



State of Idaho

DEPARTMENT OF WATER RESOURCES

Eastern Region, 900 North Skyline Drive, Suite A • Idaho Falls, Idaho 83402-1718

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C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

June 30, 2011

Rob Harris
Holden Kidwell Hahn & Crapo
PO Box 50130
Idaho Falls, ID 83405-0130

RE: Transfer No. 73430 (Twin Lakes Canal Company)

Dear Mr. Harris:

In March 2007, you filed a transfer application on behalf of Twin Lakes Canal, seeking to better define the company's service boundary and to add "irrigation storage" as an element to certain water rights. This addition of a beneficial use element clearly constitutes an enlargement under Idaho Code § 42-222. We've discussed this transfer a number of times over the last year. You acknowledged that the transfer is not viable as drafted and mentioned that you would like to file an amended transfer. This application is now the oldest transfer in the Eastern Region, and consequently has risen to the top of the resolution hit list.

As I review the purpose of the transfer, it seems to be unrelated to the contested application for permit for the Oneida Narrows Dam. I believe we could move forward with the transfer, regardless of the status of the permit application. I recognize, however, that you may want to hold off on pursuing this transfer until after the contested permit application is resolved. If that is the case, I ask that you withdraw the transfer for the time being, and re-file when the public scrutiny of Twin Lakes system has died down a little bit. If the transfer is withdrawn, we will refund the application fee (\$4910).

You may not be aware that, even though the transfer has not been advertised, a protest was filed against the transfer by the US Fish & Wildlife Service. The protest asserts that the addition of irrigation storage to the water rights constitutes an enlargement. Withdrawing the application would of course eliminate the protest. If you choose to amend the application, however, the protest (and any others filed) will still need to be resolved. Please file an amended transfer or a withdrawal by July 30, 2011. If we don't receive a response by that date, we will move forward with processing the transfer, as currently drafted.

Sincerely,

James Cefalo
Water Resources Program Manager
IDWR Eastern Regional Office