



State of Idaho

DEPARTMENT OF WATER RESOURCES

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May 27, 2011

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Governor

GARY SPACKMAN
Interim Director

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IDAHO GROUND WATER
APPROPRIATORS INC
RANDY BUDGE, RACINE OLSON
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JERRY RIGBY
RIGBY THATCHER ANDRUS RIGBY
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RESOURCES CO LLC
DANA HOFSTETTER
608 W FRANKLIN ST
BOISE ID 83702

JOSEPHINE BEEMAN
BEEMAN ASSOCIATES
409 W JEFFERSON ST
BOISE ID 83702

RE: Permit Nos. 02-7375 and 02-7379 and Application No. 02-10325

Dear Interested Parties:

The Department of Water Resources (IDWR) has received your request of May 4, 2011, to alter the subordination conditions on Permit Nos. 02-7375 and 02-7379 and to suggest specific conditions for any permit issued for Application No. 02-10325.

IDWR is working on a license for the water use authorized by Permit No. 02-7379 and proposes to implement your suggested changes when the license is issued. The only difference from your suggested text would be use of the words "license" or "right" instead of "permit."

Similarly, IDWR is working on a draft permit for Application No. 02-10325. IDWR believes your suggested conditions can be included in the permit if/when it is issued.

IDWR is not currently working on Permit No. 02-7375, although it is due for a beneficial use field examination. IDWR believes it is appropriate to have an administrative process for adding new conditions to permits. One option would be for Idaho Power Company to apply to amend the permit pursuant to Idaho Code § 42-211, which provides a process for making "substantial changes" to a permit. IDWR's preferred option, however, would be to consider changing the condition when issuing a license. If Idaho Power Company wants to pursue the amendment, IDWR will consider the signed agreement to be a sufficient request once the statutory filing fee

Letter Regarding Hydropower Water Rights

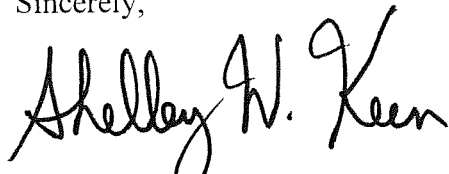
May 27, 2011

Page 2

Of \$50.00 (\$100.00 after June 30, 2011) is submitted. Advertising an amendment request is discretionary and will not likely be required because the proposed changes have already had some level of public scrutiny.

If you have any questions or suggestions, please call me at 208-287-4947, or email me at shelley.keen@idwr.idaho.gov.

Sincerely,

A handwritten signature in black ink that reads "Shelley W. Keen". The signature is written in a cursive, flowing style.

Shelley W. Keen, Manager
Water Rights Section