

Memorandum

Date: February 6, 2012

To: File 63-9890

From: Craig L. Saxton

RE: Summary of licensing review for 63-9890

POD and POU:

Determined by field examination

Diversion Rate:

Max diversion rate of 1.43 cfs measured and not disputed.

Diversion Volume:

There is a series of E-mails in September of 2008 where IDWR and the VA discussed licensing a volume of 628.0 AF or 628.6 AF. The draft license indicates that IDWR agreed to 628.6 AF and I agree with that decision.

Overlap:

Jan Shurte's 1-27-12 memo addresses the back ground of overlapping right 63-29710 and identifies the need for a combine use limit for both diversion rate and volume for 63-9890 and 63-29710.

Reinjection Condition:

The condition requiring water be reinjected back into the aquifer was added to the permit upon approval of a request for extension of time to submit proof of beneficial use, approved November 30, 1987.

Condition #1 on the (proposed) license:

The draft license included as "Exhibit D" in the September 23, 2008 agreement does not include the language that releases IDWR of responsibility for enforcing part (c) of the condition:

Part (c) is a condition in an agreement between the right holder and other Boise Front low temperature geothermal water users -- the State of Idaho, City of Boise, Boise Warm Springs Water District, and Terteling Co., Inc. -- dated September 23, 2008, to which the Idaho Department of Water Resources is not a party and which may be enforceable by a court of law. The Idaho

Department of Water Resources will not determine or enforce the provisions of part(c) of this condition.

Its addition was discussed in an e-mail string in March of 2009 with David Stanish (AG) and David Gehlert (DOJ) in which they stated that they had no objection to its addition.

Then there was a period of time where IDWR was waiting for the date in with the referenced agreement was signed. In 2012, there was discussion over when it would be signed by all parties and David Negri (DOJ) said there was a verbal agreement but the stipulation will be submitted to the Court through the SRBA process. So the date of the agreement, September 23, 2009, was used in the condition language.