continued interest to water quality people.

X. Management Committee report – Gary Spackman mentioned that his earlier report on depletions covered much of what the Management Committee has been discussing over the previous six months. He added that they discussed the financial condition of the Commission and reported that the reserves of the Commission are holding steady and are not being depleted. This indicates wise management of the budget and allows the Commission to continue to function without a need for further appropriation requests.

XI. Engineer-Manager's report – Barnett mentioned that all of his items had already been covered. He expressed appreciation to Utah for preparing for and hosting the meetings.

XII. State reports – Wyoming – Tyrrell reported that the State of Wyoming was currently going through a budget cycle and that their projections for the coming year or two are in the black. The out-year projections, however, show that the revenue stream seems to be fairly soft and there are concerns about keeping the growth of government at a level that would allow them to remain in the black. As they have been down nine positions in the past two years, they had asked for additional staff and found ways to cut programs in such a way as to accommodate the additional people, but their request was denied. In spite of the situation, he felt they were still in pretty good shape.

Legislatively, there were a couple of bills coming forward which Tyrrell was reluctant to support. One involves stock water rights on federal lands and would require the consent of the current grazing lessee to move or abandon the rights. Wyoming's concern would be that if water rights are attached to the land, the federal land managers could essentially take water rights out from under people. They are hoping to execute MOUs with BLM and the Forest Service to require those types of consents so it would not be necessary to put it in statute. They feel that they have agreement in principle so far and are hopeful that they can avoid the alternative statute. The other bill involves historic use and how to handle water rights that have been unused for a number of years.

Tyrrell concluded by reporting that Wyoming had a great water year, similar to what was experienced in the Bear River Basin.

XII. State reports – Idaho – Spackman reported that there are a number of issues pending in the water rights arena and related areas in Idaho. There was a hearing over some transfers of new water right applications in the Preston area. Central to the whole issue was what the canal company's place of use was at the time their water rights were perfected and what the place of use is now. The evidence showed that the number of acres that were irrigated exceeded the water right descriptions and the historical use of water within the Preston Whitney Irrigation Company boundaries. Preston Whitney Counsel argued that some statutory provisions that allowed enlargement of water rights in the Snake River Basin adjudication should apply in the Bear River Basin as well, even though they were directed specifically to a particular basin. Spackman, as the hearing officer for the contested case, determined that they did not apply to the Bear River Basin, which raised the specter of the possibility of an adjudication in the Bear River Basin. Counsel for Preston Whitney indicated that the results of the decision are an impetus to have the water rights defined in the Bear River Basin.

Spackman also mentioned that they had recently received a proposal from the Idaho Petroleum Council to amend some of the water related statutes. For the most part, Idaho has not been a

petroleum product producing state. There has been some drilling in the western part of the state and some excitement about the possibility of production of natural gas. The Petroleum Council became active and submitted proposals to redefine water as it is defined in the statute to exclude any H₂O that was also in a petroleum bearing zone. And furthermore, any formation that held petroleum products that also had water would no longer be defined as an aquifer. Spackman stated that their concern is the protection of senior water right holders as well as the water quality aspect.

Regarding the discussion of mining for additional phosphate in Bear Lake County, there are some questions raised as to whether that kind of development, particularly in and around an aquifer, might injure other water users. It would be well to think hard about whether a water right is required or not, and the State of Idaho needs to deal with this issue.

Lastly, Spackman mentioned that his impression was that in some portions of the Bear River, the State of Idaho has been somewhat behind in automation. He felt that developments on the web and other places were extremely valuable and that there is nothing like having measurements and data that can be accessed by the users both for regulation and to quell some of the suspicions by various water users. He congratulated Rock Holbrook and others for furthering the automation and the availability of data.

XII. State reports – Utah – Dennis Strong reported that the previous day the Legislative Task Force, which had been convened in the spring to look at water funding and other water related issues, held its final meeting before the Legislative session. A motion was passed and a recommendation moved forward to the Legislature for funding of water projects that will be of interest to Utahns as well as other states. It relates specifically to the Lake Powell pipeline. The Task Force is moving forward a recommendation to the Legislature that it consider making available up to 15 percent of the increase in sales tax to water development, which currently would specifically be the Lake Powell pipeline, as well as other municipal water development within the State of Utah. This is estimated to be in the neighborhood of \$60 million in 2014, which is also the time anticipated to start to prepare construction drawings and begin design for construction of the Lake Powell pipeline. For Utah water users, this is a very big deal, but just the beginning of a long process.

XIII. Other/Public comment - As there were no other items or public comment, Vice Chairman Holmgren thanked everyone for attending and thanked the State of Utah's Water Resources for hosting the meeting. He also thanked the Commission staff for their good work for the Bear River Commission. He noted that the next meeting of the Commission would be on April 17, 2012.

The meeting was adjourned at 3:37 p.m.

ATTENDANCE ROSTER

BEAR RIVER COMMISSION REGULAR MEETING

Utah Department of Natural Resources Building
Salt Lake City, Utah
November 15, 2011

IDAHO COMMISSIONERS

Marc Gibbs
Kerry Romrell
Gary Spackman

WYOMING COMMISSIONERS

Patrick Tyrrell
Sam Lowham
Gordon Thornock
Jade Henderson (Alternate)
Sue Lowry (Alternate)

UTAH COMMISSIONERS

Dennis Strong
Charles Holmgren
Blair Francis

ENGINEER-MANAGER & STAFF

Don Barnett
Jack Barnett
Donna Keeler

OTHERS IN ATTENDANCE

UTAH

Will Atkin, Division of Water Rights
Carl Mackley, Division of Water Rights
Mike Silva, Division of Water Rights
Ben Anderson, Division of Water Rights
Todd Adams, Division of Water Resources
Randy Staker, Division of Water Resources
Eric Edgley, Division of Water Resources
Roger Pearson, Division of Water Resources
Robyn Pearson, Department of Natural Resources

WYOMING

Mike Johnson, State Engineer's Office
Don Shoemaker, State Engineer's Office

OTHERS

Connely Baldwin, PacifiCorp Energy
Claudia Conder, PacifiCorp Energy
John Mabey, PacifiCorp Energy - Attorney
Cory Angeroth, U.S. Geological Survey
Voneene Jorgensen, Bear River Water Conservation District
Dave Cottle, Bear Lake Watch
Claudia Cottle, Bear Lake Watch
Dan Davidson, Bear River Canal Company
Bret Berger, StoneFly Technology
Bob Fotheringham, Cache County
Craig Rasmussen, Sargent Engineers
Bill Nelson, Idamont Farms
John Nelson, Idamont Farms

**BEAR RIVER COMMISSION REGULAR MEETINGS
November 14-15, 2011**

Water Quality Committee Meeting
Utah Department of Environmental Quality
195 North 1950 West
Salt Lake City, Utah

All Other Meetings
Utah Department of Natural Resources
1594 West North Temple
Salt Lake City, UT

COMMISSION AND ASSOCIATED MEETINGS

November 14

10:00 a.m. Water Quality Committee Meeting – Red Rock Conference Room

November 15

| | | |
|------------|---|-------------------------|
| 9:00 a.m. | Operations Committee Meeting – Room 314 | Gibbs |
| 10:00 a.m. | Records & Public Involvement Committee Meeting – Room 314 | Thornock |
| 11:15 p.m. | Informal Meeting of Commission – Room 314 | D. Barnett |
| 11:30 p.m. | State Caucuses and Lunch | Spackman/Strong/Tyrrell |
| 1:00 p.m. | Commission Meeting – Main Floor Auditorium (Rms. 1040/1050) | Holmgren |

PROPOSED AGENDA
REGULAR COMMISSION MEETING

November 15, 2011

Convene Meeting: 1:00 p.m.

Vice Chairman: Charles Holmgren

- | | | |
|--------------|---|---------------|
| I. | Call to order | Holmgren |
| | A. Welcome of guests and overview of meeting | |
| | B. Recognitions | |
| | C. Approval of agenda | |
| II. | Approval of minutes of last Commission meeting (April 19, 2011) | Holmgren |
| III. | Reports of Secretary and Treasurer | Strong/Staker |
| | A. 2011 Expenditures | |
| | B. Other | |
| IV. | Direction to the Technical Advisory Committee on depletions | Spackman |
| V. | 2011 water year – record setting? | |
| | A. Stream flows | Angeroth |
| | B. Bear Lake | Baldwin |
| VI. | Commission websites | |
| | A. Bearrivercommission.org | Barnett |
| | B. Bearriverbasin.org | Berger |
| Break | | |
| VII. | Records & Public Involvement Committee report | Thornock |
| VIII. | Operations Committee report | |
| | A. Committee meeting | Gibbs |
| | B. PacifiCorp operations | Baldwin |
| | C. Activities of the Bear River Water Users Association | Burton |
| IX. | Water Quality Committee report | Baker |
| X. | Management Committee report | Spackman |
| XI. | Engineer-Manager's report | Barnett |
| XII. | State reports | |
| | A. Wyoming | Tyrrell |
| | B. Idaho | Spackman |
| | C. Utah | Strong |
| XIII. | Other / Public comment | Holmgren |
| XIV. | Next Commission meeting (April 17, 2012) | Holmgren |

Anticipated adjournment: 4:00 p.m.

BEAR RIVER COMMISSION

STATEMENT OF INCOME AND EXPENDITURES

FOR THE PERIOD OF JULY 1, 2010 TO JUNE 30, 2011

| INCOME | CASH ON HAND | OTHER INCOME | FROM STATES | INCOME |
|-----------------------|-----------------|-----------------|----------------|------------|
| Cash Balance 07-01-10 | 94,446.88 | | | 94,446.88 |
| State of Idaho | | - | 40,000.00 | 40,000.00 |
| State of Utah | | - | 40,000.00 | 40,000.00 |
| State of Wyoming | | - | 40,000.00 | 40,000.00 |
| Water Quality | | 6,176.00 | | 6,176.00 |
| US Fish & Wildlife | | 8,140.00 | | 8,140.00 |
| Interest on Savings | | 683.48 | | 683.48 |
| TOTAL INCOME TO | | | | |
| 30-Jun-11 | 94,446.88 | 14,999.48 | 120,000.00 | 229,446.36 |

DEDUCT OPERATING EXPENSES

| | APPROVED BUDGET | UNEXPENDED BALANCE | EXPENDITURES TO DATE |
|---------------------------------|--------------------|-----------------------|-------------------------|
| Stream Gaging/USGS Contract | 59,155.00 | - | 59,155.00 |
| SUBTOTAL | 59,155.00 | - | 59,155.00 |
| EXPENDED THROUGH COMMISSION | | | |
| Personal Services BIWC | 57,000.00 | (1,626.74) | 58,626.74 |
| Travel (Eng-Mgr) | 1,200.00 | 316.02 | 883.98 |
| Office Expenses | 1,600.00 | (235.41) | 1,835.41 |
| Printing Biennial Report | 1,000.00 | 942.12 | 57.88 |
| Treasurer Bond & Audit | 1,400.00 | 1,300.00 | 100.00 |
| Printing | 1,600.00 | 800.80 | 799.20 |
| Realtime Web Hosting | 6,000.00 | 1,800.00 | 4,200.00 |
| Clerical | 5,000.00 | - | 5,000.00 |
| Contingency | 3,000.00 | 3,000.00 | - |
| SUBTOTAL | 77,800.00 | 6,296.79 | 71,503.21 |
| TOTAL EXPENSES | 136,955.00 | 6,296.79 | 130,658.21 |
| CASH BALANCE AS OF 06-30-11 | | | 98,788.15 |

BEAR RIVER COMMISSION

DETAILS OF EXPENDITURES

FOR PERIOD ENDING JUNE 30, 2011

| | | |
|-----|---------------|------------|
| 717 | BIWC | 9,500.00 |
| 718 | USGS | 59,155.00 |
| 719 | BIWC | 4,998.60 |
| 720 | BIWC | 5,086.79 |
| 721 | BIWC | 5,547.93 |
| 722 | BIWC | 5,697.59 |
| 723 | BIWC | 5,709.47 |
| | Bank Fee | 35.00 |
| 724 | BIWC | 5,463.70 |
| 725 | C N A Surety | 100.00 |
| 726 | BIWC | 4,813.00 |
| 727 | BIWC | 4,996.15 |
| 728 | UGS | 1,068.55 |
| 729 | BIWC | 5,804.21 |
| 730 | MOKI SYSTEMS | 2,100.00 |
| 731 | BIWC | 6,467.06 |
| 732 | BIWC | 135.87 |
| 733 | MOKI SYSTEMS | 2,100.00 |
| 734 | VOID | |
| 735 | VOID | |
| 736 | BIWC | 1,879.29 |
| | TOTAL EXPENSE | 130,658.21 |

BANK RECONCILIATION

| | |
|---|-----------|
| Cash in Bank per Statement 06-30-11 | 5,202.91 |
| Plus: Intransit Deposits | |
| Less: Outstanding Checks | |
| Total Cash in Bank | 5,202.91 |
| Plus: Savings Account-Utah State Treasurer | 93,585.24 |
| TOTAL CASH IN SAVINGS AND IN CHECKING ACCOUNT | 98,788.15 |

BEAR RIVER COMMISSION

STATEMENT OF INCOME AND EXPENDITURES

FOR THE PERIOD OF JULY 1, 2011 TO NOVEMBER 8, 2011

| INCOME | CASH ON HAND | OTHER INCOME | FROM STATES | INCOME |
|------------------------------|-----------------|-----------------|----------------|------------|
| Cash Balance 07-01-11 | 98,788.15 | | | 98,788.15 |
| State of Idaho | | - | 40,000.00 | 40,000.00 |
| State of Utah | | - | 40,000.00 | 40,000.00 |
| State of Wyoming | | - | 40,000.00 | 40,000.00 |
| Water Quality | | - | | - |
| US Fish & Wildlife | | 2,048.76 | | 2,048.76 |
| Interest on Savings | | 293.10 | | 293.10 |
| TOTAL INCOME TO 08-Nov-11 | 98,788.15 | 2,341.86 | 120,000.00 | 221,130.01 |

DEDUCT OPERATING EXPENSES

| | APPROVED BUDGET | UNEXPENDED BALANCE | EXPENDITURES TO DATE |
|-----------------------------|--------------------|-----------------------|-------------------------|
| Stream Gaging/USGS Contract | 54,520.00 | - | 54,520.00 |
| SUBTOTAL | 54,520.00 | - | 54,520.00 |
| EXPENDED THROUGH COMMISSION | | | |
| Personal Services BIWC | 58,700.00 | 34,241.65 | 24,458.35 |
| Travel (Eng-Mgr) | 1,200.00 | 1,098.62 | 101.38 |
| Office Expenses | 1,600.00 | 1,580.82 | 19.18 |
| Printing Biennial Report | 1,000.00 | 1,000.00 | - |
| Treasurer Bond & Audit | 1,400.00 | 1,400.00 | - |
| Printing | 1,600.00 | 1,543.70 | 56.30 |
| Realtime Web Hosting | 8,400.00 | 4,200.00 | 4,200.00 |
| Clerical | 5,000.00 | 2,870.00 | 2,130.00 |
| Contingency | 3,000.00 | 3,000.00 | - |
| SUBTOTAL | 81,900.00 | 50,934.79 | 30,965.21 |
| TOTAL EXPENSES | 136,420.00 | 50,934.79 | 85,485.21 |
| CASH BALANCE AS OF 11-08-11 | | | 135,644.80 |

BEAR RIVER COMMISSION

DETAILS OF EXPENDITURES

FOR PERIOD ENDING NOVEMBER 8, 2011

| | | |
|-----|--------------|-----------|
| 737 | USGS | 54,520.00 |
| 738 | BIWC | 4,891.67 |
| 739 | BIWC | 10,470.93 |
| 740 | MOKI SYSTEMS | 2,100.00 |
| 741 | BIWC | 5,363.31 |
| 742 | MOKI SYSTEMS | 2,100.00 |
| 743 | BIWC | 6,039.30 |

TOTAL EXPENSE 85,485.21

BANK RECONCILIATION

| | |
|---|------------|
| Cash in Bank per Statement 11-08-11 | (3,233.54) |
| Plus: Intransit Deposits | |
| Less: Outstanding Checks | |
| Total Cash in Bank | (3,233.54) |
| Plus: Savings Account-Utah State Treasurer | 138,878.34 |
| TOTAL CASH IN SAVINGS AND IN CHECKING ACCOUNT | 135,644.80 |

SUMMARY OF BEAR LAKE OPERATION FOR WATER YEAR 2011 AND IRRIGATION ALLOCATION FOR 2012

| Date | Hydrologic Information/Event | Contents (% of Full) Discharge (% of Normal) |
|----------|--|--|
| 10-01-10 | Bear Lake Beginning Elevation - 5,910.25 ft. | 508,382 af (36%) |
| 11-09-10 | Bear Lake Low Elevation - 5,909.96 ft. (see note 1) | 489,754 af (34%) |
| | Rainbow Inlet Canal Discharge | 727,000 af (311%) |
| | Bear River Discharge Below Stewart Dam | 3,626 af |
| | Bear Lake Net Runoff (Computed Total Inflow less Lake Evaporation) | 841,000 af (260%) |
| 08-14-11 | Bear Lake High Elevation - 5,921.47 ft. | 1,267,873 af (89%) |
| | Outlet Canal Releases; 7/7-9/30 (86 Days) | 183,000 af |
| 07-22-11 | Outlet Canal Maximum Release - 1,540 cfs | |
| | Bear Lake Storage Release (see note 2) | 83,400 af |
| 09-30-11 | Bear Lake Ending Elevation - 5,919.96 ft. | 1,162,192 af (82%) |
| | Bear Lake Settlement Agreement "System Loss" Volume | Not Applicable - Flood Control operations |

Notes:

1 Low contents prior to start of storage.

2 Only flood control, no storage release for irrigation .

Notable Events

2011 saw a complete recovery from drought conditions at Bear Lake. Spring runoff was very high and the water level of Bear Lake increased more in 2011 than in any other water year on record. The large volume of available storage allowed a very simple operation at Bear Lake, store all available inflow. Rainbow Inlet Canal flow was bypassed through the Bear Lake Outlet Canal beginning July 7th. Bear Lake pumping began August 4th after the PacifiCorp Target Elevation was set at 5,918 feet for March 31, 2012.

Current Status

Bear Lake elevation as of November 14, 2011 was 5919.27'

Rainbow Inlet canal 360 cfs and releasing flood control storage from Bear Lake.