

## State of Idaho DEPARTMENT OF WATER RESOURCES

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BRAD LITTLE Governor

GARY SPACKMAN
Director

January 15, 2020

KNIFE RIVER CORPORATION MOUNTAIN WEST c/o JUSTIN TIETZ 5450 W GOWEN RD BOISE ID 83709-5625

PIONEER IRRIGATION DISTRICT c/o ANDREW J WALDERA SAWTOOTH LAW, LLC PO BOX 7985 BOISE ID 83707

CITIES OF MERIDIAN AND CALDWELL c/o CHARLES HONSINGER HONSINGER LAW PLLC PO BOX 517 BOISE ID 83701 CITY OF BOISE c/o ABIGAIL GERMAINE OFFICE OF THE CITY ATTORNEY PO BOX 500 BOISE ID 83701-0500

SUEZ WATER IDAHO c/o MICHAEL P. LAWRENCE GIVENS PURSLEY LLP 601 W BANNOCK ST PO BOX 2720 BOISE, ID 83701-2720

RE: Application for Permit 63-34769 (Knife River Corp. - Mountain West)

Dear Parties and Petitioners:

The Department of Water Resources ("Department") acknowledges and accepts a settlement reached between Knife River Corporation – Mountain West (Applicant) and Pioneer Irrigation District (Protestant) in this contested matter. The Department will consider the Settlement pursuant to the Department's Rule of Procedure 612 (IDAPA 37.01.01.612).

The Applicant and Protestant have agreed that any approval of application 63-33769 include the following three conditions:

1. The right holder shall make full beneficial use of all surface water available to the right holder for irrigation of lands within the authorized place of use for this right. The right holder may divert ground water under this right to irrigate land with appurtenant surface water rights only when the surface water supply is not reasonably sufficient to irrigate the place of use for this water right or is not available due to drought, curtailment by priority, or the seasonal startup and shutoff or maintenance schedule of an irrigation delivery entity. The right holder shall not divert ground water for irrigation purposes under this right if use of the surface water supply is not deliverable due to non-payment of annual assessments without an approved transfer pursuant to Idaho Code § 42-222 or other Department approval.

- 2. To mitigate for potential injury, the right holder shall drill and case its well to a minimum depth of 200 feet below ground surface.
- 3. The diversion and use of water described in this right may be subject to additional conditions and limitations agreed to by the protestant and the right holder under a separate agreement to which the Department is not a party. Because the Department is not a party, the Department is not responsible for enforcement of any aspect of the agreement not specifically addressed in other conditions herein. Enforcement of those portions of the agreement not specifically addressed in other conditions shall be the responsibility of the protestant and the water right holder.

The proposed conditions are similar to existing standard Department conditions. The Department accepts the settlement and agrees to include substantially similar conditions on any permit issued pursuant to application 63-34769. The Department will consider Pioneer Irrigation District's protest to be conditionally withdrawn. Accordingly, the Department will proceed to review the application pursuant § 42-203A without conducting a hearing. Pioneer Irrigation District will receive a copy of any decision approving or denying the application.

The Department received petitions from SUEZ Water Idaho, Inc., the Cities of Meridian and Caldwell, and the City of Boise to intervene in the contested case created by Pioneer Irrigation District's protest to application 63-34769. The protest that created the contested matter to which SUEZ and the cities sought to intervene has been resolved. Because a formal hearing is no longer required to be held, the Department will not respond to the petitions to intervene and will not hold the January 16, 2020 status conference previously contemplated.

Please contact this office if you have further questions regarding this matter.

Sincerely,

Nick Miller

Manager, IDWR Western Region