

April 7, 2014

Idaho Dept. of Water Resources
900 N. Skyline Dr. Ste. A
Idaho Falls, ID 83402

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APR 07 2014

Department of Water Resources
Eastern Region

RE: Application to Appropriate 13-7912 Varley Farms Inc.

To Whom it May Concern:

PacifiCorp owns water rights in the Bear River and Bear Lake as decreed in the matter of *Utah Power & Light Company v Last Chance Canal Company, Limited, et al.*, in Equity No. 203, July 14, 1920 (Dietrich Decree), and *Utah Power & Light Company v. Richmond Irrigation Company, et al.*, February 21, 1922 (Kimball Decree), as well as other rights in the Bear River.

PacifiCorp has contracts for delivery of water from Bear Lake to irrigators in both Idaho and Utah. Any water allowed to be diverted that would otherwise naturally flow to the Bear River and thus diminish the natural flow of the Bear River would require more water to be released from Bear Lake. In the 1995 Bear Lake Settlement Agreement, amended in 2004, PacifiCorp and the Bear River water users and Bear Lake interests agreed that no more water would be released from Bear Lake than was necessary to meet the needs of the irrigators based on the elevation of Bear Lake each year.

PacifiCorp has reviewed the application to appropriate water from an unnamed spring which is tributary to the Bear River. The application states that the water will be used for fish propagation, wildlife and recreation storage. PacifiCorp acknowledges a meeting with Norm Johnson of Varley Farms last fall and has been aware of the existence of the pond for several years. PacifiCorp appreciates that Mr. Johnson is now seeking to obtain a water right for the existing pond, however, PacifiCorp is intervening in the application since the pond's associated evaporation losses, while seemingly small, has an impact on PacifiCorp's hydroelectric water rights downstream and its contracts for delivery of water in the Bear River.

The Bear River basin is fully appropriated and therefore, this application must be denied. If the applicant desires to use water for a pond, a transfer application should be sought and acreage dried up to mitigate for the water to be used for this purpose.

Cordially,



Claudia Conder
Water Rights Administrator for PacifiCorp

Cc: Norm Johnson, Varley Farms, Inc.
995 River Road
Grace, ID 83241

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