



State of Idaho

DEPARTMENT OF WATER RESOURCES

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C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

December 16, 2014

Brant Steigers
Potlatch Forest Holdings Inc.
Potlatch Land & Lumber LLC
Potlatch TRS Idaho LLC
601 W 1st Ave.
Spokane, WA 99201

RE: Notice of Error in Basin 92
Coeur d'Alene-Spokane River Adjudication (CSRBA)

Dear Mr. Steigers:

This letter is to respond to the Notice of Error (NOE) submissions for your claims in the CSRBA for Basin 92. There are some "errors" you identified in your preliminary recommendations that the Department cannot change. The reasons for not changing the identified issues are detailed below.

First of all claim 92-10886 will be recommended disallowed since evidence supporting the claim was not provided. In addition, there are two claims in Basin 91 (91-7724 and 91-7725) that also do not have sufficient evidence to recommend. However Basin 91 will not be reported to the Court until February 2015 so you still have time to submit evidence.

There were three claims (92-10877, 92-10878, and 92-10884) that the Department did not have sufficient evidence to recommend in the preliminary director's report. You submitted evidence with the NOEs that supports recommending the three rights in the Basin 92 director's report.

You stated in multiple NOEs (92-10879, 92-10881, 92-10882, 92-10883, and 92-10885) that the remark concerning forest practices was not consistent with the claimed uses. Upon further review of these claims the Department has determined that the uses described in the claims fit within the definition of forest practices. Therefore, the remark "Industrial use is for forest practices and forest dust abatement as provided for by Section 42-201, Idaho Code" will remain in the recommendations. Definition of the type of industrial use is standard practice in Department recommendations.

The Department must recommend licensed rights consistent with the licenses, including the conditions. If there was a problem with the way the rights were licensed, the time to address it was during licensing. Because the volume limitation and "Industrial use is for watering log decks" on right 92-7218 are in the license, these items cannot be removed. This is the same for the volume limitation on right 92-7043.

It was also discovered upon review that the Department recommended the period of use for right 92-7043 inconsistently with the license. Therefore the recommendation for 92-7043 will list the period of use as 06/01 to 11/30. Additionally, three conditions contained in the license for right 92-7218 were not on the preliminary recommendation and, consistent with the license, will be added to the recommendation in the director's report.

It is department policy that a storage component is not needed on a water right where the storage impoundment can be filled within 24 hours (see Administration Memo 73). Because of this policy, claim number 92-7218 will not have the storage component added to it. Additionally, to maintain the consistency of recommendations, the storage component has been removed from 92-10876 as it falls under the 24-hour policy. Since the storage component will be removed from the recommendation, so too will the 7.00 AFY limitation.

The industrial use remark on claim 92-10876 will be changed to "Industrial use is for St. Maries Sawmill."

Upon further review of claim 92-4014 the evidence submitted is only sufficient to recommend a domestic right, as described in 42-111(1)(b) Idaho Code, for 0.04 cfs and a diversion volume of 2,500 gpd. The Department has determined that the remainder of the water use claimed under 92-4014 is covered by rights 92-7043 and 92-7218.

Since the Department will be submitting the Basin 92 director's report at the end of this month there is little time to make any changes to the recommendations. However if you have any questions or concerns you are welcome to contact me on my direct line (208) 287-4917.

Sincerely,

A handwritten signature in black ink, appearing to read "Carter Fritschle", with a stylized flourish at the end.

Carter Fritschle
Manager, Adjudication Section

cc: Michael P. Lawrence