

FAX COVER SHEET

DATE: Wednesday, April 21, 2004

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RE: United Water Idaho—IMAP
Our File No. 30-71

TO: Victoria Wigle

SEND TO FAX PHONE: ³⁸⁷⁻~~387~~ 7866

MESSAGE:

Attached is *United Water's Motion in Limine to Exclude Don Reading*. If you have any questions or need anything else please call.

— Katrina

If this fax does not transmit fully or is difficult to read, please contact me at (208) 388-1227.

CONFIDENTIALITY NOTICE

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Counsel for Applicant United Water Idaho Inc.

RECEIVED

SEP 23 2003

Department of Water Resources

BEFORE THE IDAHO DEPARTMENT OF WATER RESOURCES

IN THE MATTER OF INTEGRATED
MUNICIPAL APPLICATION PACKAGE
("IMAP") OF UNITED WATER IDAHO
INC., BEING A COLLECTION OF
INDIVIDUAL APPLICATIONS FOR
TRANSFERS OF WATER RIGHTS AND
APPLICATIONS FOR AMENDMENT OF
PERMITS.

UNITED WATER'S MOTION IN LIMINE
TO EXCLUDE DON READING

MOTION

Pursuant to Idaho Code §§ 42-203A(4), 42-222(1), 42-1701A and 67-5242, Idaho Rules of Civil Procedure 37(b) and (d), IDAPA 37.01.01.260, IDAPA 37.01.01.413, IDAPA 37.01.01.520.02, and IDAPA 37.01.01.531, United Water Idaho Inc. ("United Water" or the "Company") hereby moves for an order excluding any testimony or reports of Dr. Don Reading, solely sponsored by Pioneer Irrigation District and Settlers Irrigation District (the "Districts"). United Water further moves that the Districts be precluded from offering any other witness or evidence on the subject of demand forecasting and future needs.

In the alternative, the Hearing Officer may treat this motion as a motion to compel discovery.

In addition to the relief sought herein, United Water moves for such other relief as the Hearing Officer deems appropriate under the circumstances, including an award of costs and attorney fees.

SUMMARY OF FACTS

United Water's expert witness on the issue of forecasting population and water demand is Mr. John Church. Pioneer and Settlers' witness on this subject is Dr. Don Reading. Pioneer and Settlers are the only sponsor of Dr. Reading.

Mr. Church's analysis and supporting documentation were set out in full in the IMAP application itself. From the beginning of this proceeding United Water has made Mr. Church available, at the Company's expense, to answer any and all questions about the data, methodology and assumptions he employed in developing his demand forecasts. Mr. Church made a detailed presentation at the first prehearing conference on June 11, 2002 (prior to the Hearing Officer's appointment). He did so again in a special technical meeting following the second prehearing conference on September 23, 2002.

United Water indefinitely extended the invitation to meet informally with Mr. Church.¹ (See Exhibit A, in which the offer is reiterated). In order to facilitate these discussions, United Water waived any objection to direct communication between the parties and Mr. Church. Exhibit A.

On March 26, 2003—over nine months after the offer was first extended—the Districts requested a meeting with Mr. Church. Exhibit B. United Water arranged for an informal

¹ The offer expired with the close of discovery imposed by the Hearing Officer. Discovery has been extended by agreement of the parties with respect to the deposition of Dr. Reading.

meeting to allow Dr. Reading to inquire into Mr. Church's methodology. The meeting took place on April 11, 2003, and was also attended by counsel.

Mr. Church followed up on various inquiries by providing additional explanations and documents directly to Dr. Reading. Mr. Church even undertook additional research and analysis at Dr. Reading's request. Every request of Dr. Reading was satisfied by Mr. Church. This process is documented in an exchange of emails over the course of three weeks between the two experts. These are set out as Exhibit C.

In sharp contrast to United Water's cooperative efforts, the Districts have refused to disclose Dr. Reading's opinions. This refusal is the basis of this motion.

On February 27, 2003, the Hearing Officer issued his *Second Prehearing Order* requiring all parties to "informally disclose information by responding to reasonable oral or written requests for information." (This was the second order to this effect.) On March 25, 2003, United Water sent identical letters to the two Districts asking them to identify and explain any disagreements they have with Mr. Church's population and water demand forecasts. Exhibit D. The Districts did not respond.

United Water wrote again on April 24, 2003 asking for a response and proposing a meeting to facilitate communication. Exhibit E. Again, the Districts did not respond.

United Water wrote again on May 5, 2003 renewing its request. Exhibit F. The Districts finally replied on May 8, 2003, but only to declare that they would not provide any information because of their pending motion to stay. Exhibit G.

On May 22, 2003 United Water once again requested a response, reminding the Districts they were not authorized to unilaterally call off the informal information exchange. Exhibit H. The Districts finally provided other responses on May 27, 2003 but did not respond to the

question regarding Mr. Church's methodology and conclusions other than to say their analysis was ongoing. Exhibit I.

That sums up the Districts' conduct during informal discovery. Their approach to formal discovery has been equally stubborn.

In their July 17, 2003 response to Interrogatory No. 3, the Districts' gave this response to United Water's query about the substance of Dr. Reading's opinions: "Mr. Reading is expected to testify regarding the methodology and validity of the data used and conclusions reached by Mr. John Church." Exhibit J. In response to Interrogatory No. 16 asking what was wrong with Mr. Church's forecast, the Districts had nothing to say except that each of them would continue to "refine its analysis." Exhibit J. This was all the Districts could offer, despite the fact that Dr. Reading had been retained by them for at least five months and had engaged in an intensive review of the IMAP analysis with Mr. Church three months prior to the Districts' discovery responses.

United Water noticed Dr. Reading for a deposition on Tuesday, August 26, 2003. By Thursday, August 22, 2003, United Water had not received any supplemental responses from the Districts and therefore remained in the dark about Dr. Reading's opinions. United Water sent an email to Ms. Kaufmann (counsel for the Districts) requesting supplemental answers prior to the deposition, in order that United Water might prepare effectively for the deposition. Exhibit K. It appears that the email was forwarded to Mr. Campbell (co-counsel for the Districts). On August 25, 2003, Mr. Campbell responded: "Don't do it." Exhibit L. In other words, Mr. Campbell instructed Ms. Kaufman not to comply with United Water's request for information. See Exhibit M (in which this instruction is discussed).

This email precipitated an exchange of correspondence between counsel on August 25, 2003. Exhibit M. In the end, the parties agreed to postpone the deposition of Dr. Reading in order to provide the Districts additional time to prepare supplemental responses explaining Dr. Reading's opinions. Exhibit M. The Districts stated that Dr. Reading would be available for a rescheduled deposition on September 17, 2003. Exhibit M.

As the rescheduled deposition date of September 17, 2003 approached, United Water still had not received any supplemental responses. On September 8, 2003, United Water wrote requesting them. Exhibit N. In response, the Districts served supplemental discovery responses on September 9, 2003. Exhibit O. However, these responses did not provide any further information about Dr. Reading's opinions nor any analysis of Mr. Church's work. Instead, the District designated six previously undisclosed witnesses (after the close of discovery).

On September 10, 2003, United Water once again requested supplemental responses prior to Dr. Reading's deposition. Exhibit P. Counsel for the Districts responded by letter dated September 12, 2003 stating for the first time that the Districts have not provided supplemental responses because "Dr. Reading has not formed any opinions of a detailed nature" in this matter. Exhibit Q. Upon learning that Dr. Reading had not yet formed any detailed opinions, United Water wrote on September 15, 2003 to "reluctantly" propose rescheduling Dr. Reading's deposition once again until after the Districts provided United Water with supplemental responses stating Dr. Reading's opinions. Exhibit R.

United Water requested confirmation of this arrangement by close of business that day. When no response was received, United Water wrote again on September 16, 2003 canceling the deposition set for the following day, noting that it would be unproductive to depose him if he has formed no opinions. Exhibit S. The letter stated that the deposition would be rescheduled within

ten days—but no further—in order to give the Districts yet another opportunity to prepare and to advise United Water in advance of Dr. Reading's opinions.

Seven days later, on September 23, 2003, the Districts responded by letter stating (1) that Dr. Reading still has formed no opinions and (2) that the Districts expressly instructed Dr. Reading not to form any opinions or otherwise to prepare for the deposition in light of the fact that United Water had recently filed motions to dismiss their protests.

ARGUMENT

The Hearing Officer has broad authority under the Department's Rules of Procedure to manage this hearing. IDAPA 37.01.01.413. This includes the authority "to schedule and compel discovery," to "rule upon objections to evidence," and "otherwise oversee the orderly presentations of the parties at hearing." In addition, the Hearing Officer derives authority from the applicable Idaho Rules of Civil Procedure. These are discussed extensively in United Water's *Motions to Dismiss*, each dated September 15, 2003, which argument is hereby referenced and adopted.

The Hearing Officer has issued three orders instructing that discovery should proceed (two ordering informal discovery and one ordering formal discovery). United Water has sought information regarding the Districts' expert opinions and evidence on the subject of demand forecasting and future needs since March 25, 2002. The Districts consistently have defied the Hearing Officer's discovery orders. United Water has avoided bringing this to the Hearing Officer's attention while undertaking every conceivable effort to resolve the matter informally. In doing so, United Water has incurred substantial expense.

Six months of stonewalling has now culminated in an express instruction to its witness not to form opinions or otherwise cooperate in the discovery process. The Districts' sole stated

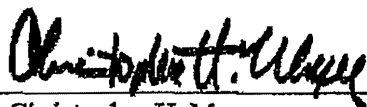
basis for this instruction is that it is retaliating for United Water's "unfortunate" decision to file motions to dismiss.

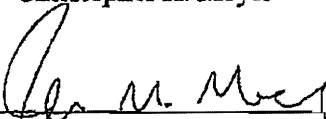
It should be noted that the Districts have filed numerous motions against United Water in this matter, some of them seeking summary dismissal of United Water's entire IMAP. No one, including United Water, has suggested that a pending dispositive motion authorizes a party to unilaterally suspend discovery, and no other party has presumed to usurp the Hearing Officer's authority in this manner.

The facts speak for themselves. The Hearing Officer has ample authority to correct misconduct. The conduct described here defies the Hearing Officer, undermines the hearing process, and challenges the Department's authority. It should be dealt with firmly. We believe that, at a minimum, a party that refuses to make a witness' opinions available (or even to be formed) should not be allowed to offer that witness at hearing.

Respectfully submitted this 26th day of September, 2003.

GIVENS PURSLEY LLP

By: 
Christopher H. Meyer

By: 
John M. Marshall

Attorneys for Applicant
United Water Idaho Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this 26th day of September, 2003, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

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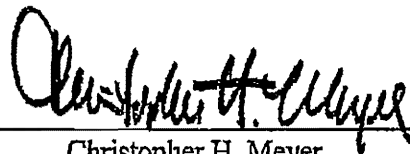
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Christopher H. Meyer

INDEX TO EXHIBITS

- Exhibit A. December 27, 2002, Letter from Christopher Meyer to Scott Campbell, Albert Barker and Daniel Steenson
- Exhibit B. March 26, 2003, Letter from Angela Schaer Kaufmann to Christopher Meyer and John Marshall
- Exhibit C. (1) April 14, 2003, Email from John Church to Don Reading;
(2) April 15, 2003, Email from John Church to Don Reading;
(3) April 22, 2003, Email from John Church to Don Reading;
(4) April 24, 2003, Email from Don Reading to John Church;
(5) May 1, 2003, Email from John Church to Don Reading
- Exhibit D. (1) March 25, 2003, Letter from John Marshall to Scott Campbell (Settlers)
(2) March 25, 2003, Letter from John Marshall to Scott Campbell (Pioneer)
- Exhibit E. April 24, 2003, Letter from John Marshall to Scott Campbell
- Exhibit F. May 5, 2003, Letter from John Marshall to Scott Campbell
- Exhibit G. May 8, 2003, Letter from Angela Schaer Kaufmann to Christopher Meyer and John Marshall
- Exhibit H. May 22, 2003, Letter from Christopher Meyer to Scott Campbell
- Exhibit I. (1) May 27, 2003, Letter from Scott Campbell to Christopher Meyer and John Marshall (Settlers)
(2) May 27, 2003, Letter from Scott Campbell to Christopher Meyer and John Marshall (Pioneer)
- Exhibit J. (1) July 17, 2003, Pioneer Irrigation District's Responses to UWID's First Set of Discovery Requests to Pioneer Irrigation District
(2) July 17, 2003, Settlers Irrigation District's Responses to UWID's First Set of Discovery Requests to Settlers Irrigation District
- Exhibit K. August 22, 2003, Email from John Marshall to Angela Schaer Kaufmann
- Exhibit L. August 25, 2003, Email from Scott Campbell to John Marshall
- Exhibit M. (1) August 25, 2003, Letter from John Marshall to Scott Campbell
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(3) August 25, 2003, Letter from John Marshall to Scott Campbell
(4) August 26, 2003, Letter from Scott Campbell to John Marshall
- Exhibit N. September 8, 2003, Letter from John Marshall to Scott Campbell

- Exhibit O. September 9, 2003, Supplemental Responses of Pioneer Irrigation District and Settlers Irrigation District to UWID's First Set of Discovery Requests
- Exhibit P. September 10, 2003, Letter from John Marshall to Scott Campbell
- Exhibit Q. September 12, 2003, Letter from Scott Campbell to John Marshall
- Exhibit R. September 15, 2003, Letter from John Marshall to Scott Campbell
- Exhibit S. September 16, 2003, Letter from John Marshall to Scott Campbell
- Exhibit T. September 23, 2003, Letter from Scott Campbell to John Marshall

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Counsel for Applicant United Water Idaho Inc.

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SEP 29 2003
Department of Water Resources

**BEFORE THE
IDAHO DEPARTMENT OF WATER RESOURCES**

IN THE MATTER OF INTEGRATED
MUNICIPAL APPLICATION PACKAGE
("IMAP") OF UNITED WATER IDAHO
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INDIVIDUAL APPLICATIONS FOR
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**UNITED WATER'S MOTION IN LIMINE
TO EXCLUDE DON READING**

MOTION

Pursuant to Idaho Code §§ 42-203A(4), 42-222(1), 42-1701A and 67-5242, Idaho Code of Civil Procedure 37(b) and (d), IDAPA 37.01.01.260, IDAPA 37.01.01.413, IDAPA 37.01.01.520.02, and IDAPA 37.01.01.531, United Water Idaho Inc. ("United Water" or the "Company") hereby moves for an order excluding any testimony or reports of Dr. Don Reading, solely sponsored by Pioneer Irrigation District and Settlers Irrigation District (the "Districts"). United Water further moves that the Districts be precluded from offering any other witness or evidence on the subject of demand forecasting and future needs.

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This email precipitated an exchange of correspondence between counsel on August 25, 2003. Exhibit M. In the end, the parties agreed to postpone the deposition of Dr. Reading in order to provide the Districts additional time to prepare supplemental responses explaining Dr. Reading's opinions. Exhibit M. The Districts stated that Dr. Reading would be available for a rescheduled deposition on September 17, 2003. Exhibit M.

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ARGUMENT

The Hearing Officer has broad authority under the Department's Rules of Procedure to manage this hearing. IDAPA 37.01.01.413. This includes the authority "to schedule and compel discovery," to "rule upon objections to evidence," and "otherwise oversee the orderly presentations of the parties at hearing." In addition, the Hearing Officer derives authority from the applicable Idaho Rules of Civil Procedure. These are discussed extensively in United Water's *Motions to Dismiss*, each dated September 15, 2003, which argument is hereby referenced and adopted.

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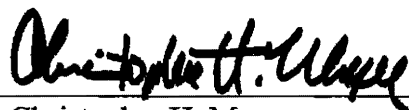
basis for this instruction is that it is retaliating for United Water's "unfortunate" decision to file motions to dismiss.

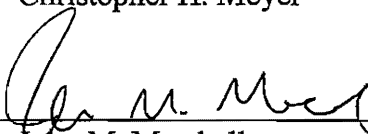
It should be noted that the Districts have filed numerous motions against United Water in this matter, some of them seeking summary dismissal of United Water's entire IMAP. No one, including United Water, has suggested that a pending dispositive motion authorizes a party to unilaterally suspend discovery, and no other party has presumed to usurp the Hearing Officer's authority in this manner.

The facts speak for themselves. The Hearing Officer has ample authority to correct misconduct. The conduct described here defies the Hearing Officer, undermines the hearing process, and challenges the Department's authority. It should be dealt with firmly. We believe that, at a minimum, a party that refuses to make a witness' opinions available (or even to be formed) should not be allowed to offer that witness at hearing.

Respectfully submitted this 26th day of September, 2003.

GIVENS PURSLEY LLP

By: 
Christopher H. Meyer

By: 
John M. Marshall

Attorneys for Applicant
United Water Idaho Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this 26th day of September, 2003, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

Idaho Department of Water Resources
State Office
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☐ Hand Delivery
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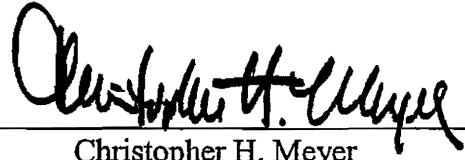
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Christopher H. Meyer

INDEX TO EXHIBITS

- Exhibit A. December 27, 2002, Letter from Christopher Meyer to Scott Campbell, Albert Barker and Daniel Steenson
- Exhibit B. March 26, 2003, Letter from Angela Schaer Kaufmann to Christopher Meyer and John Marshall
- Exhibit C. (1) April 14, 2003, Email from John Church to Don Reading;
(2) April 15, 2003, Email from John Church to Don Reading;
(3) April 22, 2003, Email from John Church to Don Reading;
(4) April 24, 2003, Email from Don Reading to John Church;
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- Exhibit D. (1) March 25, 2003, Letter from John Marshall to Scott Campbell (Settlers)
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- Exhibit T. September 23, 2003, Letter from Scott Campbell to John Marshall

A

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December 27, 2002

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Re: United Water Idaho—IMAP
Our File No. 30-71

Dear Albert, Travis, Scott, Angela, Andy, Dan and Charlie:

This letter is in further response to your joint information request of November 26, 2002.

In paragraphs 8 and 9, you requested information concerning how the IMAP's population and water demand projections for 2001 and 2002 compare with actual experience. This information does not exist in our files. Nevertheless, I have asked our consultant John Church to review recent data in order to respond to this request. That will be forthcoming shortly, either from me or directly from John.

By the way, let me reiterate our previous offers to make Mr. Church available to you to explain any and all aspects of the IMAP projections. If you wish to contact him directly with technical questions, feel free to do so. We waive any objection. His number is 323-0732 and his email is ideconomics@earthlink.net. Please copy me on any email or other written communications. Thank you.

Albert P. Barker, Esq., et al.
December 27, 2002
Page 2

Responses to other information requests will follow separately.

Sincerely,



Christopher H. Meyer

cc: Protestants
John Church
Scott Rhead
John Marshall

CHM:kdt S:\CLIENTS\3071\CHM Information response-0001.DOC

B

RECEIVED

Boise
Idaho Falls
Pocatello

MAR 27 2003

Moffatt Thomas

MOFFATT THOMAS BARRETT ROCK & FIELDS, CHTD.

Givens Pursley, LLP

March 26, 2003

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John Marshall
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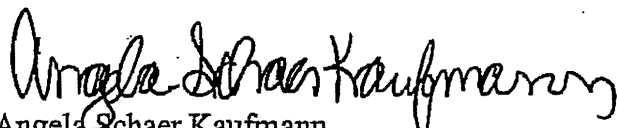
Re: Meeting with John Church
MTBR&F File No. 18946.26

Dear Chris and John:

You recently offered to make John Church available to speak with us regarding his research and findings in the IMAP matter. Our consultant Don Reading and I would like to schedule a time to meet with Mr. Church. Mr. Reading and I are both available on Wednesday, April 2, the morning of April 3, all day April 4, April 7, the morning of April 8, all day April 9, April 10, or April 11.

I look forward to hearing from you regarding this matter. We can meet him here in our offices at Moffatt Thomas if that is convenient for you and for Dr. Church.

Very truly yours,


Angela Schaer Kaufmann

ASK/cbh

C

From: John Church <ideconomics@earthlink.net>
To: Don Reading <dreading@mindspring.com>
Cc: Angela Schaer Kaufmann <ask@moffatt.com>, Christopher Meyer <Chm@givenspursley.com>, John Marshall <jmm@givenspursley.com>, Scott Rhead <scott.rhead@unitedwater.com>
Sent: 4/14/2003 4:04PM
Subject: United Water IMAP Files

Don:

I have attached some files from the United Water IMAP application that will clarify some of the items that we discussed last Friday.

First Page 176 concerning estimation peak day water production. I have added a box at the bottom of the page that details my conversion of average daily production in thousands of gallons to peak day production expressed in average CFS.

Second..... In response to your request, I have attached the spreadsheet that details forecasted Ada County population by year by TAZ -- pages 100 - 127 in the Appendix A to the IMAP application.

Third.....I have attached a spreadsheet of the monthly IMAP forecast at Tab 2 of Appendix A to the IMAP application. This would pages 12 - 27 of Appendix A. Therein I have highlighted the weighted weather variables used in the regression analysis of United Water sales. The actual monthly weather data is in the columns next to the highlighted columns. In addition, when I performed a second examination of the forecasted annual peak months on the spreadsheet I found that only September was forecasted to be the peak month for production. I inserted monthly dates in Column W of the spreadsheet so that it is easier to compare dates with the forecasted peak month for water production.

Fourth.... I included the annual summary of the above mentioned monthly forecast (Appendix A, Tab 2, Page 10). This is the summary where you mentioned that the annual forecasted peak month figure was less than the predicted peak month figure found in the monthly forecast detail --- the detail shown in pages 12 - 27.

The difference between the Page 10 summary and the forecasted monthly figures is due to an adjustment that was made to account for the increased development of residential properties with secondary sources of non-potable irrigation water. An analysis of United Water's residential customers with access to NPI sources found that those residential customers used, on average in that sample, 189 CCF less water from United Water than did those customers that did not have access to NPI sources. If all of the future residential households in United Water's Planning Area had access to and utilized NPI water sources my estimates are that it would reduce United Water's projected annual water production by 0.0008%. However, since NPI sources would only reduce water production during the summer months it would translate to an average reduction of 0.0016% for summer month production. That is

9/26/2003

the difference between the summary peak month production figures on page 10 and the forecasted monthly figures for the peak months in pages 12 - 27. I subtracted off an allowance for NPI sources displacing some of the forecasted United Water production. I'm soory that I did not make that transition clear in the IMAP application.

I have one more item that I will forward to you later this afternoon.

If you have any questions please feel free to contact me.

Sincerly,

John Church

9/26/2003

From: John Church <ideconomics@earthlink.net>
To: Don Reading <dreading@mindspring.com>
Cc: "Christopher H. Meyer" <chm@givenspursley.com>, Angela Schaer Kaufmann <ask@moffatt.com>, John Marshall <jmm@givenspursley.com>, Scott Rhead <scott.rhead@unitedwater.com>
Sent: 4/15/2003 7:26AM
Subject: Correction to Yesterday's E-mail about IMAP Data

Don:

In yeaterday's e-mail concerning the IMAP forecast: In the fourth item the percentages that I stated in the last full paragraph were incorrect. They were expressed in thier decimal form not the percentages, the affected sentences should read as follows:

" it would reduce United Water's projected annual water production by 0.08%. However, since NPI sources would only reduce water production during the summer months it would translate to an average reduction of 0.16% for summer month production."

Please make note of this correction in your calculations.

Sincerly,

John Church

9/26/2003

From: John Church <ideconomics@earthlink.net>
To: Don Reading <dreading@mindspring.com>
Cc: Angela Schaer Kaufmann <ask@moffatt.com>, Scott Rhead <scott.rhead@unitedwater.com>, John Marshall <jmm@givenspursley.com>, Christopher Meyer <Chm@givenspursley.com>
Sent: 4/22/2003 4:03PM
Subject: United Water IMAP

Don:

Did I promise you anything else that I haven't delivered to you concerning your analysis of the United Water IMAP? If so please contact me via e-mail or at 323-0732 and I will get those materials to you.

Sincerely,

John Church

9/26/2003

From: "Don Reading" <dreading@mindspring.com>
To: "John Church" <ideconomics@earthlink.net>
Cc: "Angela Schaer Kaufmann" <ask@moffatt.com>, "Scott Rhead" <scott.rhead@unitedwater.com>, "John Marshall" <jmm@givenspursley.com>, "Christopher Meyer" <Chm@givenspursley.com>
Sent: 4/24/2003 8:29AM
Subject: RE: United Water IMAF

Thanks John, I got the map. Thank you for all the stuff. I am working through it. Maybe I missed it but did you do an update of the memo that compared the forecast for the pasted few years with actuals (and actual weather adjusted)? The bag-up tables in the memo compared the actual to weather normilized -- I think. I think I could do it from the last two sheets attached to the memo but I would rather have you do it so I don't mess it up. Please give me a call if you don't understand what I am asking for. I'm mixed up a little on it but I think I am asking for what I would like.

Thanks,

Don

-----Original Message-----

From: John Church [mailto:ideconomics@earthlink.net]
Sent: Tuesday, April 22, 2003 4:03 PM
To: Don Reading
Cc: Angela Schaer Kaufmann; Scott Rhead; John Marshall; Christopher Meyer
Subject: United Water IMAF

Don:

Did I promise you anything else that I haven't delivered to you concerning your analysis of the United Water IMAF? If so please contact me via e-mail or at 323-0732 and I will get those materials to you.

Sincerly,

John Church

9/26/2003

From: John Church <ideconomics@earthlink.net>
To: Don Reading <dreading@mindspring.com>
Cc: Christopher Meyer <Chm@givenspursley.com>, Andrew Crouse <ACrouse@nbbj.com>, John Marshall <jmm@givenspursley.com>, Scott Rhead <scott.rhead@unitedwater.com>
Sent: 5/01/2003 10:36AM
Subject: IMAP Comparison of Actual vs. Forecast

Don:

Initially I didn't understand your comments on the comparison of IMAP forecasted water sales or production to the "normalized" actual sales that I presented in the March, 13, 2003 Comparison. That Excel spreadsheet file is attached as "IMAP Backcast Summery".

However, I now understand. In that comparison on pages 1 and 2 I have several columns titled "Actual vs. Normalized Percent Diff.". These columns presented the percentage difference between actual sales and normalized sales. Those columns do not present a meaningful comparison of the "normalized actual" sales or production to the IMAP forecasted sales or production figures.

Therefore, I have attached another version of the same summary spreadsheet entitled "IMAP Backcast Summary 2". This spreadshhet correctly presents comparisons of "normalized" actual sales or production to the IMAP forecasted sales or production figures. The columns that I change in comparison to the first spreadsheet are highlighted in an orange color.

The third spreadshhet is kind of my "scratch paper" where I actually made the normalization adjustments by substituting actual weather and number of customers into the forecast equations. In this area we may have to meet or at the least talk over the telephone for me to lead you through the process.

As always if you have any questions or comments or if you need any further information please feel free to contact me via e-mail or at 323-0732.

Sincerely,

John Church

P

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***Licensed in Kentucky only

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March 25, 2003

VIA FACSIMILE

Scott Campbell
Angela Schaer Kaufmann
Moffatt Thomas Barrett Rock & Fields
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701-0829

Re: United Water Idaho—IMAP
Our File No. 30-71

Dear Scott and Angela:

To help United Water better understand the positions of the Settlers Irrigation District ("Settlers") in this matter, we ask that you respond to the following initial requests for information. We anticipate additional follow-up questions, depending on your answers to the following.

1. Does Settlers disagree with the methodology used by Mr. Church and the conclusions he reached in creating the population and water demand projections? Please identify any such disagreements and explain.
2. Have you or Settlers hired any consultants to review the population and/or demand projections United Water has produced in support of the IMAP? If so, who.
3. Please identify any concerns Settlers has regarding the boundary United Water has chosen as its planning area and what would resolve these concerns.
4. Does Settlers believe that a 50-year planning horizon is too long for United Water and explain why?

Scott Campbell
Angela Schaer Kaufmann
March 25, 2003
Page 2

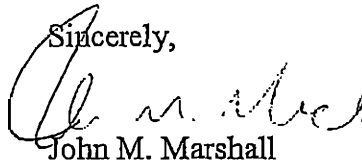
5. What does Settlers believe an appropriate planning horizon is for United Water and explain why.
6. Does Settlers have plans to seek annexations of areas to the south and east of the New York Canal? Please provide all documentation that describes Settlers's plans for future annexations.
7. How many pressurized, residential irrigation systems or hook-ups does Settlers serve?
8. Please explain how you quantify and track residential irrigation water use? For example, do you have records of use per customer, per irrigated acre, etc? How is the data collected and recorded? What does Settlers track?
9. What is the average annual per capita usage in volume of water per irrigated acre and per customer for your members who use water for residential irrigation?
10. Does Settlers have a water conservation program for residential irrigation use? For agricultural irrigation use? Please describe and document each.
11. Has Settlers evaluated the success of its water conservation efforts? Please provide details.
12. Has Settlers undertaken any planning for projected future water demands? If so, explain what it has done in this regard, who did or is doing the work, what the status of the work is, and what conclusions or tentative conclusions have been reached.
13. Please identify each water right held in whole or in part by Settlers. Please identify with specificity any other interests in water or water service (contractual or otherwise) held by Settlers. If you have any summary, table or index to some or all of these water rights, please provide. What is the total quantity of water available to Settlers under these rights and entitlements?
14. Does Settlers believe a municipality is entitled under the common law to hold water rights in excess of current demands?
15. Which of United Water's water rights does Settlers contend are forfeited, and on what basis.
16. Have you or Settlers reviewed the conditions proposed by United Water for the IMAP? (A copy is attached for your convenience.)
17. If those conditions are adopted, would these proposed conditions alleviate the injury you contend would occur if United Water's proposal for integrated points of diversion proposed in the IMAP were accepted by the Department? If not, explain why.

Scott Campbell
Angela Schaer Kaufmann
March 25, 2003
Page 3

18. In Settlers' Statement of Issues number 5, it states that the "IMAP application does not provide a sufficient description of the service area." Please identify the information Settlers believes is missing.
19. Please further explain the concern expressed in your client's statement of issues number 6.
20. Does Settlers operate any ground water wells? Has Settlers stopped using any of its wells? What has happened to the water rights associated with those wells?
21. Describe how Settlers believes the "stepwise function" (in your Statement of Issues number 10) would operate.
22. Explain what Settlers means by "point by point" system (in your Statement of Issues number 10).
23. What does Settlers believe is the "appropriate length of time for reviewing and reevaluating the accuracy of the planning horizon and projected water needs for a municipality" (from your Statement of Issues number 11).
24. In its Statement of Issues number 16, Settlers states that the IMAP will affect the ability of water to fill other existing and future appropriations. Please explain.
25. Has Settlers ever contacted employees of the Idaho Department of Water Resources prior to making an application. Explain how this does not violate the due process rights of others.

Please provide us answers to these information requests as soon as possible. In accordance with the Hearing Officer's instruction, we wish to make this process as simple and informal as possible. Please feel free to call Chris or me if you need clarification of any request or wish to discuss any of the issues raised in these requests. If a meeting would be helpful, let us know.

Sincerely,



John M. Marshall

Encl: Copy of proposed conditions
cc: Scott Rhead
Tammy A. Zokan
Chris Meyer

JMM:trns
S:\CLIENTS\30\71\Information Request to Settlers.DOC

PROPOSED IMAP CONDITIONS

Discussion Draft Only (September 19, 2002)
Subject to Rule 408

DEFINITIONS

Department: "Department" refers to the Idaho Department of Water Resources.

UWID: "UWID" refers to United Water Idaho Inc.

IMAP: "IMAP" refers to UWID's Integrated Municipal Application Package filed May 4, 2001 and amended March 20, 2002.

Water rights: "Water right(s)" includes any decreed or licensed water right, any water right permit, any water right claimed or asserted on the basis of beneficial use, or any other entitlement to the use of water based on contract, lease or other legal right.

Area-wide curtailment: "Area-wide curtailment" refers to an order issued by the Department or other proper authority requiring curtailment, mitigation or other limitation, based on priority, which restricts the use of water rights within a designated geographic area. The designated geographic area might be an entire aquifer or a part of an aquifer. It might also apply to surface rights within a particular drainage, and to tributary ground water rights. An area-wide curtailment will be based on general hydrological conditions in the affected water body (such as a decline in an aquifer) rather than hydrological conditions associated with particular points of diversion (such as a cone of depression).

IPD authority: "IPD authority" refers to the authority granted by the Department pursuant to approval of the IMAP and Condition No. 4 in which UWID is allowed to pump any ground water right from any of UWID's points of diversion. UWID's IPD authority is subject to the restrictions stated in the conditions that follow

Condition No. 4.

CONDITIONS

Condition No. 1: No new water rights created by IMAP

Text: Approval of the IMAP creates no new water rights for UWID nor does it expand the quantity of any water right.

Comment: *The IMAP establishes a long term "planning horizon" and quantifies how much water is reasonably anticipated to be required to serve needs during that planning horizon. However, the IMAP itself does not create any new water rights, nor increase the quantity of any current water right. The only changes authorized by the IMAP relate to place of use, nature of use, and points of diversion.*

Condition No. 2: Right to acquire new water rights

Text: Approval of the IMAP authorizes UWID to acquire (by appropriation or transfer) additional water rights for its portfolio up to the quantity limit established as necessary to meet reasonably anticipated future needs within UWID's planning horizon. The effect of the IMAP approval is to determine that the acquisition of such rights is for a beneficial use and is not speculative. Any such subsequent acquisition would be subject to all the other requirements then mandated by statute and law.

Comment: *Approval of the IMAP merely authorizes UWID to expand its portfolio in the future up to the quantity shown necessary to meet reasonably anticipated future needs. UWID will be required to satisfy every requirement for the acquisition of a new water right, with one exception: it will not be required to demonstrate (again) that the water is needed. Thus, every future appropriation or transfer will be subject to a determination of injury, availability of water, nonforfeiture of the right to be acquired, and so on, as applicable.*

Condition No. 3: Re-evaluation of Planning Horizon and Anticipated Needs

Text: The Department retains the right to initiate proceedings to re-evaluate the quantification of UWID's reasonably anticipated future needs when new population and other planning data become available. All interested parties shall be afforded an opportunity to participate in such proceedings, which shall be conducted pursuant to

rules for contested cases. In the event the Department finds that changed conditions justify a reduction in the reasonably anticipated future needs, water rights held in excess of such adjusted quantity would then be subject to forfeiture.

Comment: The determination of UWID's planning horizon and reasonably anticipated future needs are not cast in stone. If future events and new information demonstrate that UWID has incorrectly estimated its future needs, the Department may make appropriate adjustments (upward or downward). Moreover, UWID may not profit from any overestimate of its needs by conveying its "excess" rights to other parties. See Idaho Code §§ 42-219(1), 42-222(1).

Condition No. 4: Grant of IPD Authority

Text: UWID is authorized to pump each of its ground water rights from any point of diversion authorized for any of its ground water rights in existence immediately prior to the approval of the IMAP.

Comments: In the future it is possible that an area-wide curtailment could be ordered in response, for example, to conjunctive administration requirements, federal endangered species demands, or aquifer-wide (or sub-aquifer-wide) decline. In the event that UWID's more junior rights were curtailed in this way, this condition would allow UWID to pump its remaining senior ground water rights from any of its wells (subject to the conditions below). Thus, for instance, it might choose to operate its newer, more efficient wells and shut down its older ones (despite the fact that the older wells have the most senior water rights).

For purposes of convenience, UWID's points of diversion and associated water rights are listed under Tab N of the IMAP. However, the Department's water right files will control in the event of any discrepancy. This means that interested parties do not have to "proof" the Tab N list, and may be confident that the IMAP simply preserves the status quo.

The set of alternate points of diversion may be modified in the future only by official action. UWID may unilaterally abandon a point of diversion at any time simply by providing notice to the Department. Points of diversion may be added or changed in the future only through formal transfer proceedings. Such actions would be subject to injury analysis and other statutory requirements.

Condition No. 5: Limited Curtailment Area

Text: In the event an area-wide curtailment is issued for an area encompassing

some but not all of UWID's points of diversion, UWID is not entitled to circumvent the curtailment order by pumping water rights from point(s) of diversion within the curtailment area which could not be lawfully pumped from such point(s) of diversion but for UWID's IPD authority.

Comment: This condition limits UWID's flexibility in responding to an area-wide curtailment. In essence, UWID may only "move water rights around" which are expressly associated with wells within the particular area of curtailment. Thus, UWID may not bring in senior water rights from outside the curtailed area.

Condition No. 6: Well Interference

Text: Claims that a UWID ground water right is interfering with another ground or surface water right will be evaluated on the basis of water right(s) authorized to be pumped from UWID's point of diversion independent of UWID's IPD authority under this IMAP. For water rights existing at the time of IMAP approval, they will be evaluated on the basis of their point(s) of diversion, priority date(s), quantity(ies) and any other element(s) or condition(s) in effect prior to IMAP approval or as subsequently modified by the Department or other proper authority.

Comment: Simply stated, the IPD authority does not benefit UWID in the context of well interference. Instead, well interference claims will be evaluated on the basis of the elements of the relevant water right(s) in effect prior to IMAP approval (or as subsequently added or modified). In short, UWID may not use its IPD authority to "move in" a senior right to defeat an interference claim.

Condition No. 7: Diversion Rates May Not Be Exceeded

Text: In any event, UWID may not divert from any point of diversion at a rate (or other applicable quantity limitation) in excess of what would otherwise be authorized absent UWID's IPD authority.

Comments: This condition provides assurance that UWID will not use its IPD authority to "pile up" water rights on to a particular well in order to increase the allowable quantity of diversion.

Note that this condition is an absolute prohibition on any increase in quantity. It does not require anyone to prove that the increase in quantity is harmful. If UWID wishes to increase the amount pumped out of an existing well, it must obtain a new water right.

Condition No. 8: Conjunctive Management, Re-Capture and Re-Use

Text: Nothing in this IMAP, including UWID's IPD authority, is intended to change or resolve the applicable law governing conjunctive management or the recapture and reuse of water.

Comment: This condition responds to concerns raised by the Bureau of Reclamation and certain irrigation districts. The concern is that, at some point, claims may be made that ground water rights are interfering with surface or drainage rights claimed by irrigation entities. This condition makes clear that there is no need or intent to resolve these hypothetical issues within the context of this IMAP approval. These issues may be addressed when and if they arise in the future.

Condition No. 9: NPI

Text: Approval of the IMAP does not limit the rights of any other individual or entity to supply water through "non-potable irrigation" (or "NPI") systems within United Water's service area or planning area.

Comment: NPI is used in calculations in the IMAP to help predict the Company's water demand during the planning horizon. Assessments of future levels of NPI are not intended to, and do not, lock in UWID or any other entity to such allocation.

EXAMPLE ILLUSTRATING CONDITIONS

The following example is intended to illustrate the effects of Condition Nos. 4 through 9.

Suppose that an area-wide curtailment is issued. Let us say that UWID has two wells within the curtailment area. The older well, drilled in 1950, has a 1950 priority water right for 2 cfs. The newer well, drilled in 1990, has a 1990 priority water right for 1 cfs. The curtailment order has the effect of shutting down all water rights junior to 1965. Consequently, UWID could pump only its 1950 water right of 2 cfs.

Because of Condition No. 4, UWID would have the flexibility to pump its 1950

water right out of either the old or the new well. Because of Condition No. 7, however, it could pump no more than 1 cfs out of the new well. The balance of the 1950 water right would have to be pumped out of the old well.

Next, let us suppose that a neighbor owns a nearby well with a 1960 priority. After approval of the IMAP, the neighbor begins to experience a decline in production, which she alleges is the caused by well interference from UWID's 1990 well.

Condition No. 6 guarantees that the claim will be evaluated on the basis of the 1990 water right originally associated with that well. UWID could not defend that well interference claim on the basis that it is pumping 1950 water pursuant to its IPD authority.

Some years later, the Department of the Interior's Solicitor issues an opinion stating that the federal government owns water collected in drains and other features built pursuant to the federal reclamation program which are recapturing water associated with upstream federal reservoirs, and that the government is entitled to retain the same priority associated with the original reservoir rights. Based on that opinion, the Bureau of Reclamation initiates actions against ground water users (including UWID), alleging that these wells are illegally diverting water owned by the federal government and/or its irrigation customers. Pursuant to Condition No. 8, UWID would not be allowed to claim that the approval of the IMAP or the IPD authority had any bearing on the validity of the Bureau's water rights or its theories concerning the recapture of water. Moreover, pursuant to Condition No. 6, any such interference claim would be evaluated on the basis of UWID's water rights without benefit of its IPD authority.

Some time later, an irrigation district applies to the Department for approval to transfer water rights in order to provide NPI lawn irrigation water to an area not previously served by the irrigation district. That area was included in the IMAP's planning area, and the IMAP assumed that UWID would provide lawn irrigation water to that area at some time within UWID's planning horizon. UWID would be free to support or oppose the proposal on public policy or other grounds. However, under Condition No. 9, UWID could not claim any right or other entitlement to serve the area based on the IMAP. Nor could it use the IMAP as a basis to protest the district's application.

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March 25, 2003

VIA FACSIMILE

Scott Campbell
Angela Schaer Kaufmann
Moffatt Thomas Barrett Rock & Fields
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701-0829

Re: United Water Idaho—IMAP
Our File No. 30-71

Dear Scott and Angela:

To help United Water better understand the positions of the Pioneer Irrigation District ("Pioneer") in this matter, we ask that you respond to the following initial requests for information. We anticipate additional follow-up questions, depending on your answers to the following.

1. Does Pioneer disagree with the methodology used by Mr. Church and the conclusions he reached in creating the population and water demand projections? Please identify any such disagreements and explain.
2. Have you or Pioneer hired any consultants to review the population and/or demand projections United Water has produced in support of the IMAP? If so, who.
3. Please identify any concerns Pioneer has regarding the boundary United Water has chosen as its planning area and what would resolve these concerns.
4. Does Pioneer believe that a 50-year planning horizon is too long for United Water and explain why?

Scott Campbell
Angela Schaer Kaufmann
March 25, 2003
Page 2

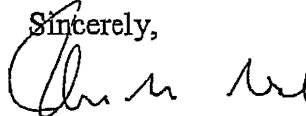
5. What does Pioneer believe an appropriate planning horizon is for United Water and explain why.
6. Does Pioneer have plans to seek annexations of areas to the south and east of the New York Canal? Please provide all documentation that describes Pioneer's plans for future annexations.
7. How many pressurized, residential irrigation systems or hook-ups does Pioneer serve?
8. Please explain how you quantify and track residential irrigation water use? For example, do you have records of use per customer, per irrigated acre, etc? How is the data collected and recorded? What does Pioneer track?
9. What is the average annual per capita usage in volume of water per irrigated acre and per customer for your members who use water for residential irrigation?
10. Does Pioneer have a water conservation program for residential irrigation use? For agricultural irrigation use? Please describe and document each.
11. Has Pioneer evaluated the success of its water conservation efforts? Please provide details.
12. Has Pioneer undertaken any planning for projected future water demands? If so, explain what it has done in this regard, who did or is doing the work, what the status of the work is, and what conclusions or tentative conclusions have been reached.
13. Please identify each water right held in whole or in part by Pioneer. Please identify with specificity any other interests in water or water service (contractual or otherwise) held by Pioneer. If you have any summary, table or index to some or all of these water rights, please provide. What is the total quantity of water available to Pioneer under these rights and entitlements?
14. Does Pioneer believe a municipality is entitled under the common law to hold water rights in excess of current demands?
15. Which of United Water's water rights does Pioneer contend are forfeited, and on what basis.
16. Have you or Pioneer reviewed the conditions proposed by United Water for the IMAP? (A copy is attached for your convenience.)
17. If those conditions are adopted, would these proposed conditions alleviate the injury you contend would occur if United Water's proposal for integrated points of diversion proposed in the IMAP were accepted by the Department? If not, explain why.

Scott Campbell
Angela Schaer Kaufmann
March 25, 2003
Page 3

18. In Pioneer's Statement of Issues number 5, it states that the "IMAP application does not provide a sufficient description of the service area." Please identify the information your clients believe is missing.
19. Please further explain the concern expressed in your clients' statement of issues number 6.
20. Does Pioneer operate any ground water wells? Has Pioneer stopped using any of its wells? What has happened to the water rights associated with those wells?
21. Describe how Pioneer believes the "stepwise function" (in your Statement of Issues number 10) would operate.
22. Explain what Pioneer means by "point by point" system (in your Statement of Issues number 10).
23. What does Pioneer believe is the "appropriate length of time for reviewing and reevaluating the accuracy of the planning horizon and projected water needs for a municipality" (from your Statement of Issues number 11).
24. In its Statement of Issues number 16, Pioneer states that the IMAP will affect the ability of water to fill other existing and future appropriations. Please explain.
25. Has Pioneer ever contacted employees of the Idaho Department of Water Resources prior to making an application. Explain how this does not violate the due process rights of others.

Please provide us answers to these information requests as soon as possible. In accordance with the Hearing Officer's instruction, we wish to make this process as simple and informal as possible. Please feel free to call Chris or me if you need clarification of any request or wish to discuss any of the issues raised in these requests. If a meeting would be helpful, let us know.

Sincerely,



John M. Marshall

Encl: Copy of proposed conditions
cc: Scott Rhead
Tammy A. Zokan
Chris Meyer

JMM:tns

S:\CLIENTS\30\71\Information Request to Pioneer.DOC

PROPOSED IMAP CONDITIONS

Discussion Draft Only (September 19, 2002)
Subject to Rule 408

DEFINITIONS

Department: "Department" refers to the Idaho Department of Water Resources.

UWID: "UWID" refers to United Water Idaho Inc.

IMAP: "IMAP" refers to UWID's Integrated Municipal Application Package filed May 4, 2001 and amended March 20, 2002.

Water rights: "Water right(s)" includes any decreed or licensed water right, any water right permit, any water right claimed or asserted on the basis of beneficial use, or any other entitlement to the use of water based on contract, lease or other legal right.

Area-wide curtailment: "Area-wide curtailment" refers to an order issued by the Department or other proper authority requiring curtailment, mitigation or other limitation, based on priority, which restricts the use of water rights within a designated geographic area. The designated geographic area might be an entire aquifer or a part of an aquifer. It might also apply to surface rights within a particular drainage, and to tributary ground water rights. An area-wide curtailment will be based on general hydrological conditions in the affected water body (such as a decline in an aquifer) rather than hydrological conditions associated with particular points of diversion (such as a cone of depression).

IPD authority: "IPD authority" refers to the authority granted by the Department pursuant to approval of the IMAP and Condition No. 4 in which UWID is allowed to pump any ground water right from any of UWID's points of diversion. UWID's IPD authority is subject to the restrictions stated in the conditions that follow

Condition No. 4.

CONDITIONS

Condition No. 1: No new water rights created by IMAP

Text: Approval of the IMAP creates no new water rights for UWID nor does it expand the quantity of any water right.

Comment: *The IMAP establishes a long term "planning horizon" and quantifies how much water is reasonably anticipated to be required to serve needs during that planning horizon. However, the IMAP itself does not create any new water rights, nor increase the quantity of any current water right. The only changes authorized by the IMAP relate to place of use, nature of use, and points of diversion.*

Condition No. 2: Right to acquire new water rights

Text: Approval of the IMAP authorizes UWID to acquire (by appropriation or transfer) additional water rights for its portfolio up to the quantity limit established as necessary to meet reasonably anticipated future needs within UWID's planning horizon. The effect of the IMAP approval is to determine that the acquisition of such rights is for a beneficial use and is not speculative. Any such subsequent acquisition would be subject to all the other requirements then mandated by statute and law.

Comment: *Approval of the IMAP merely authorizes UWID to expand its portfolio in the future up to the quantity shown necessary to meet reasonably anticipated future needs. UWID will be required to satisfy every requirement for the acquisition of a new water right, with one exception: it will not be required to demonstrate (again) that the water is needed. Thus, every future appropriation or transfer will be subject to a determination of injury, availability of water, nonforfeiture of the right to be acquired, and so on, as applicable.*

Condition No. 3: Re-evaluation of Planning Horizon and Anticipated Needs

Text: The Department retains the right to initiate proceedings to re-evaluate the quantification of UWID's reasonably anticipated future needs when new population and other planning data become available. All interested parties shall be afforded an opportunity to participate in such proceedings, which shall be conducted pursuant to

rules for contested cases. In the event the Department finds that changed conditions justify a reduction in the reasonably anticipated future needs, water rights held in excess of such adjusted quantity would then be subject to forfeiture.

Comment: The determination of UWID's planning horizon and reasonably anticipated future needs are not cast in stone. If future events and new information demonstrate that UWID has incorrectly estimated its future needs, the Department may make appropriate adjustments (upward or downward). Moreover, UWID may not profit from any overestimate of its needs by conveying its "excess" rights to other parties. See Idaho Code §§ 42-219(1), 42-222(1).

Condition No. 4: Grant of IPD Authority

Text: UWID is authorized to pump each of its ground water rights from any point of diversion authorized for any of its ground water rights in existence immediately prior to the approval of the IMAP.

Comments: In the future it is possible that an area-wide curtailment could be ordered in response, for example, to conjunctive administration requirements, federal endangered species demands, or aquifer-wide (or sub-aquifer-wide) decline. In the event that UWID's more junior rights were curtailed in this way, this condition would allow UWID to pump its remaining senior ground water rights from any of its wells (subject to the conditions below). Thus, for instance, it might choose to operate its newer, more efficient wells and shut down its older ones (despite the fact that the older wells have the most senior water rights).

For purposes of convenience, UWID's points of diversion and associated water rights are listed under Tab N of the IMAP. However, the Department's water right files will control in the event of any discrepancy. This means that interested parties do not have to "proof" the Tab N list, and may be confident that the IMAP simply preserves the status quo.

The set of alternate points of diversion may be modified in the future only by official action. UWID may unilaterally abandon a point of diversion at any time simply by providing notice to the Department. Points of diversion may be added or changed in the future only through formal transfer proceedings. Such actions would be subject to injury analysis and other statutory requirements.

Condition No. 5: Limited Curtailment Area

Text: In the event an area-wide curtailment is issued for an area encompassing

some but not all of UWID's points of diversion, UWID is not entitled to circumvent the curtailment order by pumping water rights from point(s) of diversion within the curtailment area which could not be lawfully pumped from such point(s) of diversion but for UWID's IPD authority.

Comment: This condition limits UWID's flexibility in responding to an area-wide curtailment. In essence, UWID may only "move water rights around" which are expressly associated with wells within the particular area of curtailment. Thus, UWID may not bring in senior water rights from outside the curtailed area.

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Text: Claims that a UWID ground water right is interfering with another ground or surface water right will be evaluated on the basis of water right(s) authorized to be pumped from UWID's point of diversion independent of UWID's IPD authority under this IMAP. For water rights existing at the time of IMAP approval, they will be evaluated on the basis of their point(s) of diversion, priority date(s), quantity(ies) and any other element(s) or condition(s) in effect prior to IMAP approval or as subsequently modified by the Department or other proper authority.

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Condition No. 7: Diversion Rates May Not Be Exceeded

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Comments: This condition provides assurance that UWID will not use its IPD authority to "pile up" water rights on to a particular well in order to increase the allowable quantity of diversion.

Note that this condition is an absolute prohibition on any increase in quantity. It does not require anyone to prove that the increase in quantity is harmful. If UWID wishes to increase the amount pumped out of an existing well, it must obtain a new water right.

Condition No. 8: Conjunctive Management, Re-Capture and Re-Use

Text: Nothing in this IMAP, including UWID's IPD authority, is intended to change or resolve the applicable law governing conjunctive management or the recapture and reuse of water.

Comment: This condition responds to concerns raised by the Bureau of Reclamation and certain irrigation districts. The concern is that, at some point, claims may be made that ground water rights are interfering with surface or drainage rights claimed by irrigation entities. This condition makes clear that there is no need or intent to resolve these hypothetical issues within the context of this IMAP approval. These issues may be addressed when and if they arise in the future.

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EXAMPLE ILLUSTRATING CONDITIONS

The following example is intended to illustrate the effects of Condition Nos. 4 through 9.

Suppose that an area-wide curtailment is issued. Let us say that UWID has two wells within the curtailment area. The older well, drilled in 1950, has a 1950 priority water right for 2 cfs. The newer well, drilled in 1990, has a 1990 priority water right for 1 cfs. The curtailment order has the effect of shutting down all water rights junior to 1965. Consequently, UWID could pump only its 1950 water right of 2 cfs.

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water right out of either the old or the new well. Because of Condition No. 7, however, it could pump no more than 1 cfs out of the new well. The balance of the 1950 water right would have to be pumped out of the old well.

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April 24, 2003

VIA FACSIMILE

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Moffatt Thomas Barrett Rock & Fields, Chtd.
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701-0829

Re: United Water Idaho - IMAP
Our File: 30-71

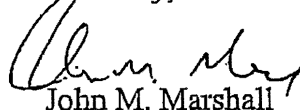
Dear Scott and Angela:

On March 25, 2003 I sent a letter requesting that your clients respond to several initial information requests. To date, we have not received a response from any of your clients to any of these requests.

To facilitate your clients' responses, we would like to have a meeting with you soon at our offices to discuss your clients' answers. Chris and I are available to meet any time on the following days: Wednesday, April 30th; Monday, May 5th; Tuesday, May 6th or Thursday, May 8th. To make our meeting more productive, we would appreciate your forwarding responsive documents and answers to us prior to the meeting.

Please call me by the end of the week and indicate which day and time will work best for you.

Sincerely,


John M. Marshall

JMM/tus

cc: H. Scott Rhead

SA\CLIENTS\30\71\UWID reminder of info request to Pioneer Settlers.DOC

F

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May 5, 2003

VIA US MAIL

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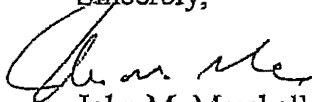
Re: United Water Idaho - IMAP
Our File: 30-71

Dear Scott and Angela:

On April 24, 2003 I wrote requesting that you contact me to arrange for a meeting to facilitate your clients' responses to United Water's information requests. I suggested a meeting because we have not received any response to United Water's information requests, which we sent on March 25, 2003. As of today, we still have not received any responses from your clients or heard from you as to which of our proposed dates work for a meeting to facilitate these responses. Please either respond to the information requests or respond no later than May 7th.

Please call me if you have any questions.

Sincerely,


John M. Marshall

JMM/tns

cc: H. Scott Rhead

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Moffatt Thomas

MOFFATT THOMAS BARRETT ROCK & FIELDS, CHTD.

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Mark A. Ellison	Michael O. Roe	
Randall A. Peterman	David S. Jensen	Willis C. Moffatt, 1907-1980
Mark S. Prusynski	James L. Martin	Kirk R. Helvie, 1956-2003
Stephen R. Thomas	C. Clayton Gill	

May 8, 2003

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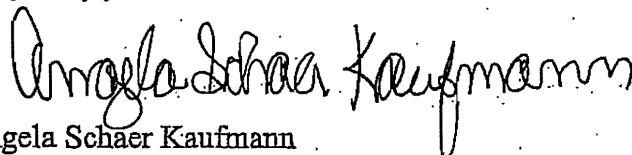
Re: IMAP - Responses to Information Requests
MTBR&F File No. 18946.26

Dear Counsel:

We received your letter dated May 6, 2003, requesting that we provide responses to your requests for information or facilitate meetings to provide those responses. As you are well aware, our clients, as well as others, have filed a motion to stay the IMAP proceedings pending the outcome of the Snake River Basin Adjudication. That motion to stay is broad and asks the hearing officer to stay administrative proceedings on the entire IMAP until the SRBA Court has considered the nature and extent of United Water's rights and issued partial decrees.

Until the hearing officer rules on the motion to stay, we see little to be gained from pursuing an information exchange. Therefore, we propose to wait until the motion to stay has been ruled upon. If you would like to meet to discuss this matter further, Scott and I will be happy to meet with you; however, you should be aware that it is our position that no further action should be taken until the motion to stay is resolved or is otherwise ordered by the hearing officer.

Very truly yours,


Angela Schaer Kaufmann

ASK/dll

cc: Clients

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MAY 13 2003

Givens Pursley, LLP

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GIVENS PURSLEY LLP

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James A. McClure
Stephanie C. Westermeyer
OF COUNSEL

John A. Miller, LL.M.
TAX CONSULTANT

*Licensed in Kentucky only

Via E-Mail & U.S. Mail

May 22, 2003

Scott L. Campbell, Esq.
Angela Schaer Kuafmann, Esq.
Moffatt Thomas Barrett Rock & Fields, Chtd.
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701-0829

Re: In The Matter of Integrated Municipal Application Package ("IMAP") of United Water Idaho Inc., Being a Collection of Individual Applications for Transfers of Water Rights and Applications for Amendment of Permits.
Our File No. 30-71

Dear Scott and Angela:

On February 27, 2003 the Hearing Officer issued an Order requiring all parties to participate in an informal information exchange. Pursuant to that Order, United Water sent you informal information requests on March 25, 2003.

On April 24, 2003 John Marshall wrote requesting that you contact him to arrange for a meeting to facilitate your clients' responses to those requests. On May 5, 2003, he wrote again, noting that we had received no response, and renewing the request for a meeting.

On May 8, 2003, Angela responded stating that you would not participate further in informal discovery until the Motion for Stay was ruled on.

No motion for suspension or amendment of the order requiring an information exchange has been filed, much less, granted. You may not unilaterally declare that informal discovery is suspended.

Moreover, as noted by the Hearing Officer at the conclusion of yesterday's status conference, even if the IMAP were temporarily delayed by a stay, there is no reason to stop the flow of information now. The information will have to be provided later anyway.

Scott L. Campbell, Esq.
Angela Schaer Kuafmann, Esq.
May 22, 2003
Page 2

Until a motion to suspend the currently required information exchange is granted, we insist that you actively participate in informal discovery and respond to United Water's pending requests. If you have not indicated a willingness to cooperate by May 28, 2003, we will file an appropriate motion with the Hearing Officer.

As we have stated repeatedly, we are available to meet with you and/or your clients if you believe a meeting would facilitate responses. Please call me if you have any questions.

Sincerely,



Christopher H. Meyer

cc: H. Scott Rhead
John M. Marshall

CHM:kdt S:\CLIENTS\3071\UWID Ltr.DOC

I

Boise
Idaho Falls
Pocatello

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MAY 28 2003

Moffatt Thomas

MOFFATT THOMAS BARRETT ROCK & FIELDS, CHTD.

Givens Pursley, LLP

May 27, 2003

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Shawn C. Nunley*Willis C. Moffatt, 1907-1980*
*Kirk R. Hulvis, 1956-2003*Christopher Meyer
John Marshall
Givens Pursley LLP
P.O. Box 2720
Boise, ID 83701-2720**Re: IMAP - Initial Responses to Requests for Information**
MTBR&F File No. 18946.26

Dear Chris and John:

This letter will serve as Pioneer Irrigation District's ("Pioneer") initial response to United Water Idaho's ("UWID") initial requests for information. Pioneer has attempted to be as comprehensive as possible in providing this information. However, Pioneer has been somewhat hampered in that endeavor due to the fact that UWID has yet to fully respond to Pioneer's requests for additional information.

Moreover, research and analysis will be ongoing in this proceeding. Therefore, Pioneer may supplement its answers to these initial requests if there is not a stay in this matter. Pioneer also notes that it reserves and does not waive any objections available under the Idaho Rules of Civil Procedure, the Idaho Rules of Evidence, case law, or the common law. Finally, Pioneer objects to the extent that these requests for information seek a statement of legal positions, rather than factual information. To the extent that Pioneer responds to such requests for legal positions, Pioneer fully reserves the right to change or amend those positions in response to information received or otherwise obtained as this matter proceeds.

Pioneer also notes that many of the items of requested information are simply irrelevant to the IMAP proceedings. It is not Pioneer's water rights which are at issue here, and Pioneer's water rights will be only narrowly relevant. Pioneer can only assume that UWID has one of three (or possibly all three) motivations:

Christopher Meyer
John Marshall
Givens Pursley LLP
May 27, 2003
Page 2

1. To buttress some sort of jurisdictional argument. That argument would be unavailing under Idaho law.
2. To make a "pot calling the kettle black" type of argument. In other words, Pioneer assumes that UWID intends to argue that Pioneer cannot make some of the arguments it has made in this matter because it has engaged in similar conduct. That argument would be unavailing legally, but even more so factually.
3. To obtain information which UWID intends to use in objecting to the Director's Reports for Pioneer's SRBA Claims. Such a tactic is improper.

1. **Does Pioneer disagree with the methodology used by Mr. Church and the conclusions he reached in creating the population and water demand projections?**

Pioneer's analysis of Mr. Church's methodology and conclusions is ongoing, and Pioneer has not reached any conclusions regarding its view of Mr. Church's methodology and conclusions at this point in time.

2. **Have you or Pioneer hired any consultant to review the population and/or demand projections United Water has produced in support of the IMAP? If so, who?**

Pioneer objects to this request. It is contrary to Idaho Rule of Civil Procedure 26(b)(4)(B), and invades the attorney client and work product privileges. Subject to and without waiving those objections, as UWID is by now aware, Pioneer has retained the services of Don Reading in this matter.

3. **Please identify any concerns Pioneer has regarding the boundary United Water has chosen as its planning area and what would resolve these concerns.**

Pioneer believes that the boundary for the planning area is speculative and in conflict with the provisions of the Municipal Water Rights Act of 1996.

4. **Does Pioneer believe that a 50-year planning horizon is too long for United Water and explain why?**

As should be clear from Pioneer's positions to date, Pioneer believes that the 50 year planning horizon is too long. It far exceeds the planning horizons of Ada County, the City of Boise, the City of Meridian, and the City of Eagle, and the projections made beyond those planning horizons are speculative at best.

- 5. What does Pioneer believe an appropriate planning horizon is for United Water and explain why?**

The maximum planning horizon should be 25 years, with a review every 5 years within that 25 years to determine if the planning projections (*i.e.*, population and demand) have been accurately forecasted.

- 6. Does Pioneer have plans to seek annexation of areas to the south and east of the New York Canal? Please provide all documentation that describes Pioneer's plans for future annexations.**

Pioneer's future plans are irrelevant to the IMAP proceeding.

- 7. How many pressurized, residential irrigation systems or hookups does Pioneer serve?**

This question is irrelevant to the IMAP proceeding. The question is also ambiguous. If United Water means to inquire about the number of individual lots or parcels served by Pioneer, this is entirely different than the number of pressurized, residential irrigation systems served. United Water should also explain how the requested information could be relevant to the IMAP proceeding.

- 8. Please explain how you quantify and track residential irrigation water use? For example, do you have records of use per customer, per irrigated acre, etc.? How is the data collected and recorded? What does Pioneer track?**

This question is irrelevant to the IMAP proceeding. Whether and how Pioneer tracks water usage of landowners within its boundaries is not at issue in the IMAP.

- 9. What is the average annual per capita usage in volume of water per irrigated acre and per customer for your members who use water for residential irrigation?**

This question is irrelevant to the IMAP proceeding. Whether and how Pioneer tracks water usage of landowners within its boundaries is not at issue in the IMAP.

- 10. Does Pioneer have a water conservation program for residential irrigation use? For agricultural irrigation use? Please describe and document each.**

This question is irrelevant to the IMAP proceeding.

Christopher Meyer
John Marshall
Givens Pursley LLP
May 27, 2003
Page 4

- 11. Has Pioneer evaluated the success of its water conservation efforts? Please provide details.**

See Response to Request for Information Number 10.

- 12. Has Pioneer undertaken any planning for projected future water demands? If so, explain what it has done in this regard, who did or is doing the work, what the status of the work is, and what conclusions or tentative conclusions have been reached.**

This question is irrelevant to the IMAP proceedings. Any planning Pioneer may or may not have done for the future is irrelevant. At any rate, like all Idaho water users, Pioneer must beneficially use its water rights.

- 13. Please identify each water right held in whole or in part by Pioneer. Please identify with specificity any other interests in water or water service (contractual or otherwise) held by Pioneer. If you have any summary, table or index to some or all of these water rights, please provide. What is the total quantity of water available to Pioneer under these rights and entitlements?**

Pioneer Irrigation District holds water rights (or permits) numbered 63-161BU, 63-166A, 63-167A, 63-179A, 63-224, 63-225, 63-294, 63-295, 63-371, 63-2114, 63-2275, 63-2276, 63-2294, 63-2529, 63-2891, 63-2891A, 63-5199, 63-5200, 63-5219, 63-5237, 63-5255, 63-9109, 63-21706, 63-21713, 63-21714, 63-21731, 63-21739, 63-12349, 63-10169, 63-11622, and 63-21716. Information regarding those water rights can be found on the Idaho Department of Water Resources website. Pioneer also claims an ownership interest, either legal or beneficial, by virtue of its contracts with the United States Bureau of Reclamation for water from Lucky Peak Dam and Reservoir, Anderson Ranch Dam and Reservoir, and Arrowrock Dam and Reservoir. The United States has claimed water rights for those facilities (and Pioneer has filed objections). The claim numbers are 63-03618, 63-03614, and 63-00303, respectively.

- 14. Does Pioneer believe a municipality is entitled under the common law to hold water rights in excess of current demands?**

No.

Christopher Meyer
John Marshall
Givens Pursley LLP
May 27, 2003
Page 5

15. Which of United Water's water rights does Pioneer contend are forfeited, and on what basis?

Pioneer cannot answer this request at this time, in part due to the fact that at this time, the exact water rights involved in the IMAP proceeding are unknown. Until the parties know exactly which version of the IMAP will be the "official" version, they cannot go forward with any examination regarding forfeiture.

16. Have you or Pioneer reviewed the conditions proposed by United Water for the IMAP?

Pioneer objects to this request to the extent it assumes that the conditions are part of the IMAP as it now stands before the Department of Water Resources.

Without waiving those objections and considerations, the answer to that question is "Yes." Pioneer has reviewed the proposed conditions.

17. If those conditions are adopted, would these proposed conditions alleviate the injury you contend would occur if United Water's proposal for integrated points of diversion proposed in the IMAP were accepted by the Department? If not, explain why.

Pioneer objects to this request to the extent it assumes the conditions are part of the IMAP as it now stands before the Department of Water Resources.

Consequently, even if the conditions were satisfactory, Pioneer would have no assurances they would be adopted by IDWR.

18. In Pioneer's Statement of Issues number 5, it states that the "IMAP application does not provide a sufficient description of the service area." Please identify the information Pioneer believes is missing.

See Pioneer's (and Settlers') Motion to Dismiss, filed on or about March 14, 2003.

19. Please further explain the concern expressed in your client's statement of the issue number 6.

See response to Requests Number 3 and 4.

Christopher Meyer
John Marshall
Givens Pursley LLP
May 27, 2003
Page 6

20. Does Pioneer operate any ground water wells?

Yes.

Has Pioneer stopped using any of its wells?

No.

What has happened to the water rights associated with those wells?

Inapplicable.

21. Describe how Pioneer believes the "stepwise function" (in your Statement of Issues number 10) would operate.

The actual operation of the stepwise function is an issue to be addressed during the IMAP proceedings. The way the stepwise function would operate is as described in Chris Meyer's letter to Norm Young, dated September 21, 1998. Pioneer maintains that the stepwise function should be run on a year by year basis.

22. Explain what Pioneer means by "point by point" system (in your Statement of Issues number 10).

Pioneer means that whether UWID's water right had been forfeited would be determined by looking at any given point in time.

23. What does Pioneer believe is the "appropriate length of time for reviewing and reevaluating the accuracy of the planning horizon and projected water needs for a municipality" (from your Statement of Issues number 10).

The review would be conducted a minimum of every five years, or when a change is made to UWID's "portfolio," whichever comes first.

24. In its Statement of Issues number 16, Pioneer states that the IMAP will affect the ability of water to fill other existing and future appropriations.

Pioneer did not make this statement in its statement of the issues.

Christopher Meyer
John Marshall
Givens Pursley LLP
May 27, 2003
Page 7

25. Has Pioneer ever contacted employees of the Idaho Department of Water Resources prior to making an application.

This request for information is irrelevant. Pioneer's conduct is not at issue in this matter.

Very truly yours,



Scott L. Campbell

SLC/dll

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MAY 28 2003

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P.O. Box 2720
Boise, ID 83701-2720

Re: IMAP - Initial Responses to Requests for Information
MTBR&F File No. 18955.24

Dear Chris and John:

This letter will serve as Settlers Irrigation District's ("Settlers") initial response to United Water Idaho's ("UWID") initial requests for information. Settlers has attempted to be as comprehensive as possible in providing this information. However, Settlers has been somewhat hampered in that endeavor due to the fact that UWID has yet to fully respond to Settlers' requests for additional information.

Moreover, research and analysis will be ongoing in this proceeding. Therefore, Settlers may supplement its answers to these initial requests if there is not a stay in this matter. Settlers also notes that it reserves and does not waive any objections available under the Idaho Rules of Civil Procedure, the Idaho Rules of Evidence, case law, or the common law. Finally, Settlers objects to the extent that these requests for information seek a statement of legal positions, rather than factual information. To the extent that Settlers responds to such requests for legal positions, Settlers fully reserves the right to change or amend those positions in response to information received or otherwise obtained as this matter proceeds.

Settlers also notes that many of the items of requested information are simply irrelevant to the IMAP proceedings. It is not Settlers' water rights which are at issue here, and Settlers' water rights will be only narrowly relevant. Settlers can only assume that UWID has one of three (or possibly all three) motivations:

1. To buttress some sort of jurisdictional argument. That argument would be unavailing under Idaho law.
2. To make a "pot calling the kettle black" type of argument. In other words, Settlers assumes that UWID intends to argue that Settlers cannot make some of the arguments it has made in this matter because it has engaged in similar conduct. That argument would be unavailing legally, but even more so factually.
3. To obtain information which UWID intends to use in objecting to the Director's Reports for Settlers' SRBA Claims. Such a tactic is improper.

1. **Does Settlers disagree with the methodology used by Mr. Church and the conclusions he reached in creating the population and water demand projections?**

Settlers' analysis of Mr. Church's methodology and conclusions is ongoing, and Settlers has not reached any conclusions regarding its view of Mr. Church's methodology and conclusions at this point in time.

2. **Have you or Settlers hired any consultant to review the population and/or demand projections United Water has produced in support of the IMAP? If so, who?**

Settlers objects to this request. It is contrary to Idaho Rule of Civil Procedure 26(b)(4)(B), and invades the attorney client and work product privileges. Subject to and without waiving those objections, as UWID is by now aware, Settlers has retained the services of Don Reading in this matter.

3. **Please identify any concerns Settlers has regarding the boundary United Water has chosen as its planning area and what would resolve these concerns.**

Settlers believes that the boundary for the planning area is speculative and in conflict with the provisions of the Municipal Water Rights Act of 1996.

4. **Does Settlers believe that a 50-year planning horizon is too long for United Water and explain why?**

As should be clear from Settlers' positions to date, Settlers believes that the 50 year planning horizon is too long. It far exceeds the planning horizons of Ada County, the City of Boise, the City of Meridian, and the City of Eagle, and the projections made beyond those planning horizons are speculative at best.

5. What does Settlers believe an appropriate planning horizon is for United Water and explain why?

The maximum planning horizon should be 25 years, with a review every 5 years within that 25 years to determine if the planning projections (i.e., population and demand) have been accurately forecasted.

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Settlers' future plans are irrelevant to the IMAP proceeding.

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Christopher Meyer
John Marshall
Givens Pursley LLP
May 27, 2003
Page 4

- 11. Has Settlers evaluated the success of its water conservation efforts? Please provide details.**

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Without waiving those objections and considerations, the answer to that question is "Yes." Settlers has reviewed the proposed conditions.

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19. Please further explain the concern expressed in your client's statement of the issue number 6.

See response to Requests Number 3 and 4.

Christopher Meyer
John Marshall
Givens Pursley LLP
May 27, 2003
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The review would be conducted a minimum of every five years, or when a change is made to UWID's "portfolio," whichever comes first.

24. In its Statement of Issues number 16, Settlers states that the IMAP will affect the ability of water to fill other existing and future appropriations.

Settlers did not make this statement in its statement of the issues.

Christopher Meyer
John Marshall
Givens Pursley LLP
May 27, 2003
Page 7

25. Has Settlers ever contacted employees of the Idaho Department of Water Resources prior to making an application.

This request for information is irrelevant. Settlers' conduct is not at issue in this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Scott L. Campbell". The signature is written in a cursive, flowing style.

Scott L. Campbell

SLC/dll

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Attorneys for Pioneer Irrigation District
and Settlers Irrigation District

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Angela Schaer Kaufmann, ISB No. 5436
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18946.26

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JUL 17 2003

Givens Pursley, LLP

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF INTEGRATED
MUNICIPAL APPLICATION PACKAGE
(CONSISTING OF 99 APPLICATIONS FOR
TRANSFERS OF WATER RIGHTS, AND 13
APPLICATIONS FOR AMENDMENT OF
PERMITS) IN THE NAME OF UNITED
WATER IDAHO, INC.

PIONEER IRRIGATION DISTRICT'S
RESPONSES TO UWID'S FIRST SET OF
DISCOVERY REQUESTS TO PIONEER
IRRIGATION DISTRICT

Pioneer Irrigation District ("Pioneer") hereby responds to UWID's First Set of
Discovery Requests to Pioneer Irrigation District, pursuant to the Idaho Rules of Civil Procedure,
the Idaho Department of Water Resources' Rules of Procedure, and the Hearing Officer's Third
PreHearing Order.

GENERAL OBJECTIONS

1. Pioneer has not completed its own investigations and/or discovery.

Accordingly, the responses that follow are based upon the best knowledge, information, and

ORIGINAL

belief of Pioneer at this time. Pioneer reserves the right to make any further responses if it appears that any omission or error has been made in connection with these responses or that more accurate information is or has become available. These responses are made without prejudice to Pioneer's right to use in later discovery or to present at trial, such evidence as may later be discovered or evaluated.

2. Pioneer objects to the definitions and instructions to the extent they purport to require discovery requests beyond that required under the Idaho Rules of Civil Procedure. These responses are provided in accordance with the Idaho Rules of Civil Procedure irrespective of any definitions and instructions that may accompany these discovery requests.

3. These responses are made subject to all objections as to competence, relevance, materiality, and admissibility. These responses are subject to all objections that would require the exclusion of any statement, material, or information herein provided if such interrogatory were asked of or any statement, material, or information provided were made by witnesses present and testifying in court. All such objections are reserved and may be interposed at the time of trial.

4. Pioneer specifically objects to these discovery requests to the extent they seek information protected by the attorney-client privilege, the attorney work product doctrine, and the rules governing the discovery of facts of experts as set forth in Rule 26(b)(4), Idaho Rules of Civil Procedure. This objection is intended to apply to all of the discovery requests that seek such information and will not necessarily be repeated for each request to which it applies. Pioneer has, to the extent possible, construed each request as requesting only information and/or documents not subject to any applicable protection.

5. No incidental or implied admissions are intended. The fact that Pioneer has responded to any discovery request or part thereof should not be taken as an admission that Pioneer accepts that the discovery request or the response or objection thereto constitutes admissible evidence. Similarly, the fact that Pioneer has responded to all or part of an interrogatory is not intended to and shall not be construed to be a waiver by Pioneer of all or part of any objection to other interrogatories. Pioneer's answers to any discovery requests herein do not constitute a waiver of Pioneer's right to object to any future additional, or supplemental discovery requests regarding the same or similar matter.

6. Pioneer further objects to these discovery requests because they appear to attempt to separate out the transfer component of the IMAP from the applications for permit, and from the other significant legal issues involved in the IMAP, including but not limited to the appropriateness of an integrated points of diversion system, the appropriateness of a fifty year planning horizon and the applicability of the forfeiture doctrine to municipal water rights. UWID has consistently maintained that this is an "Integrated Municipal Application Package," and Pioneer maintains that it is impossible to consider the transfers of water rights contained within that package prior to and apart from the significant legal issues (as well as others) just described.

**RESPONSES TO INTERROGATORIES, REQUESTS FOR ADMISSION
AND REQUESTS FOR PRODUCTION OF DOCUMENTS**

INTERROGATORY NO. 1: Please identify yourself (the person responding to these discovery requests) and state your relationship with the District.

RESPONSE TO INTERROGATORY NUMBER 1: Kenneth E. Brush. Mr.

Brush is the President of the Board of Directors of Pioneer Irrigation District. Scott L. Campbell

and Angela Schaer Kaufmann, counsel for Pioneer, assisted Mr. Brush in preparing these responses.

INTERROGATORY NO. 2: Please identify each and every person with whom you consulted in preparing these responses.

RESPONSE TO INTERROGATORY NUMBER 2: See Response to Interrogatory Number 1.

INTERROGATORY NO. 3: Please identify each and every witness the Protestant intends to call (or may call) at the hearing in this matter. With respect to each of the witnesses so identified, please identify the person as a fact or expert witness, and state the subject matter and general substance of the facts and opinions to which he or she is expected to testify.

RESPONSE TO INTERROGATORY NUMBER 3: Objection. Discovery is still in its early stages, and Pioneer has not yet fully determined who it may call as a witness in this matter. Moreover, the Hearing Officer has not yet set a deadline for disclosure of witnesses. Subject to, and without waiving that objection, and reserving its right to disclose witnesses in accordance with the Hearing Officer's scheduling order(s), Pioneer states that it may call the following individuals as fact witnesses:

Jeff Scott, Superintendent
Pioneer Irrigation District
P.O. Box 426
Caldwell, ID 83606

Alan Newbill, Board Member
Pioneer Irrigation District
P.O. Box 426
Caldwell, ID 83606

Kenneth E. Brush, Board President
Pioneer Irrigation District
P.O. Box 426
Caldwell, ID 83606

Don Sayre, Board Member
Pioneer Irrigation District
P.O. Box 426
Caldwell, ID 83606

Each of the witnesses described above may testify regarding the effect of the IMAP upon Pioneer's water rights, and the effect of the IMAP on the local public interest.

Pioneer may also call the following expert witness: Don Reading of Ben Johnson Associates, Inc., 6070 Hill Road, Boise, ID 83703. Mr. Reading is expected to testify regarding the methodology and validity of the data used and conclusions reached by Mr. John Church.

Pioneer further reserves the right to examine each and every witness, whether fact or expert, who may be called by any other party in the above captioned matter.

INTERROGATORY NO. 4: Please identify each and every consultant or expert who has been consulted in connection with this proceeding or who has been employed, retained or engaged by the Protestant in connection with this matter. With respect to each of the persons so identified, please indicate the nature and purpose of their work as it relates to this proceeding, and indicate whether the person is expected to be called as a witness.

RESPONSE TO INTERROGATORY NUMBER 4: Objection. This interrogatory calls for material protected by the attorney-client privilege and the work product doctrine, and is not discoverable under Idaho Rule of Civil Procedure 26(B)(4)(b).

INTERROGATORY NO. 5: Please identify and describe each exhibit which the Protestant intends to introduce or utilize at the time of the hearing on the above action.

RESPONSE TO INTERROGATORY NUMBER 5: Objection. This interrogatory calls for material protected by the attorney-client privilege and work product doctrine. In addition, the Hearing Officer has not yet set a deadline for disclosure of exhibits. Subject to, and without waiving those objections, Pioneer has not yet determined what exhibits it

will introduce at the hearing in this matter. Pioneer will supplement this response in accordance with the Idaho Rules of Civil Procedure and the Hearing Officer's scheduling order(s).

INTERROGATORY NO. 6: Please describe in full, complete and material detail all statements and/or admissions relevant to the issues contested in this proceeding which the Protestant attributes to the Applicant or those speaking for the Applicant or in support of the Applicant's application. For each such statement or admission please state: (a) the substance thereof; (b) the identity of the person making the statement or admission; (c) the date and/or place where said admission was made; and (d) the identity of each and every person who heard, saw or observed each such statement or admission.

RESPONSE TO NO. INTERROGATORY NO. 6: Objection. This interrogatory is vague, ambiguous, overbroad, and compound. Subject to, and without waiving those objections, Pioneer states that it may use any statements or admissions made by UWID, including its counsel, employees, officers, directors, consultants, agents, and any others ("UWID") with actual or apparent authority to speak on behalf of UWID in the following contexts:

- a) the IMAP,
- b) any documents which UWID has disclosed in response to any of the Protestants' informal requests for information,
- c) any written statements UWID has disclosed in response to any of the Protestants' informal requests for information,
- d) any statements made by or on behalf of UWID at any hearing in this matter,

- e) any statements UWID makes in any pleadings filed or discovery responses served in this matter,
- f) any statements UWID makes in any depositions taken in this matter,
- g) any statements made in any correspondence to Pioneer, its counsel, or consultants,
- h) any statements made or reported in any news publication or report, whether written or oral.

Pioneer reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure and the Hearing Officer's orders.

INTERROGATORY NO. 7: Please state each and every basis for the Protestant's protest.

RESPONSE TO INTERROGATORY NUMBER 7: Objection. This interrogatory calls for material protected by the attorney-client privilege and work product doctrine. Moreover, the protest speaks for itself. Subject to, and without waiving those objections, Pioneer refers UWID to its statement of the issues provided in this matter, as well as its initial response to Requests for Information, contained in correspondence from Scott L. Campbell to Christopher Meyer and John Marshall, dated May 27, 2003.

Pioneer notes that discovery in this matter is ongoing, as is Pioneer's analysis of the issues and pertinent facts. Pioneer reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure.

REQUEST FOR ADMISSION NO. 1: Please admit that the transfers included in the Application will not injure other water rights within the meaning of Idaho Code § 42-222(1).

RESPONSE TO REQUEST FOR ADMISSION NUMBER 1: Denied.

REQUEST FOR ADMISSION NO. 2: Please admit that the transfers included in the Application will not result in enlargement of the water rights proposed for transfer within the meaning of Idaho Code § 42-222(1).

RESPONSE TO REQUEST FOR ADMISSION NUMBER 2: Denied.

REQUEST FOR ADMISSION NO. 3: Please admit that the transfers included in the Application are consistent with the "conservation of water within the state of Idaho" within the meaning of Idaho Code § 42-222(1).

RESPONSE TO REQUEST FOR ADMISSION NUMBER 3: Pioneer is without sufficient knowledge and information to respond to this request for admission and, therefore, denies the same.

REQUEST FOR ADMISSION NO. 4: Please admit that the transfers included in the Application will not "significantly affect the agricultural base of the local area" within the meaning of Idaho Code § 42-222(1).

RESPONSE TO REQUEST FOR ADMISSION NUMBER 4: Denied.

REQUEST FOR ADMISSION NO. 5: Please admit the transfers included in the Application are within the local public interest within the meaning of Idaho Code § 42-222(1).

RESPONSE TO REQUEST FOR ADMISSION NUMBER 5: Denied.

INTERROGATORY NO. 8: If your response to any of the Requests for Admission Numbers 1 through 5 was other than an unqualified admission, then for each such Request for Admission, please state with specificity each and every reason, fact, or opinion of which you are aware that prevents your unqualified admission.

RESPONSE TO INTERROGATORY NUMBER 8: Objection. This

interrogatory is compound and, in reality, constitutes five separate interrogatories. Pioneer further states that neither discovery nor its investigation of this matter is complete. Further, this interrogatory calls for material protected by the attorney-client and work product privileges. Finally, Pioneer objects on the basis that it is UWID's burden to affirmatively prove each and every element of Idaho Code section 42-222(1), and not Pioneer's burden to disprove those elements.

Subject to, and without waiving those objections, Pioneer states as follows:

1. As to Request for Admission Number 1 and its denial of the same, the transfers included in the Application will injure other water rights due to their contemplated incorporation and use of the integrated points of diversion system.
2. As to Request for Admission Number 2 and its denial of the same, the transfers may result in enlargement of the water rights due to the use of the integrated points of diversion system, and use of individual water rights in excess of the permitted, licensed, or decreed elements of those rights.
3. As to Request for Admission Number 3, Pioneer denied the same because it was without sufficient knowledge and information to answer that request for admission.
4. As to Request for Admission Number 4, if UWID is allowed to retain its current water rights, even though it admits that it does not currently use the entire quantity available under those paper water rights, and particularly if UWID is allowed to acquire water rights significantly in excess of current demand or demand projected in the reasonably near future, the agricultural base of the local area may be harmed because those involved in

agriculture may find themselves unable to acquire water rights due to UWID's senior but unused water rights.

5. As to Request for Admission Number 5, the transfers and the IMAP will not be in the local public interest because they will allow UWID to hold water rights in excess of current demand and use, thereby, tying up the public water resource. Further, the integrated points of diversion system will not be in the local public interest because it may lead to increased drawdowns in areas of certain wells, as well as increased impacts to surface water sources.

INTERROGATORY NO. 9: What is the total quantity of water available to the District under its water rights?

RESPONSE TO INTERROGATORY NUMBER 9: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence. It is also ambiguous as to the phrase "total quantity of water available."

INTERROGATORY NO. 10: Please describe and quantify the hydrologic impact on the District's water rights which is likely to result if the Application were approved.

RESPONSE TO INTERROGATORY NUMBER 10: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 11: Please describe and quantify the financial impact on the District which is likely to result if the Application were approved.

RESPONSE TO INTERROGATORY NUMBER 11: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 12: Please state whether the District has a water conservation program in effect today. Please describe in full the District's water conservation efforts or program. Please include a discussion of the history and development of the efforts or program.

RESPONSE TO INTERROGATORY NUMBER 12: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 13: Please identify, describe and summarize the results of all studies, by the District or others, assessing or evaluating the success of the District's water conservation efforts.

RESPONSE TO INTERROGATORY NUMBER 13: See Response to Interrogatory Number 12.

INTERROGATORY NO. 14: Please provide a quantification of water use by each user group served by the District for which the District keeps separate records. For example, if the District keeps records based on agricultural, commercial or domestic users, please provide a breakdown showing the total quantity of use for each group.

RESPONSE TO INTERROGATORY NUMBER 14: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 15: Please identify which of the Applicant's water rights included in the Application have been forfeited. For each water right identified, please state all the facts upon which you base your contention that the right has been forfeited.

RESPONSE TO INTERROGATORY NUMBER 15: Objection. Pioneer has not been able to fully make this determination because UWID continues to refuse to provide the information which Pioneer first requested in November 2002. Moreover, the Hearing Officer has ordered that the information requested in this interrogatory be disclosed on or before September 12, 2003, after discovery is closed. Subject to, and without waiving that objection, Pioneer's analysis in this regard is ongoing and has not been completed.

Pioneer reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure and the Hearing Officer's Third PreHearing Order.

INTERROGATORY NO. 16: Does the District disagree with the methodology used by Mr. Church and the conclusion he reached in creating the population and water demand projections in the Application? Please identify any such disagreements and explain.

RESPONSE TO INTERROGATORY NUMBER 16: Pioneer continues to review and refine its analysis of Mr. Church's methodology and conclusions, and has not yet reached conclusions of its own. Pioneer will supplement this response in accordance with the Idaho Rules of Civil Procedure and the Hearing Officer's Third PreHearing Order.

INTERROGATORY NO. 17: You have stated in responses to informal information requests that the Applicant's planning area is speculative and in conflict with the Municipal Water Rights Act of 1996.

RESPONSE TO INTERROGATORY NUMBER 17: Objection. No question was asked.

INTERROGATORY NO. 18: Explain why the District believes the Applicant should have a planning horizon for a maximum of 25 years.

RESPONSE TO INTERROGATORY NUMBER 18: The *maximum* planning horizon should be 25 years because, upon information and belief, that is the maximum period of time for which cities, counties and local agencies plan. Any period of time beyond 25 years renders projections such as population and water demand speculative and completely unreliable.

INTERROGATORY NO. 19: What plans does the District have to annex new lands?

RESPONSE TO INTERROGATORY NUMBER 19: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 20: How many pressurized, residential irrigation systems or hook-ups does the District serve? (This interrogatory does not inquire as to the number of individual lots or parcels served by Pioneer [] sic).

RESPONSE TO INTERROGATORY NUMBER 20: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this

interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 21: Please explain how you quantify and track residential irrigation water use?

RESPONSE TO INTERROGATORY NUMBER 21: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 22: What is the average annual per capita usage in volume of water per irrigated acre and per customer for your members who use water for residential irrigation?

RESPONSE TO INTERROGATORY NUMBER 22: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 23: Has the District undertaken any planning for projected future water demands? If so, explain what it has done in this regard, who did or is doing the work, what the status of the work is, and what conclusions or tentative conclusions have been reached.

RESPONSE TO INTERROGATORY NUMBER 23: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this

interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

REQUEST FOR PRODUCTION NO. 1: Please produce any and all documents which bear upon or provide evidence with respect to the decision by the District to file a protest in this matter. This Request for Production seeks production by the District of documents which include, but are not limited to, official minutes of any regular or special meeting of the District Council or its members, and all resolutions, ordinances, policies, directives, or other formal or informal actions of the District with respect to the District's protest of this water right transfer.

RESPONSE TO REQUEST FOR PRODUCTION NO. 1: Objection. Calls for material protected by the attorney-client privilege and work product doctrines. Subject to, and without waiving that objection, see the documents attached hereto.

REQUEST FOR PRODUCTION NO. 2: Please produce all documents displaying the hydrologic impact that the Application would have on the District's water rights if the Application were approved.

RESPONSE TO REQUEST FOR PRODUCTION NO. 2: Pioneer has no such responsive documents at this time. Pioneer reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure.

REQUEST FOR PRODUCTION NO. 3: Please produce all documents concerning the District's water conservation efforts or program.

RESPONSE TO REQUEST FOR PRODUCTION NO. 3: See Response to Interrogatory Number 12.

REQUEST FOR PRODUCTION NO. 4: Please produce all documents

concerning the District's evaluation of the Applicant's planning area.

RESPONSE TO REQUEST FOR PRODUCTION NO. 4: Objection. Calls for

material protected by the attorney-client privilege and work product doctrine. Subject to, and without waiving that objection, Pioneer states that the responsive documents are those which have been provided by UWID to Pioneer in response to Pioneer's informal requests for information. Pioneer reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure.

REQUEST FOR PRODUCTION NO. 5: Please produce all documents

concerning the District's evaluation of the Applicant's planning horizon.

RESPONSE TO REQUEST FOR PRODUCTION NO. 5: Objection. Calls for

material protected by the attorney-client privilege and work product doctrine. Subject to, and without waiving that objection, Pioneer states that the responsive documents are those which have been provided by UWID to Pioneer in response to Pioneer's informal requests for information. Pioneer reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure.

REQUEST FOR PRODUCTION NO. 6: Please produce all documents

concerning the District's evaluation of forfeiture of any of Applicant's water rights.

RESPONSE TO REQUEST FOR PRODUCTION NO. 6: Objection. Calls for

material protected by the attorney-client privilege and work product doctrine. Subject to, and without waiving that objection, Pioneer states that the responsive documents are those which have been provided by UWID to Pioneer in response to Pioneer's informal requests for

information. Pioneer reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure.

DATED this 17th day of July 2003.

MOFFATT, THOMAS, BARRETT, ROCK &
FIELDS, CHARTERED

By Angela Schaer Kaufmann for
Scott L. Campbell - Of the Firm

By Angela Schaer Kaufmann
Angela Schaer Kaufmann - Of the Firm
Attorneys for Pioneer Irrigation District
and Settlers Irrigation District

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 17th day of July 2003, I caused a true and correct copy of the foregoing PIONEER IRRIGATION DISTRICT'S RESPONSES TO UWID'S FIRST SET OF DISCOVERY REQUESTS TO PIONEER IRRIGATION DISTRICT to be served by the method indicated below, and addressed to the following:

Director
Idaho Department of Water Resources
1301 N. Orchard Street
PO Box 83720
Boise, ID 83720
Fax: 327-5400

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Peter Anderson, Hearing Officer
729 W. Braemere Road
Boise, ID 83702

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Gary L. Spackman, Regional Manager
Idaho Department of Water Resources
Western Region Office
2735 Airport Way
Boise, ID 83705
Fax: 334-2348

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

United Water Idaho Inc.
John M. Marshall
Givens Pursley, LLP
PO Box 2720
Boise, ID 83701
Fax: 388-1300

☐ U.S. Mail, Postage Prepaid
☒ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Nampa & Meridian Irrigation District,
City of Meridian, City of Caldwell, Terteling
Company, and Terteling Trust No. 7
Charles L. Honsinger
Ringert Clark
455 South 3rd Street
PO Box 2773
Boise, ID 83701-2773
Fax: 342-4657

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

City of Boise
Matthew Wilde
Boise City Attorney's Office
PO Box 500
Boise, ID 83701-0500
Fax: 384-4454

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Josephine P. Beeman
Beeman & Associates P.C.
409 W. Jefferson Street
Boise, ID 83702
Fax: 331-0954

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

City of Boise
Boise Public Works Department
Beth K. Baird
Environmental Programs Coordinator
150 N. Capitol Blvd.
PO Box 500
Boise, ID 83701-0500
Fax: 384-3905

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Boise Project Board of Control
Albert P. Barker
Barker Rosholt & Simpson
PO Box 2139
Boise, ID 83701-2139
Fax: 342-4657

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Bureau of Reclamation
E. Gail McGarry, PN-3100
1150 N. Curtis Road, Suite 100
Boise, ID 83706-1234
Fax: 378-5019

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Kathleen M. Carr
U.S. Department of the Interior
Office of the Solicitor
Pacific Northwest Region , Boise Field Office
550 West Fort Street, MSC 020
Boise, ID 83724-0020
Fax: 334-1378

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Estate of Eleanor I. Chase
Matt J. Howard
PO Box 190012
Boise, ID 83719
Fax: 333-8409

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Cities of Eagle, Kuna, Middleton & Star and
Star Sewer District
Bruce M. Smith
Tammy A. Zokan
Moore Smith Buxton & Turcke
225 N. 9th Street, Suite 420
Boise, ID 83702
Fax: 331-1202

☒ U.S. Mail, Postage Prepaid
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☐ Overnight Mail
☐ Facsimile

City of Meridian Public Works
Gary D. Smith
660 E. Watertower
Meridian, ID 83642
Fax: 887-1297

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

City of Caldwell Engineering Department
Gordon Law
621 E. Cleveland Blvd.
Caldwell, ID 83605
Fax: 455-3003

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☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Ed Squires
Hydrologic
1002 W. Franklin
Boise, ID 83702-5431
Fax: 342-3100

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☐ Overnight Mail
☐ Facsimile

Robert W. Talboy
Ellsworth Kallas Talboy, PLLC
2402 W. Jefferson Street
Boise, ID 83702
Fax: 345-8945

☒ U.S. Mail, Postage Prepaid
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☐ Overnight Mail
☐ Facsimile

Mr. Michael Chase
70 W. Floating Feather Road
Eagle, ID 83616-3802

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Angela Schaefer Kaufmann for
Scott L. Campbell

QUITCLAIM DEEDS: It was moved, seconded and carried to sign a Quitclaim Deed to Raul C. Anguiana and Editha Mejia for property assessed under Account #1762-2, upon payment of \$193.61 to cover all assessments owing on said account.

CROSSING AGREEMENTS: It was moved, seconded and carried to sign the following Standard Crossing Agreements:

IDAHO POWER CO. for crossing the Steven's Lateral four times within Crestwood Estates #2, in road right-of-way, at the location described in their Exhibit A, in order to construct, operate, inspect, maintain and repair a 12.5 KV underground distribution power line;

IDACOMM, Inc. for crossing the 13.3 Lateral and 13.3 East with an underground and aerial fiber optic cable; and

CITY OF CALDWELL for crossing the Phyllis Canal with a 10" sewer main for Southgate Subdivision at Airport Avenue.

CONSTRUCTION, OPERATION AND MAINTENANCE AGREEMENTS: Attorney Campbell has completed the draft for said agreements for Ashton Hills, Black Hawk and Monarch Subdivision. Said drafts have been reviewed and are acceptable with Pioneer. Should the representatives for said subdivisions sign the agreements as written, it was moved, seconded and carried for the President of Pioneer's Board to sign them upon receipt of the same.

ARROWROCK: Letter of Agreement for Repayment of Rehabilitation Costs was sent to Pioneer. It was the consensus of the Board to put this matter on hold until Attorney Campbell has addressed some concerns contained therein with the Bureau of Reclamation.

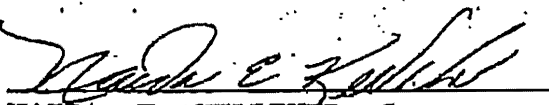
UNITED WATER: Mr. Scott Rhead of United Water had requested a slot on the Board's agenda to inform the Board on the stand which United Water has taken on some issues of concern. The Board granted him his request and listened to what he had to say. No discussion took place nor was any Board action required.

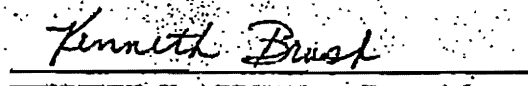
THIES LITIGATION: A letter was sent to Attorney Campbell regarding said litigation from William F. Gigray, III who is representing the Canyon Highway Dist. #4. Said letter stated the Highway District is willing to provide all of the material and bedding for the tiling project on Laster Lane, and the City of Caldwell is willing to perform any necessary engineering and the equipment and labor necessary for the excavation and installation of the tiling of the High Line Canal along Laster Lane. It was stated, however, that the Highway District is not willing to pay the attorney fees Pioneer Irrigation District has expended to defend the District on said litigation. It was the consensus of the Board to not enter into said settlement due to the legal expenses not being covered which were expended on a matter for which the District held no responsibility.

CH2MHill: An agreement with CH2MHill for the Lucky Peak Storage Contract Environmental Assessment was presented to the Board by Mr. Campbell. It was the consensus of the Board to sign said Agreement upon the recommendation of Mr. Campbell. The same was signed and returned to Attorney Campbell this day.

There being no further business appearing before the Board, meeting was adjourned.

ATTEST:


NAIDA E. KELLEHER, Secretary


KENNETH E. BRUSH, President

COULTER BAY, etc. - Continued: Mr. Bailey was informed that a Crossing Agreement would need to be in place prior to the beginning of said work. The gentlemen were informed by Attorney Campbell that they would need to contact the Bureau of Reclamation and perhaps the Corp of Engineers as well as the Department of Water Resources for their plans which involve the Purdam Drain and Mason Creek, and issues which have to do with the Clean Water Act. These issues need to be resolved prior to Pioneer Irrigation District giving approval or signing a crossing agreement. Mr. Amar and Mr. Cox stated they would make the necessary contacts and be in contact with Supt. Jeff Scott and Attorney Campbell.

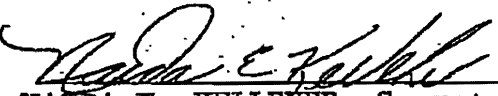
UNITED WATER: Mr. Scott Reed of United Water appeared before the Board regarding a deep well they wish to drill at Maple Hills and Franklin Road which Pioneer's Attorney has filed a protest against. A test well has been dug and it has been determined the producing zone is 265 feet. United Water has proposed to put a sealed casing down to the 265-foot depth. Mr. Reed presented other arguments as to why this well should not damage Pioneer's water rights. Attorney Campbell has presented to United Water the conditions for which Pioneer would withdraw their protest, but United Water representatives have determined to not comply with those conditions. It was the consensus of the Board to proceed with the District's protest.

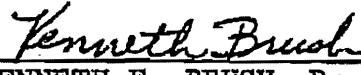
EARL & ASSOC.: Attorney Campbell expressed concern about some of the language contained in the letters the District's engineer has sent out. It was the consensus of the Board to see if Mr. Mason can attend next month's Board meeting.

Attorney Campbell advised the Board on the development of matters he is representing the District on.

There being no further business appearing before the Board, meeting was adjourned.

ATTEST:


NAIDA E. KELLEHER, Secretary


KENNETH E. BRUSH, President

January 7, 2003
Caldwell, Idaho
Reorganization Meeting

The new Board was called to order with the following present: Kenneth E. Brush, Alan Newbill, and newly re-elected Donald F. Sayre. Mr. Sayre was sworn in for a term of three years. It was moved, seconded and carried to re-elect Kenneth E. Brush as President for the coming year.

It was moved, seconded and carried to appoint Jeffrey C. Scott as Superintendent & Naida E. Kelleher as Secretary-Treasurer. Mr. Scott has selected Mark Zirschky to be the District's new Asst. Superintendent.

Per Diem for the Directors was again set at \$75 per meeting, and each Director to continue to receive a \$5.00 per month telephone allowance.

It was the consensus of the Board to continue holding the regularly scheduled meetings of the Board on the 7th of each month unless the 7th falls on a weekend or holiday, on which occasion the Board will meet the following working day.

NAMPA CITY ORDINANCES: It was the consensus of the Board to approve Ordinances #3115 for 1.82 acres and #3117 for 39.97 acres, whereby the City of Nampa annexes land from Pioneer Irrigation District into the Municipal Irrigation District of the City of Nampa for the purpose of distributing irrigation water to said parcels.

GLENN MEADOWS SUB.: A request was received from Attorney Wm. F. Gigray on behalf of Dr. Gilbert Hafen for Pioneer Irrigation District to share in the cost of the construction of the Spruce Street and Georgia Avenue pump site and the new pump to serve said subdivision.

A letter was also received from the City of Caldwell's Engineering Office regarding the City's review of the construction plans for the pressure irrigation for the referenced development. The City's redlined plans stipulate the pressure irrigation system will be owned, operated and maintained by Pioneer Irrigation District with an agreement specifying maintenance responsibility, including surface repair, to be by Pioneer.

It was the consensus of the Board to deny the request for Pioneer to share in the cost of the pump site, and also to deny entering into any agreement which would specify that Pioneer would accept the responsibility for maintaining facilities constructed in public right-of-ways.

MANCHESTER PARK #8: Upon the recommendation of the District's engineering firm to approve and accept the pressure irrigation and distribution system for Phase #8 of Manchester Park, it was the consensus of the Board to accept the same.

MARBLE VALLEY #1 & #2 AND STONEGATE SUBDIVISION #2: The District is in receipt of recommendations from the District's engineering firm to approve and accept into Pioneer's system the pressure irrigation and distribution systems for the above two named subdivisions. Attorney Campbell stated he had not been contacted regarding Construction; Operation and Maintenance Agreements for these two subdivisions. It was the consensus of the Board to table acceptance of the pressure irrigation and distribution systems for the above two named subdivisions until the Construction, Operation and Maintenance Agreements are in place.

WEST WIND DEVELOPMENT submitted a request for permission to tie into the 3" irrigation line on the north side of Ashton Hills Subdivision. It was moved, seconded and carried to approve said request.

FRED C. SCHREFFLER submitted a Claim for Damage or Injury regarding a 4" irrigation line which was on the District's easement, and was run over by a District employee who was spraying weeds. It was the consensus of the Board to deny the claim in the amount of \$100.00.

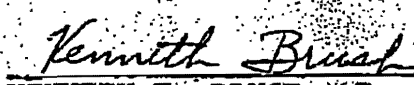
PERSONNEL: Supt. Freeman submitted to the Board for information purposes the letter he wrote to Ronald R. Burcham, Ditchrider on Ride #1, as was requested by the Board at last month's meeting. Said letter was read by and signed by Mr. Burcham. A summary of the meeting with Mr. Burcham was also given to the Board for informational purposes.

A letter received from the Manchester Park Board of Directors was also given to the Board. Said letter commended Chuck Meyers, Ditchrider #5, for his efforts on behalf of the waterusers in Manchester Park.

BY-LAWS: A copy of the District's By-Laws was given to Director Alan Newbill for his information.

LEGAL MATTERS: Attorney Campbell advised the Board of the litigation status of the Thies lawsuit, the United Water transfer, and gave a progress report of the Snake River Basin Adjudication. No action was required. There being no further business appearing before the Board, meeting was adjourned.

ATTEST:



Attorneys for Pioneer Irrigation District
and Settlers Irrigation District

Scott L. Campbell, ISB No. 2251
Angela Schaer Kaufmann, ISB No. 5436
MOFFATT, THOMAS, BARRETT, ROCK &
FIELDS, CHARTERED
101 S. Capitol Boulevard, 10th Floor
Post Office Box 829
Boise, Idaho 83701
Telephone: (208) 345-2000
Facsimile: (208) 385-5384
18946.26

RECEIVED

JUL 17 2003

Givens Pursley, LLP

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF INTEGRATED
MUNICIPAL APPLICATION PACKAGE
(CONSISTING OF 99 APPLICATIONS FOR
TRANSFERS OF WATER RIGHTS, AND 13
APPLICATIONS FOR AMENDMENT OF
PERMITS) IN THE NAME OF UNITED
WATER IDAHO, INC.

SETTLERS IRRIGATION DISTRICT'S
RESPONSES TO UWID'S FIRST SET OF
DISCOVERY REQUESTS TO SETTLERS
IRRIGATION DISTRICT

Settlers Irrigation District ("Settlers") hereby responds to UWID's First Set of
Discovery Requests to Settlers Irrigation District, pursuant to the Idaho Rules of Civil Procedure,
the Idaho Department of Water Resources' Rules of Procedure, and the Hearing Officer's Third
PreHearing Order.

GENERAL OBJECTIONS

1. Settlers has not completed its own investigations and/or discovery.

Accordingly, the responses that follow are based upon the best knowledge, information, and

belief of Settlers at this time. Settlers reserves the right to make any further responses if it appears that any omission or error has been made in connection with these responses or that more accurate information is or has become available. These responses are made without prejudice to Settlers' right to use in later discovery or to present at trial, such evidence as may later be discovered or evaluated.

2. Settlers objects to the definitions and instructions to the extent they purport to require discovery requests beyond that required under the Idaho Rules of Civil Procedure. These responses are provided in accordance with the Idaho Rules of Civil Procedure irrespective of any definitions and instructions that may accompany these discovery requests.

3. These responses are made subject to all objections as to competence, relevance, materiality, and admissibility. These responses are subject to all objections that would require the exclusion of any statement, material, or information herein provided if such interrogatory were asked of or any statement, material, or information provided were made by witnesses present and testifying in court. All such objections are reserved and may be interposed at the time of trial.

4. Settlers specifically objects to these discovery requests to the extent they seek information protected by the attorney-client privilege, the attorney work product doctrine, and the rules governing the discovery of facts of experts as set forth in Rule 26(b)(4), Idaho Rules of Civil Procedure. This objection is intended to apply to all of the discovery requests that seek such information and will not necessarily be repeated for each request to which it applies. Settlers has, to the extent possible, construed each request as requesting only information and/or documents not subject to any applicable protection.

5. No incidental or implied admissions are intended. The fact that Settlers has responded to any discovery request or part thereof should not be taken as an admission that Settlers accepts that the discovery request or the response or objection thereto constitutes admissible evidence. Similarly, the fact that Settlers has responded to all or part of an interrogatory is not intended to and shall not be construed to be a waiver by Settlers of all or part of any objection to other interrogatories. Settlers' answers to any discovery requests herein do not constitute a waiver of Settlers' right to object to any future additional, or supplemental discovery requests regarding the same or similar matter.

6. Settlers further objects to these discovery requests because they appear to attempt to separate out the transfer component of the IMAP from the applications for permit, and from the other significant legal issues involved in the IMAP, including but not limited to the appropriateness of an integrated points of diversion system, the appropriateness of a fifty year planning horizon and the applicability of the forfeiture doctrine to municipal water rights. UWID has consistently maintained that this is an "Integrated Municipal Application Package," and Settlers maintains that it is impossible to consider the transfers of water rights contained within that package prior to and apart from the significant legal issues (as well as others) just described.

**RESPONSES TO INTERROGATORIES, REQUESTS FOR ADMISSION
AND REQUESTS FOR PRODUCTION OF DOCUMENTS**

INTERROGATORY NO. 1: Please identify yourself (the person responding to these discovery requests) and state your relationship with the District.

RESPONSE TO INTERROGATORY NUMBER 1: Tom Davis. Mr. Davis is the Vice-President of the Board of Directors of Settlers Irrigation District. Scott L. Campbell and Angela Schaer Kaufmann, counsel for Settlers, assisted Mr. Davis in preparing these responses.

INTERROGATORY NO. 2: Please identify each and every person with whom you consulted in preparing these responses.

RESPONSE TO INTERROGATORY NUMBER 2: See Response to Interrogatory Number 1.

INTERROGATORY NO. 3: Please identify each and every witness the Protestant intends to call (or may call) at the hearing in this matter. With respect to each of the witnesses so identified, please identify the person as a fact or expert witness, and state the subject matter and general substance of the facts and opinions to which he or she is expected to testify.

RESPONSE TO INTERROGATORY NUMBER 3: Objection. Discovery is still in its early stages, and Settlers has not yet fully determined who it may call as a witness in this matter. Moreover, the Hearing Officer has not yet set a deadline for disclosure of witnesses. Subject to, and without waiving that objection, and reserving its right to disclose witnesses in accordance with the Hearing Officer's scheduling order(s), Settlers states that it may call the following individuals as fact witnesses:

Nathan Draper, Manager
Settlers Irrigation District
P.O. Box 7571
Boise, ID 83707

Richard E. Allen, Board President
Settlers Irrigation District
P.O. Box 7571
Boise, ID 83707

Ken Aschenbrenner, Board Member
Settlers Irrigation District
P.O. Box 7571
Boise, ID 83707

Tom Davis, Board Member
Settlers Irrigation District
P.O. Box 7571
Boise, ID 83707

Each of the witnesses described above may testify regarding the effect of the IMAP upon Settlers' water rights, and the effect of the IMAP on the local public interest.

Settlers may also call the following expert witness: Don Reading of Ben Johnson Associates, Inc., 6070 Hill Road, Boise, ID 83703. Mr. Reading is expected to testify regarding the methodology and validity of the data used and conclusions reached by Mr. John Church.

Settlers further reserves the right to examine each and every witness, whether fact or expert, who may be called by any other party in the above captioned matter.

INTERROGATORY NO. 4: Please identify each and every consultant or expert who has been consulted in connection with this proceeding or who has been employed, retained or engaged by the Protestant in connection with this matter. With respect to each of the persons so identified, please indicate the nature and purpose of their work as it relates to this proceeding, and indicate whether the person is expected to be called as a witness.

RESPONSE TO INTERROGATORY NUMBER 4: Objection. This interrogatory calls for material protected by the attorney-client privilege and the work product doctrine, and is not discoverable under Idaho Rule of Civil Procedure 26(B)(4)(b).

INTERROGATORY NO. 5: Please identify and describe each exhibit which the Protestant intends to introduce or utilize at the time of the hearing on the above action.

RESPONSE TO INTERROGATORY NUMBER 5: Objection. This interrogatory calls for material protected by the attorney-client privilege and work product doctrine. In addition, the Hearing Officer has not yet set a deadline for disclosure of exhibits. Subject to, and without waiving those objections, Settlers has not yet determined what exhibits it will introduce at the hearing in this matter. Settlers will supplement this response in accordance with the Idaho Rules of Civil Procedure and the Hearing Officer's scheduling order(s).

INTERROGATORY NO. 6: Please describe in full, complete and material detail all statements and/or admissions relevant to the issues contested in this proceeding which the Protestant attributes to the Applicant or those speaking for the Applicant or in support of the Applicant's application. For each such statement or admission please state: (a) the substance thereof; (b) the identity of the person making the statement or admission; (c) the date and/or place where said admission was made; and (d) the identity of each and every person who heard, saw or observed each such statement or admission.

RESPONSE TO NO. INTERROGATORY NO. 6: Objection. This interrogatory is vague, ambiguous, overbroad, and compound. Subject to, and without waiving those objections, Settlers states that it may use any statements or admissions made by UWID, including its counsel, employees, officers, directors, consultants, agents, and any others ("UWID") with actual or apparent authority to speak on behalf of UWID in the following contexts:

- a) the IMAP,
- b) any documents which UWID has disclosed in response to any of the Protestants' informal requests for information,
- c) any written statements UWID has disclosed in response to any of the Protestants' informal requests for information,
- d) any statements made by or on behalf of UWID at any hearing in this matter,
- e) any statements UWID makes in any pleadings filed or discovery responses served in this matter,
- f) any statements UWID makes in any depositions taken in this matter,

- g) any statements made in any correspondence to Settlers, its counsel, or consultants,
- h) any statements made or reported in any news publication or report, whether written or oral.

Settlers reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure and the Hearing Officer's orders.

INTERROGATORY NO. 7: Please state each and every basis for the Protestant's protest.

RESPONSE TO INTERROGATORY NUMBER 7: Objection. This interrogatory calls for material protected by the attorney-client privilege and work product doctrine. Moreover, the protest speaks for itself. Subject to, and without waiving those objections, Settlers refers UWID to its statement of the issues provided in this matter, as well as its initial response to Requests for Information, contained in correspondence from Scott L. Campbell to Christopher Meyer and John Marshall, dated May 27, 2003.

Settlers notes that discovery in this matter is ongoing, as is Settlers' analysis of the issues and pertinent facts. Settlers reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure.

REQUEST FOR ADMISSION NO. 1: Please admit that the transfers included in the Application will not injure other water rights within the meaning of Idaho Code § 42-222(1).

RESPONSE TO REQUEST FOR ADMISSION NUMBER 1: Denied.

REQUEST FOR ADMISSION NO. 2: Please admit that the transfers included in the Application will not result in enlargement of the water rights proposed for transfer within the meaning of Idaho Code § 42-222(1).

RESPONSE TO REQUEST FOR ADMISSION NUMBER 2: Denied.

REQUEST FOR ADMISSION NO. 3: Please admit that the transfers included in the Application are consistent with the "conservation of water within the state of Idaho" within the meaning of Idaho Code § 42-222(1).

RESPONSE TO REQUEST FOR ADMISSION NUMBER 3: Settlers is without sufficient knowledge and information to respond to this request for admission and, therefore, denies the same.

REQUEST FOR ADMISSION NO. 4: Please admit that the transfers included in the Application will not "significantly affect the agricultural base of the local area" within the meaning of Idaho Code § 42-222(1).

RESPONSE TO REQUEST FOR ADMISSION NUMBER 4: Denied.

REQUEST FOR ADMISSION NO. 5: Please admit the transfers included in the Application are within the local public interest within the meaning of Idaho Code § 42-222(1).

RESPONSE TO REQUEST FOR ADMISSION NUMBER 5: Denied.

INTERROGATORY NO. 8: If your response to any of the Requests for Admission Numbers 1 through 5 was other than an unqualified admission, then for each such Request for Admission, please state with specificity each and every reason, fact, or opinion of which you are aware that prevents your unqualified admission.

RESPONSE TO INTERROGATORY NUMBER 8: Objection. This

interrogatory is compound and, in reality, constitutes five separate interrogatories. Settlers further states that neither discovery nor its investigation of this matter is complete. Further, this interrogatory calls for material protected by the attorney-client and work product privileges. Finally, Settlers objects on the basis that it is UWID's burden to affirmatively prove each and every element of Idaho Code section 42-222(1), and not Settlers' burden to disprove those elements.

Subject to, and without waiving those objections, Settlers states as follows:

1. As to Request for Admission Number 1 and its denial of the same, the transfers included in the Application will injure other water rights due to their contemplated incorporation and use of the integrated points of diversion system.
2. As to Request for Admission Number 2 and its denial of the same, the transfers may result in enlargement of the water rights due to the use of the integrated points of diversion system, and use of individual water rights in excess of the permitted, licensed, or decreed elements of those rights.
3. As to Request for Admission Number 3, Settlers denied the same because it was without sufficient knowledge and information to answer that request for admission.
4. As to Request for Admission Number 4, if UWID is allowed to retain its current water rights, even though it admits that it does not currently use the entire quantity available under those paper water rights, and particularly if UWID is allowed to acquire water rights significantly in excess of current demand or demand projected in the reasonably near future, the agricultural base of the local area may be harmed because those involved in

agriculture may find themselves unable to acquire water rights due to UWID's senior but unused water rights.

5. As to Request for Admission Number 5, the transfers and the IMAP will not be in the local public interest because they will allow UWID to hold water rights in excess of current demand and use, thereby, tying up the public water resource. Further, the integrated points of diversion system will not be in the local public interest because it may lead to increased drawdowns in areas of certain wells, as well as increased impacts to surface water sources.

INTERROGATORY NO. 9: What is the total quantity of water available to the District under its water rights?

RESPONSE TO INTERROGATORY NUMBER 9: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence. It is also ambiguous as to the phrase "total quantity of water available."

INTERROGATORY NO. 10: Please describe and quantify the hydrologic impact on the District's water rights which is likely to result if the Application were approved.

RESPONSE TO INTERROGATORY NUMBER 10: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 11: Please describe and quantify the financial impact on the District which is likely to result if the Application were approved.

RESPONSE TO INTERROGATORY NUMBER 11: Objection. This

interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 12: Please state whether the District has a water

conservation program in effect today. Please describe in full the District's water conservation efforts or program. Please include a discussion of the history and development of the efforts or program.

RESPONSE TO INTERROGATORY NUMBER 12: Objection. This

interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 13: Please identify, describe and summarize the results

of all studies, by the District or others, assessing or evaluating the success of the District's water conservation efforts.

RESPONSE TO INTERROGATORY NUMBER 13: See Response to

Interrogatory Number 12.

INTERROGATORY NO. 14: Please provide a quantification of water use by

each user group served by the District for which the District keeps separate records. For example, if the District keeps records based on agricultural, commercial or domestic users, please provide a breakdown showing the total quantity of use for each group.

RESPONSE TO INTERROGATORY NUMBER 14: Objection. This

interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 15: Please identify which of the Applicant's water

rights included in the Application have been forfeited. For each water right identified, please state all the facts upon which you base your contention that the right has been forfeited.

RESPONSE TO INTERROGATORY NUMBER 15: Objection. Settlers has not

been able to fully make this determination because UWID continues to refuse to provide the information which Settlers first requested in November 2002. Moreover, the Hearing Officer has ordered that the information requested in this interrogatory be disclosed on or before September 12, 2003, after discovery is closed. Subject to, and without waiving that objection, Settlers' analysis in this regard is ongoing and has not been completed.

Settlers reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure and the Hearing Officer's Third PreHearing Order.

INTERROGATORY NO. 16: Does the District disagree with the methodology

used by Mr. Church and the conclusion he reached in creating the population and water demand projections in the Application? Please identify any such disagreements and explain.

RESPONSE TO INTERROGATORY NUMBER 16: Settlers continues to review

and refine its analysis of Mr. Church's methodology and conclusions, and has not yet reached conclusions of its own. Settlers will supplement this response in accordance with the Idaho Rules of Civil Procedure and the Hearing Officer's Third PreHearing Order.

INTERROGATORY NO. 17: You have stated in responses to informal information requests that the Applicant's planning area is speculative and in conflict with the Municipal Water Rights Act of 1996.

RESPONSE TO INTERROGATORY NUMBER 17: Objection. No question was asked.

INTERROGATORY NO. 18: Explain why the District believes the Applicant should have a planning horizon for a maximum of 25 years.

RESPONSE TO INTERROGATORY NUMBER 18: The *maximum* planning horizon should be 25 years because, upon information and belief, that is the maximum period of time for which cities, counties and local agencies plan. Any period of time beyond 25 years renders projections such as population and water demand speculative and completely unreliable.

INTERROGATORY NO. 19: What plans does the District have to annex new lands?

RESPONSE TO INTERROGATORY NUMBER 19: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 20: How many pressurized, residential irrigation systems or hook-ups does the District serve? (This interrogatory does not inquire as to the number of individual lots or parcels served by Settlers [] sic).

RESPONSE TO INTERROGATORY NUMBER 20: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this

interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 21: Please explain how you quantify and track residential irrigation water use?

RESPONSE TO INTERROGATORY NUMBER 21: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 22: What is the average annual per capita usage in volume of water per irrigated acre and per customer for your members who use water for residential irrigation?

RESPONSE TO INTERROGATORY NUMBER 22: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 23: Has the District undertaken any planning for projected future water demands? If so, explain what it has done in this regard, who did or is doing the work, what the status of the work is, and what conclusions or tentative conclusions have been reached.

RESPONSE TO INTERROGATORY NUMBER 23: Objection. This interrogatory seeks information which is irrelevant to the IMAP proceeding, and this

interrogatory furthermore is not reasonably calculated to lead to the discovery of admissible evidence.

REQUEST FOR PRODUCTION NO. 1: Please produce any and all documents which bear upon or provide evidence with respect to the decision by the District to file a protest in this matter. This Request for Production seeks production by the District of documents which include, but are not limited to, official minutes of any regular or special meeting of the District Council or its members, and all resolutions, ordinances, policies, directives, or other formal or informal actions of the District with respect to the District's protest of this water right transfer.

RESPONSE TO REQUEST FOR PRODUCTION NO. 1: Objection. Calls for material protected by the attorney-client privilege and work product doctrines. Subject to, and without waiving that objection, see the documents attached hereto.

REQUEST FOR PRODUCTION NO. 2: Please produce all documents displaying the hydrologic impact that the Application would have on the District's water rights if the Application were approved.

RESPONSE TO REQUEST FOR PRODUCTION NO. 2: Settlers has no such responsive documents at this time. Settlers reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure.

REQUEST FOR PRODUCTION NO. 3: Please produce all documents concerning the District's water conservation efforts or program.

RESPONSE TO REQUEST FOR PRODUCTION NO. 3: See Response to Interrogatory Number 12.

REQUEST FOR PRODUCTION NO. 4: Please produce all documents concerning the District's evaluation of the Applicant's planning area.

RESPONSE TO REQUEST FOR PRODUCTION NO. 4: Objection. Calls for material protected by the attorney-client privilege and work product doctrine. Subject to, and without waiving that objection, Settlers states that the responsive documents are those which have been provided by UWID to Settlers in response to Settlers' informal requests for information. Settlers reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure.

REQUEST FOR PRODUCTION NO. 5: Please produce all documents concerning the District's evaluation of the Applicant's planning horizon.

RESPONSE TO REQUEST FOR PRODUCTION NO. 5: Objection. Calls for material protected by the attorney-client privilege and work product doctrine. Subject to, and without waiving that objection, Settlers states that the responsive documents are those which have been provided by UWID to Settlers in response to Settlers' informal requests for information. Settlers reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure.

REQUEST FOR PRODUCTION NO. 6: Please produce all documents concerning the District's evaluation of forfeiture of any of Applicant's water rights.

RESPONSE TO REQUEST FOR PRODUCTION NO. 6: Objection. Calls for material protected by the attorney-client privilege and work product doctrine. Subject to, and without waiving that objection, Settlers states that the responsive documents are those which have been provided by UWID to Settlers in response to Settlers' informal requests for

information. Settlers reserves the right to supplement this response in accordance with the Idaho Rules of Civil Procedure.

DATED this 17th day of July 2003.

MOFFATT, THOMAS, BARRETT, ROCK &
FIELDS, CHARTERED

By Angela Schaefer Kaufmann
Scott L. Campbell - Of the Firm

By Angela Schaefer Kaufmann
Angela Schaefer Kaufmann - Of the Firm
Attorneys for Pioneer Irrigation District
and Settlers Irrigation District

JUL-16-2003(WED) 9:52 MOFFATT THOMAS

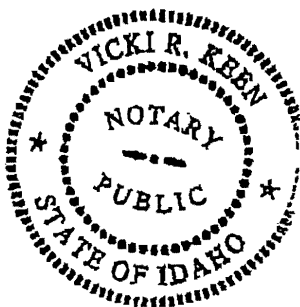
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P.003

DATED this 16th day of July 2003.By Tom Davis
Tom Davis, Board Vice-President
Settlers Irrigation DistrictSTATE OF IDAHO)
) ss.
County of Ada)

On this 16th day of July 2003, before me, the undersigned notary public in and for said state, personally appeared TOM DAVIS, Vice-President of the Board of Directors of SETTLERS IRRIGATION DISTRICT, an irrigation district organized and existing under and by virtue of the laws of the State of Idaho, known or identified to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he has the authority to execute and executed the same for the purposes therein contained on behalf of SETTLERS IRRIGATION DISTRICT.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Vicki R. Keen
NOTARY PUBLIC FOR IDAHO
Residing at Boise, Idaho
My Commission Expires 5/21/2005

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 17th day of July 2003, I caused a true and correct copy of the foregoing **SETTLERS IRRIGATION DISTRICT'S RESPONSES TO UWID'S FIRST SET OF DISCOVERY REQUESTS TO SETTLERS IRRIGATION DISTRICT** to be served by the method indicated below, and addressed to the following:

Director	☒ U.S. Mail, Postage Prepaid
Idaho Department of Water Resources	☐ Hand Delivered
1301 N. Orchard Street	☐ Overnight Mail
PO Box 83720	☐ Facsimile
Boise, ID 83720	
Fax: 327-5400	

Peter Anderson, Hearing Officer	☒ U.S. Mail, Postage Prepaid
729 W. Braemere Road	☐ Hand Delivered
Boise, ID 83702	☐ Overnight Mail
	☐ Facsimile

Gary L. Spackman, Regional Manager	☒ U.S. Mail, Postage Prepaid
Idaho Department of Water Resources	☐ Hand Delivered
Western Region Office	☐ Overnight Mail
2735 Airport Way	☐ Facsimile
Boise, ID 83705	
Fax: 334-2348	

United Water Idaho Inc.	☐ U.S. Mail, Postage Prepaid
John M. Marshall	☒ Hand Delivered
Givens Pursley, LLP	☐ Overnight Mail
PO Box 2720	☐ Facsimile
Boise, ID 83701	
Fax: 388-1300	

Nampa & Meridian Irrigation District,	☒ U.S. Mail, Postage Prepaid
City of Meridian, City of Caldwell, Terteling	☐ Hand Delivered
Company, and Terteling Trust No. 7	☐ Overnight Mail
Charles L. Honsinger	☐ Facsimile
Ringert Clark	
455 South 3rd Street	
PO Box 2773	
Boise, ID 83701-2773	
Fax: 342-4657	

City of Boise
Matthew Wilde
Boise City Attorney's Office
PO Box 500
Boise, ID 83701-0500
Fax: 384-4454

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Josephine P. Beeman
Beeman & Associates P.C.
409 W. Jefferson Street
Boise, ID 83702
Fax: 331-0954

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

City of Boise
Boise Public Works Department
Beth K. Baird
Environmental Programs Coordinator
150 N. Capitol Blvd.
PO Box 500
Boise, ID 83701-0500
Fax: 384-3905

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Boise Project Board of Control
Albert P. Barker
Barker Rosholt & Simpson
PO Box 2139
Boise, ID 83701-2139
Fax: 342-4657

☒ U.S. Mail, Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Bureau of Reclamation
E. Gail McGarry, PN-3100
1150 N. Curtis Road, Suite 100
Boise, ID 83706-1234
Fax: 378-5019

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Kathleen M. Carr
U.S. Department of the Interior
Office of the Solicitor
Pacific Northwest Region , Boise Field Office
550 West Fort Street, MSC 020
Boise, ID 83724-0020
Fax: 334-1378

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Estate of Eleanor I. Chase
Matt J. Howard
PO Box 190012
Boise, ID 83719
Fax: 333-8409

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Cities of Eagle, Kuna, Middleton & Star and
Star Sewer District
Bruce M. Smith
Tammy A. Zokan
Moore Smith Buxton & Turecke
225 N. 9th Street, Suite 420
Boise, ID 83702
Fax: 331-1202

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City of Meridian Public Works
Gary D. Smith
660 E. Watertower
Meridian, ID 83642
Fax: 887-1297

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City of Caldwell Engineering Department
Gordon Law
621 E. Cleveland Blvd.
Caldwell, ID 83605
Fax: 455-3003

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Ed Squires
Hydrologic
1002 W. Franklin
Boise, ID 83702-5431
Fax: 342-3100

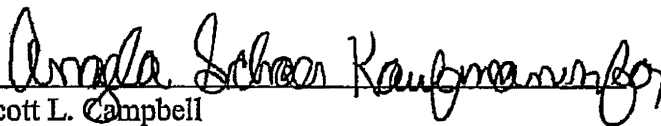
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Robert W. Talboy
Ellsworth Kallas Talboy, PLLC
2402 W. Jefferson Street
Boise, ID 83702
Fax: 345-8945

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Mr. Michael Chase
70 W. Floating Feather Road
Eagle, ID 83616-3802

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Scott L. Campbell

COPY

MINUTES

A regular meeting of Settlers Irrigation District was called to order October 1, 2002 at 1:00 p.m. Those attending were Richard Allen, President; Tom Davis Vice President, Ken Aschenbrenner, Director; Vicki Keen, Secretary/Treasurer; Nathan Draper, Manager; and Scott Campbell, attorney.

The minutes of the September 2002 meeting were read, approved, and signed.

Vicki presented the expenses for September and the Board approved them. Expenses were \$30,484.14 and Income was \$1,310.03.

Nathan presented revised plans for Bridgetower #2. He wants the developers to relocate the White Drain tile to avoid encroachment of the easement by the pressurized irrigation pond. In addition, the proposed pathway through the development will require the Drain to have a 4:1 slope which will make cleaning the Drain difficult. In fact, NMID, who has historically cleaned the drain, will not assume the liability of doing so in the future if the pathway is constructed. Since Settlers' does not have the proper equipment to clean it, Nathan will discuss the problem with Becky.

Connie Wensman, 2273 Ribier Drive, Meridian, Idaho, Lot 2 of Almaden Acres, would like to Annex into the District. She is requesting 4.26 miner's inches of water for the property which would be pumped from the private ditch that runs through the subdivision. She has requested permission from the Almaden Acres Property Owners' Association. The Board approves of the annexation if she can obtain permission from the other water users on the ditch. Vicki will contact her and relay the information. If her request is granted, the legal notice will be published in the Statesman for two weeks and if there is no objection to the annexation, Vicki will prepare the Order to be recorded with the County.

Nathan reported that we have approximately 6,384 acre feet of Lucky Peak water remaining in the reservoir.

Nathan met with Brian Sauer of the Bureau of Reclamation to tour the District and determine how the \$15,000 of matching funds will be used. They decided that replacing flumes is the best use of the money at this time.

Scott met with the Bureau of Reclamation yesterday to discuss the Lucky Peak Contract Renewal. Negotiations are going slowly, but they are working to get the Environmental Assessment completed before the end of the year.

Scott attended a meeting in Washington, D.C. to discuss the Nez Perce issue. Nothing was resolved and the whole process may come to a halt.

Scott Rhead with United Water attended the meeting to discuss with the Board the SRBA ^{how} and the resulting water rights allocation will affect the Boise Valley. He wanted to give assurance that United Water is not trying and will not try to take water rights away from the District. They would like to establish trust and work together to supply the water needs for agriculture and residential. He would like to start a dialogue with the Board to get and give feedback to resolve the issues.

As there was no further business, the meeting was adjourned at 3:00 p.m.

Respectfully submitted,



Vicki R. Keen, Secretary/Treasurer



Richard Allen, President

K

9/26/2003

From: JMM
To: Angela Schaer Kaufmann <ask@moffatt.com>
Sent: 8/22/2003 12:42PM
Subject: Supplemental Responses to IMAP discovery

Angela,

We are still planning on taking Don Reading's deposition on Tuesday the 26th. Would you please update your clients' responses to our Interrogatory Nos. 3 and 16 and Request for Production No. 5. It will make for a more efficient deposition if we can have a more specific indication on where your clients and Mr. Reading dispute United Water's analysis. Please provide this information today or first thing on Monday.

Thank you,

John

L

9/26/2003

From: "Scott Campbell" <SLC@moffatt.com>
To: <jmm@givenspursley.com>
Sent: 8/25/2003 8:52AM
Subject: Re: Supplemental Responses to IMAP discovery

Don't do it.

>>> "John M. Marshall" <jmm@givenspursley.com> 8/22/2003 12:47:02 PM

>>>

Angela,

We are still planning on taking Don Reading's deposition on Tuesday the 26th. Would you please update your clients' responses to our Interrogatory Nos. 3 and 16 and Request for Production No. 5. It will make for a more efficient deposition if we can have a more specific indication on where your clients and Mr. Reading dispute United Water's analysis. Please provide this information today or first thing on Monday.

Thank you,

John

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Moffatt Thomas Barrett Rock & Fields, Chartered
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M

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Jeffrey C. Fereday
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Stephanie C. Westermeyer
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John A. Miller, LL.M.*
TAX CONSULTANT

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Via Facsimile

August 25, 2003

Scott L. Campbell
Moffatt Thomas Barrett Rock & Fields, Chtd.
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701-0829

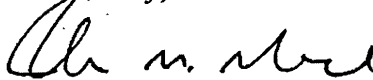
Re: United Water Idaho Inc. - IMAP

Dear Scott:

I received a copy of your email this morning instructing Ms. Schaer Kaufmann not to honor our request for an updated response to several discovery requests pertaining to your clients' and Mr. Reading's analysis and opinions related to John Church's population and water demand forecasts in the IMAP. Your failure to provide this information in a timely manner to enable preparation for tomorrow's deposition of Dr. Reading's appears intended to render that deposition ineffective.

We are troubled that you are deliberately withholding this information in violation of your responsibility under applicable rules of discovery. Please immediately update your responses to our Interrogatory Nos. 3 and 16 and Request for Production No. 5.

Sincerely,



John M. Marshall

cc: Christopher H. Meyer

JMM/lp

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Boise
Idaho Falls
Pocatello*Moffatt Thomas*

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101 S Capitol Blvd 10th Fl
PO Box 829
Boise, Idaho 83701 0829208 345 2000
800 422 2889
208 385 5384 Fax
www.moffatt.comAugust 25, 2003
via FacsimileJohn M. Marshall
Givens Pursley LLP
277 N. 6th Street, Suite 200
PO Box 2720
Boise, ID 83701Re: United Water Idaho IMAP
MTBR&F File No. 18946.26

Dear John:

I am responding to your terse facsimile correspondence which I received after lunch.

First, you sent your request for supplementation of discovery responses Friday afternoon, August 22, 2003. Angela Schaefer Kaufmann was out of the office all day, and neither she nor I became aware of your request until this morning. Consequently, your statement that our "failure to provide this information in a timely manner to enable preparation for tomorrow's deposition of Dr. Reading appears intended to render that deposition ineffective" is ludicrous.

It may surprise you to know that we are working on other cases besides IMAP. We will not drop everything to provide "timely" responses to requests for discovery supplementation we learn of 24 hours before a deposition that has been scheduled for several weeks, by the way with a Notice of Deposition with a date which was not agreed to in advance by us. Had you believed it was so critical to have us supplement our discovery responses prior to Dr. Reading's deposition, you should have requested supplementation last Monday, August 18, during the deposition of your witness, Greg Wyatt.

I am sorry that you are misconstruing our response by suggesting we are "deliberately withholding this information in violation of (our) responsibility under applicable rules of discovery." We are doing no such thing! Your statement is offensive and totally inappropriate. If you had done your job properly, you would not have gotten yourself into this time squeeze. I have reviewed IRCP 26(e) which you failed to cite in your letter. We are under a duty "seasonably to supplement" responses. That phrase, under any reasonable interpretation, provides us with more than 24 hours to supplement.

John M. Marshall
August 25, 2003
Page 2

In an effort to accommodate your outrageous demands for 24 hour supplementation and avoid continued accusations from you regarding our behavior, we will agree to reschedule Dr. Reading's deposition so you can receive our supplemental responses prior to the deposition to enable you to "prepare." If you desire to accept this offer, please respond in writing by 5:00 p.m., today. If I do not receive your written response by then, I will assume you intend to proceed with Dr. Reading's deposition as provided in your Notice of Deposition.

Best regards,



Scott L. Campbell

SLC/dll

GIVENS PURSLEY LLP

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James A. McClure
Stephanie C. Westermeyer
OF COUNSEL

John A. Miller, LL.M.
TAX CONSULTANT
*Licensed in Kentucky only

Via Facsimile

August 25, 2003

Scott L. Campbell
Moffatt Thomas Barrett Rock & Fields, Chtd.
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701-0829

Re: United Water Idaho Inc. - IMAP

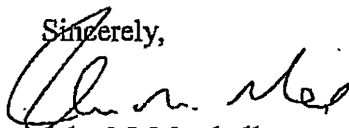
Dear Scott:

I accept your offer to reschedule Mr. Reading's deposition so we can first review your supplemental responses to discovery responses. If we have advance access to a summary of Dr. Reading's various professional opinions respecting the IMAP, this will provide for a more efficient exploration of areas of disagreements and enable us to complete the deposition in one day.

Assuming that you will be able to supplement by September 1, we would be available to depose Dr. Reading on any of the following dates: September 10, 12, 15, 16, and 17.

Also, we have received your notices of deposition for several United Water employees. We note that you have scheduled depositions of non-party witnesses after the discovery deadline and without subpoena; however, we do not intend to challenge your notices on this basis. Had you checked with me prior to scheduling these depositions, you would know that Dan Brown is ill with cancer. He currently is recovering from intensive radiation and chemotherapy treatment and will not be available for deposition for some time. We will agree to a reasonable number of written questions to Mr. Brown pursuant to Rule 31(a). I am checking to see if Mr. Carr and Mr. May are available at the times you scheduled.

Sincerely,



John M. Marshall

cc: Christopher H. Meyer
JMM/lp
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Shawn C. Nunley

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August 26, 2003
via Facsimile

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AUG 26 2003

Givens Pursley, LLP

John M. Marshall
Givens Pursley LLP
601 W. Bannock Street
PO Box 2720
Boise, ID 83701

Re: United Water Idaho IMAP
MTBR&F File No. 18946.26

Dear John:

I hereby acknowledge receipt of your facsimile correspondence regarding rescheduling Dr. Reading's deposition. He is available on September 17, 2003. Please provide an Amended Notice of Deposition confirming that date.

I have also enclosed Notices vacating the depositions of Willis Carr, and Don Mays, and Dan Brown.

Very truly yours,


Scott L. Campbell

SLC/dll
Enclosures

N

GIVENS PURSLEY LLP

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Raymond D. Givens
James A. McClure
Stephanie C. Westermeyer
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Via Facsimile & U. S. Mail

September 8, 2003

Scott L. Campbell
Moffatt Thomas Barrett Rock & Fields, Chtd.
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Boise, ID 83701-0829

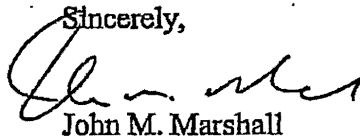
Re: United Water Idaho Inc. - IMAP
Our File No. 30-71

Dear Scott:

On August 22, 2003 I wrote to you observing that Pioneer and Settlers had not updated their discovery responses with respect to the expert opinions of Dr. Reading. I requested that you do so prior to the upcoming deposition of Dr. Reading on August 26, 2003. You responded on August 25, 2003 that you would not be able to do so by that date.

Consequently, on August 25, 2003 we agreed to postpone the deposition of Dr. Reading to provide you additional time to supplement Pioneer and Settlers' discovery. Dr. Reading's deposition is now set for September 17, 2003. To date we have not received your supplemental responses. Would you please immediately provide us with those supplemental discovery responses so that we may properly prepare for the deposition?

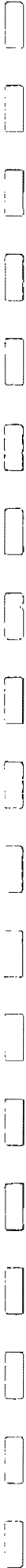
Sincerely,



John M. Marshall

cc: Christopher H. Meyer

JMM:kdt SACLIENTS30071VM Nr-0011.DOC



Attorneys for Pioneer Irrigation District
and Settlers Irrigation District

Scott L. Campbell, ISB No. 2251
Angela Schaer Kaufmann, ISB No. 5436
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18946.26

RECEIVED

SEP 10 2003

Givens Pursley, LLP

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF INTEGRATED
MUNICIPAL APPLICATION PACKAGE
(CONSISTING OF 99 APPLICATIONS FOR
TRANSFERS OF WATER RIGHTS, AND 13
APPLICATIONS FOR AMENDMENT OF
PERMITS) IN THE NAME OF UNITED
WATER IDAHO, INC.

SUPPLEMENTAL RESPONSES OF PIONEER
IRRIGATION DISTRICT AND SETTLERS
IRRIGATION DISTRICT TO UWID'S FIRST
SET OF DISCOVERY REQUESTS

Pioneer Irrigation District ("Pioneer") and Settlers Irrigation District ("Settlers")
(collectively the "Districts") hereby supplement their responses to UWID's First Set of
Discovery Requests, pursuant to the Idaho Rules of Civil Procedure, the Idaho Department of
Water Resources' Rules of Procedure, and the Hearing Officer's Third PreHearing Order.

GENERAL OBJECTIONS

I. The Districts have not completed their own investigations and/or
discovery. Accordingly, the responses that follow are based upon the best knowledge,
information, and belief of the Districts at this time. The Districts reserves the right to make any
further responses if it appears that any omission or error has been made in connection with these

SUPPLEMENTAL RESPONSES OF PIONEER IRRIGATION
DISTRICT AND SETTLERS IRRIGATION DISTRICT TO
UWID'S FIRST SET OF DISCOVERY REQUESTS - 1

responses or that more accurate information is or has become available. These responses are made without prejudice to the Districts' rights to use in later discovery or to present at trial, such evidence as may later be discovered or evaluated.

2. The Districts object to the definitions and instructions to the extent they purport to require discovery requests beyond that required under the Idaho Rules of Civil Procedure. These responses are provided in accordance with the Idaho Rules of Civil Procedure irrespective of any definitions and instructions that may accompany these discovery requests.

3. These responses are made subject to all objections as to competence, relevance, materiality, and admissibility. These responses are subject to all objections that would require the exclusion of any statement, material, or information herein provided if such interrogatory were asked of or any statement, material, or information provided were made by witnesses present and testifying in court. All such objections are reserved and may be interposed at the time of trial.

4. The Districts specifically object to these discovery requests to the extent they seek information protected by the attorney-client privilege, the attorney work product doctrine, and the rules governing the discovery of facts of experts as set forth in Rule 26(b)(4), Idaho Rules of Civil Procedure. This objection is intended to apply to all of the discovery requests that seek such information and will not necessarily be repeated for each request to which it applies. The Districts have, to the extent possible, construed each request as requesting only information and/or documents not subject to any applicable protection.

5. No incidental or implied admissions are intended. The fact that the Districts have responded to any discovery request or part thereof should not be taken as an admission that the Districts accept that the discovery request or the response or objection thereto

constitutes admissible evidence. Similarly, the fact that the Districts have responded to all or part of an interrogatory is not intended to and shall not be construed to be a waiver by the Districts of all or part of any objection to other interrogatories. The Districts' answers to any discovery requests herein do not constitute a waiver of the Districts' right to object to any future additional, or supplemental discovery requests regarding the same or similar matter.

6. The Districts further object to these discovery requests because they appear to attempt to separate out the transfer component of the IMAP from the applications for permit, and from the other significant legal issues involved in the IMAP, including but not limited to the appropriateness of an integrated points of diversion system, the appropriateness of a fifty year planning horizon and the applicability of the forfeiture doctrine to municipal water rights. UWID has consistently maintained that this is an "Integrated Municipal Application Package," and the Districts maintain that it is impossible to consider the transfers of water rights contained within that package prior to and apart from the significant legal issues (as well as others) just described.

**SUPPLEMENTAL RESPONSES TO INTERROGATORIES,
REQUESTS FOR ADMISSION
AND REQUESTS FOR PRODUCTION OF DOCUMENTS**

INTERROGATORY NO. 3: Please identify each and every witness the Protestant intends to call (or may call) at the hearing in this matter. With respect to each of the witnesses so identified, please identify the person as a fact or expert witness, and state the subject matter and general substance of the facts and opinions to which he or she is expected to testify.

RESPONSE TO INTERROGATORY NUMBER 3: In addition to the responses previously provided by Pioneer and Settlers, they may call the following individuals as fact witnesses:

David R. Tuthill, Jr.
Idaho Department of Water Resources
1301 N. Orchard
P.O. Box 83720
Boise, ID 83720

Phillip J. Rassier
Water Resources
1301 N. Orchard
P.O. Box 83720
Boise, ID 83720-0098

Hal Simmons
Boise City Planning and
Development Services
Boise City Hall
150 N. Capitol Blvd.
Boise, ID 83701

Kathleen Lacey
Boise City Planning and
Development Services
Boise City Hall
150 N. Capitol Blvd.
Boise, ID 83701

Norman Young
ERO Resources Corp.
1106 N. Cole Road, Suite C
Boise, ID 83401-8661

Ed Squires
Hydrologic
1002 W. Franklin
Boise, ID 83702-5431

Mr. Young, Mr. Tuthill and Mr. Rassier are expected to testify regarding conversations involving United Water Idaho representatives and employees of the Idaho Department of Water Resources.

Mr. Simmons and Ms. Lacey are expected to testify regarding the Boise City Comprehensive Plan and related Boise City planning policies and procedures.

Mr. Squires is expected to testify regarding the hydrology of the Treasure Valley and the potential of the IMAP changes to injure the water rights of Pioneer and Settlers Irrigation Districts' or the likelihood of IMAP to reduce the quantity of water available to Pioneer and Settlers' water rights.

REQUEST FOR PRODUCTION NO. 5: Please produce all documents concerning the District's evaluation of the Applicant's planning horizon.

RESPONSE TO REQUEST FOR PRODUCTION NO. 5: In addition to the responses previously provided by Pioneer and Settlers, the Districts have potentially responsive documentation which will be made available for inspection and copying at your expense in the

offices of Moffatt, Thomas, Barrett, Rock & Fields. Please contact Tiffany Hudak at Moffatt Thomas to make arrangements if you desire such inspection and copying.

DATED this 9th day of September 2003.

MOFFATT, THOMAS, BARRETT, ROCK &
FIELDS, CHARTERED

By Scott L. Campbell
Scott L. Campbell – Of the Firm

By Angela Schaer Kaufmann
Angela Schaer Kaufmann – Of the Firm
Attorneys for Pioneer Irrigation District
and Settlers Irrigation District

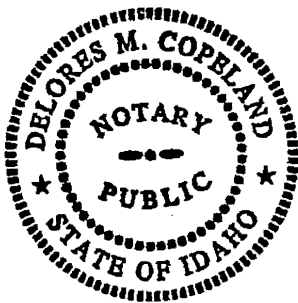
DATED this 3 day of September 2003.

By Kenneth Brush
Kenneth E. Brush, Board President
Pioneer Irrigation District

STATE OF IDAHO)
) ss.
County of Carleton)

On this 8 day of Sept, 2003, before me, the undersigned notary public in and for said state, personally appeared **KENNETH E. BRUSH**, President of the Board of Directors of **PIONEER IRRIGATION DISTRICT**, an irrigation district organized and existing under and by virtue of the laws of the State of Idaho, known or identified to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he has the authority to execute and executed the same for the purposes therein contained on behalf of **PIONEER IRRIGATION DISTRICT**.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Debra M. Copeland
NOTARY PUBLIC FOR IDAHO
Residing at Caldwell, Id.
My Commission Expires 10-21-04

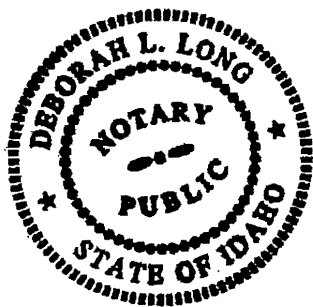
DATED this 2nd day of September 2003.

By Richard E Allen
Richard Allen, Board President
Settlers Irrigation District

STATE OF IDAHO)
County of Ada) ss.

On this 2nd day of September, 2003, before me, the undersigned notary public in and for said state, personally appeared RICHARD ALLEN, President of the Board of Directors of SETTLERS IRRIGATION DISTRICT, an irrigation district organized and existing under and by virtue of the laws of the State of Idaho, known or identified to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he has the authority to execute and executed the same for the purposes therein contained on behalf of SETTLERS IRRIGATION DISTRICT.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Deborah L Long
NOTARY PUBLIC FOR IDAHO
Residing at Boise Idaho
My Commission Expires 10/10/07

GIVENS PURSLEY LLP

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601 W. Bannock
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DIRECT DIAL: 208 388-1270
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Debra K. Kristensen
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D. David Lorello, Jr.
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Raymond D. Givens
James A. McClure
Stephanie C. Westermeyer
OF COUNSEL

John A. Miller, LL.M.
TAX CONSULTANT

*Licensed in Kentucky only

Via Facsimile

August 25, 2003

Scott L. Campbell
Moffatt Thomas Barrett Rock & Fields, Chtd.
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701-0829

Re: United Water Idaho Inc. - IMAP

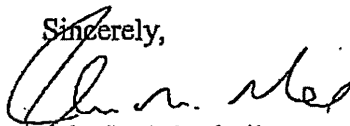
Dear Scott:

I accept your offer to reschedule Mr. Reading's deposition so we can first review your supplemental responses to discovery responses. If we have advance access to a summary of Dr. Reading's various professional opinions respecting the IMAP, this will provide for a more efficient exploration of areas of disagreements and enable us to complete the deposition in one day.

Assuming that you will be able to supplement by September 1, we would be available to depose Dr. Reading on any of the following dates: September 10, 12, 15, 16, and 17.

Also, we have received your notices of deposition for several United Water employees. We note that you have scheduled depositions of non-party witnesses after the discovery deadline and without subpoena; however, we do not intend to challenge your notices on this basis. Had you checked with me prior to scheduling these depositions, you would know that Dan Brown is ill with cancer. He currently is recovering from intensive radiation and chemotherapy treatment and will not be available for deposition for some time. We will agree to a reasonable number of written questions to Mr. Brown pursuant to Rule 31(a). I am checking to see if Mr. Carr and Mr. May are available at the times you scheduled.

Sincerely,



John M. Marshall

cc: Christopher H. Meyer

JMM/lp

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Boise
Idaho Falls
Pocatello

Moffatt Thomas

MOFFATT THOMAS BARRETT ROCK & FIELDS, CHTD.

Eugene C. Thomas
John W. Barrett
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Robert E. Baker
John S. Sinko
John C. Ward
D. James Manning
Gary T. Dance
Larry C. Hunter
Morgan W. Richards
Mark A. Ellison
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Benjamin H. Schwartz
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Mark C. Peterson
Andrew J. Walden
Shawn C. Nunley

Willis C. Moffatt, 1907-1980
Rick R. Helvie, 1956-2003

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PO Box 829
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August 26, 2003
via Facsimile

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208 385 5384 Fax
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John M. Marshall
Givens Pursley LLP
601 W. Bannock Street
PO Box 2720
Boise, ID 83701

RECEIVED

AUG 26 2003

Givens Pursley, LLP

Re: United Water Idaho IMAP
MTBR&F File No. 18946.26

Dear John:

I hereby acknowledge receipt of your facsimile correspondence regarding rescheduling Dr. Reading's deposition. He is available on September 17, 2003. Please provide an Amended Notice of Deposition confirming that date.

I have also enclosed Notices vacating the depositions of Willis Carr, and Don Mays, and Dan Brown.

Very truly yours,


Scott L. Campbell

SLC/dll
Enclosures

N

GIVENS PURSLEY LLP

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OF COUNSEL

John A. Miller, L.L.M.
TAX CONSULTANT

*Licensed in Kentucky only

Via Facsimile & U. S. Mail

September 8, 2003

Scott L. Campbell
Moffatt Thomas Barrett Rock & Fields, Chtd.
101 S. Capitol Blvd., 10th Floor
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Boise, ID 83701-0829

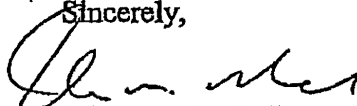
Re: United Water Idaho Inc. - IMAP
Our File No. 30-71

Dear Scott:

On August 22, 2003 I wrote to you observing that Pioneer and Settlers had not updated their discovery responses with respect to the expert opinions of Dr. Reading. I requested that you do so prior to the upcoming deposition of Dr. Reading on August 26, 2003. You responded on August 25, 2003 that you would not be able to do so by that date.

Consequently, on August 25, 2003 we agreed to postpone the deposition of Dr. Reading to provide you additional time to supplement Pioneer and Settlers' discovery. Dr. Reading's deposition is now set for September 17, 2003. To date we have not received your supplemental responses. Would you please immediately provide us with those supplemental discovery responses so that we may properly prepare for the deposition?

Sincerely,



John M. Marshall

cc: Christopher H. Meyer

JMM:kdt S:\CLIENTS\30071\UM 10-0011.DOC

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Attorneys for Pioneer Irrigation District
and Settlers Irrigation District

Scott L. Campbell, ISB No. 2251
Angela Schaer Kaufmann, ISB No. 5436
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Boise, Idaho 83701
Telephone: (208) 345-2000
Facsimile: (208) 385-5384
18946.26

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SEP 10 2003

Givens Pursley, LLP

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF INTEGRATED
MUNICIPAL APPLICATION PACKAGE
(CONSISTING OF 99 APPLICATIONS FOR
TRANSFERS OF WATER RIGHTS, AND 13
APPLICATIONS FOR AMENDMENT OF
PERMITS) IN THE NAME OF UNITED
WATER IDAHO, INC.

SUPPLEMENTAL RESPONSES OF PIONEER
IRRIGATION DISTRICT AND SETTLERS
IRRIGATION DISTRICT TO UWID'S FIRST
SET OF DISCOVERY REQUESTS

Pioneer Irrigation District ("Pioneer") and Settlers Irrigation District ("Settlers")
(collectively the "Districts") hereby supplement their responses to UWID's First Set of
Discovery Requests, pursuant to the Idaho Rules of Civil Procedure, the Idaho Department of
Water Resources' Rules of Procedure, and the Hearing Officer's Third PreHearing Order.

GENERAL OBJECTIONS

1. The Districts have not completed their own investigations and/or
discovery. Accordingly, the responses that follow are based upon the best knowledge,
information, and belief of the Districts at this time. The Districts reserves the right to make any
further responses if it appears that any omission or error has been made in connection with these

SUPPLEMENTAL RESPONSES OF PIONEER IRRIGATION
DISTRICT AND SETTLERS IRRIGATION DISTRICT TO
UWID'S FIRST SET OF DISCOVERY REQUESTS - 1

responses or that more accurate information is or has become available. These responses are made without prejudice to the Districts' rights to use in later discovery or to present at trial, such evidence as may later be discovered or evaluated.

2. The Districts object to the definitions and instructions to the extent they purport to require discovery requests beyond that required under the Idaho Rules of Civil Procedure. These responses are provided in accordance with the Idaho Rules of Civil Procedure irrespective of any definitions and instructions that may accompany these discovery requests.

3. These responses are made subject to all objections as to competence, relevance, materiality, and admissibility. These responses are subject to all objections that would require the exclusion of any statement, material, or information herein provided if such interrogatory were asked of or any statement, material, or information provided were made by witnesses present and testifying in court. All such objections are reserved and may be interposed at the time of trial.

4. The Districts specifically object to these discovery requests to the extent they seek information protected by the attorney-client privilege, the attorney work product doctrine, and the rules governing the discovery of facts of experts as set forth in Rule 26(b)(4), Idaho Rules of Civil Procedure. This objection is intended to apply to all of the discovery requests that seek such information and will not necessarily be repeated for each request to which it applies. The Districts have, to the extent possible, construed each request as requesting only information and/or documents not subject to any applicable protection.

5. No incidental or implied admissions are intended. The fact that the Districts have responded to any discovery request or part thereof should not be taken as an admission that the Districts accept that the discovery request or the response or objection thereto

constitutes admissible evidence. Similarly, the fact that the Districts have responded to all or part of an interrogatory is not intended to and shall not be construed to be a waiver by the Districts of all or part of any objection to other interrogatories. The Districts' answers to any discovery requests herein do not constitute a waiver of the Districts' right to object to any future additional, or supplemental discovery requests regarding the same or similar matter.

6. The Districts further object to these discovery requests because they appear to attempt to separate out the transfer component of the IMAP from the applications for permit, and from the other significant legal issues involved in the IMAP, including but not limited to the appropriateness of an integrated points of diversion system, the appropriateness of a fifty year planning horizon and the applicability of the forfeiture doctrine to municipal water rights. UWID has consistently maintained that this is an "Integrated Municipal Application Package," and the Districts maintain that it is impossible to consider the transfers of water rights contained within that package prior to and apart from the significant legal issues (as well as others) just described.

**SUPPLEMENTAL RESPONSES TO INTERROGATORIES,
REQUESTS FOR ADMISSION
AND REQUESTS FOR PRODUCTION OF DOCUMENTS**

INTERROGATORY NO. 3: Please identify each and every witness the

Protestant intends to call (or may call) at the hearing in this matter. With respect to each of the witnesses so identified, please identify the person as a fact or expert witness, and state the subject matter and general substance of the facts and opinions to which he or she is expected to testify.

RESPONSE TO INTERROGATORY NUMBER 3: In addition to the responses previously provided by Pioneer and Settlers, they may call the following individuals as fact witnesses:

David R. Tuthill, Jr.
Idaho Department of Water Resources
1301 N. Orchard
P.O. Box 83720
Boise, ID 83720

Phillip J. Rassier
Water Resources
1301 N. Orchard
P.O. Box 83720
Boise, ID 83720-0098

Hal Simmons
Boise City Planning and
Development Services
Boise City Hall
150 N. Capitol Blvd.
Boise, ID 83701

Kathleen Lacey
Boise City Planning and
Development Services
Boise City Hall
150 N. Capitol Blvd.
Boise, ID 83701

Norman Young
ERO Resources Corp.
1106 N. Cole Road, Suite C
Boise, ID 83401-8661

Ed Squires
Hydrologic
1002 W. Franklin
Boise, ID 83702-5431

Mr. Young, Mr. Tuthill and Mr. Rassier are expected to testify regarding conversations involving United Water Idaho representatives and employees of the Idaho Department of Water Resources.

Mr. Simmons and Ms. Lacey are expected to testify regarding the Boise City Comprehensive Plan and related Boise City planning policies and procedures.

Mr. Squires is expected to testify regarding the hydrology of the Treasure Valley and the potential of the IMAP changes to injure the water rights of Pioneer and Settlers Irrigation Districts' or the likelihood of IMAP to reduce the quantity of water available to Pioneer and Settlers' water rights.

REQUEST FOR PRODUCTION NO. 5: Please produce all documents concerning the District's evaluation of the Applicant's planning horizon.

RESPONSE TO REQUEST FOR PRODUCTION NO. 5: In addition to the responses previously provided by Pioneer and Settlers, the Districts have potentially responsive documentation which will be made available for inspection and copying at your expense in the

offices of Moffatt, Thomas, Barrett, Rock & Fields. Please contact Tiffany Hudak at Moffatt Thomas to make arrangements if you desire such inspection and copying.

DATED this 9th day of September 2003.

MOFFATT, THOMAS, BARRETT, ROCK &
FIELDS, CHARTERED

By Scott L. Campbell
Scott L. Campbell – Of the Firm

By Angela Schaer Kaufmann
Angela Schaer Kaufmann – Of the Firm
Attorneys for Pioneer Irrigation District
and Settlers Irrigation District

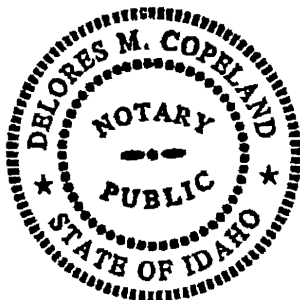
DATED this 8 day of September 2003.

By Kenneth Brush
Kenneth E. Brush, Board President
Pioneer Irrigation District

STATE OF IDAHO)
) ss.
County of Canyon)

On this 8 day of Sept, 2003, before me, the undersigned notary public in and for said state, personally appeared KENNETH E. BRUSH, President of the Board of Directors of PIONEER IRRIGATION DISTRICT, an irrigation district organized and existing under and by virtue of the laws of the State of Idaho, known or identified to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he has the authority to execute and executed the same for the purposes therein contained on behalf of PIONEER IRRIGATION DISTRICT.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Delores M. Copeland
NOTARY PUBLIC FOR IDAHO
Residing at Caldwell, Id.
My Commission Expires 10-21-04

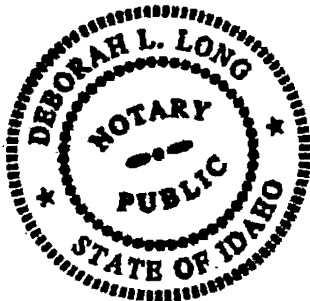
DATED this 2nd day of September 2003.

By Richard E Allen
Richard Allen, Board President
Settlers Irrigation District

STATE OF IDAHO)
County of Ada) ss.

On this 2nd day of September, 2003, before me, the undersigned notary public in and for said state, personally appeared RICHARD ALLEN, President of the Board of Directors of SETTLERS IRRIGATION DISTRICT, an irrigation district organized and existing under and by virtue of the laws of the State of Idaho, known or identified to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he has the authority to execute and executed the same for the purposes therein contained on behalf of SETTLERS IRRIGATION DISTRICT.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Deborah L Long
NOTARY PUBLIC FOR IDAHO
Residing at Bonise Idaho
My Commission Expires 10/10/07

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 9th day of September 2003, I caused a true and correct copy of the foregoing **SUPPLEMENTAL RESPONSES OF PIONEER IRRIGATION DISTRICT AND SETTLERS IRRIGATION DISTRICT TO UWID'S FIRST SET OF DISCOVERY REQUESTS** to be served by the method indicated below, and addressed to the following:

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Givens Pursley, LLP
PO Box 2720
Boise, ID 83701
Fax: 388-1300

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Charles L. Honsinger
Ringert Clark
455 South 3rd Street
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Boise City Attorney's Office
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Boise, ID 83701-0500
Fax: 384-4454

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City of Boise
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Beth K. Baird
Environmental Programs Coordinator
150 N. Capitol Blvd.
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Fax: 378-5019

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U.S. Department of the Interior
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Pacific Northwest Region, Boise Field Office
550 West Fort Street, MSC 020
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Tammy A. Zokan
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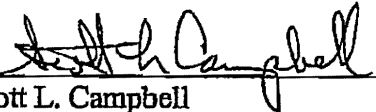
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Ellsworth Kallas Talboy, PLLC
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Mr. Michael Chase
70 W. Floating Feather Road
Eagle, ID 83616-3802

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By 
Scott L. Campbell

P

GIVENS PURSLEY LLP

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James A. McClure
Stephanie C. Westermaler
OF COUNSEL

John A. Miller, LL.M.
TAX CONSULTANT

* Licensed in Kentucky only

Via Facsimile and U. S. Mail

September 10, 2003

Scott L. Campbell
Moffatt Thomas Barrett Rock & Fields, Chtd.
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701-0829

Re: United Water Idaho Inc. – IMAP
Our File No. 30-71

Dear Scott:

I received today the *Supplemental Response of Pioneer Irrigation District and Settlers Irrigation District to UWID's First Set of Discovery Requests*. I appreciate your providing these updated responses. However, to my surprise, I find no additional information concerning the expert opinions of Dr. Reading. Instead, your clients have designated a number of new, previously undisclosed witnesses.

On two occasions I have asked your clients to supplement their responses to provide the substance of the opinions of Dr. Reading prior to his deposition. I requested this information so that we may effectively prepare for Dr. Reading's deposition.

You have already conducted the two-day deposition of our expert, Mr. Church. You know the issues surrounding the forecasting of future demand are highly technically intensive. We cannot effectively prepare for the deposition of Dr. Reading without a statement of his opinions. This is required so that we may consult with our expert and prepare an appropriate line of technical questions. This is not something that can effectively be done off the cuff.

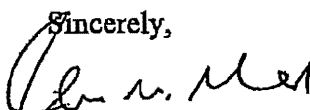
Interrogatory No. 3 asks you to "state the subject matter and general substance of the facts and opinions" of Dr. Reading. To date, your only answer is that Dr. Reading "is expected to testify regarding the methodology and validity of the data used and conclusions reached by Mr. John Church." This provides the subject matter (in the broadest possible terms), but does not provide the facts and opinions of Dr. Reading.

Scott L. Campbell
September 10, 2003
Page 2

Moreover, Interrogatory No. 16 specifically asks your clients if they disagree with the methodology and conclusions of John Church in this matter, and to identify and explain any disagreements. Your clients have yet to provide any substantive response whatsoever.

For the third time, we ask that you promptly supplement your clients' responses to provide the requested information under Interrogatory Nos. 3 and 16.

Sincerely,



John M. Marshall

cc: Client
Christopher H. Meyer

JMM:kdt SACLIENTS\3071\JM lr-0013.DOC

Q

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Boise
Idaho Falls
Pocatello

SEP 15 2003

Moffatt Thomas

MOFFATT THOMAS BARRETT ROCK & FIELDS, CHTD.

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Bradley J. Dixon
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Willis C. Moffatt, 1907-1980
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Givens Pursley, LLP

September 12, 2003

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John M. Marshall
Givens Pursley LLP
601 W. Bannock Street
PO Box 2720
Boise, ID 83701

Re: **United Water Idaho - IMAP**
MTBR&F File No. 18946.26

Dear John:

I am responding to your correspondence of September 10, 2003. I regret that you are "surprised" to find "no additional information concerning the expert opinions of Dr. Reading." I direct your attention to our response to request for production number 5, wherein we direct you to contact Tiffany Hudak to review the documents which pertain to this matter. These documents are responsive to your request for the underlying facts and data upon which any expert opinions may be based at this stage.

It is impossible to provide a more detailed response to your request for supplementation to your discovery inquiries. Unfortunately, at this stage of the proceeding, Dr. Reading has not formed any opinions of a detailed nature. We only recently obtained the transcript of the deposition of Mr. Church which is a necessary precondition to Dr. Reading's full analysis. As you should also be aware, since Chris Meyer was aware, Dr. Reading recently underwent surgery and has not been available for work on this matter for some time. He has only recently been provided with the deposition transcript of Mr. Church and has not produced an expert report or any summary of his opinions to me. Consequently, it is not possible for us to provide you with information you request.

From your correspondence, I assume that you do not desire to proceed with the deposition of Dr. Reading until you have the requested supplementation of the discovery responses. Please advise me if that assumption is incorrect. If you desire to proceed with Dr. Reading's deposition on September 17, 2003, we will accommodate you. We will provide written supplementation of our responses concerning Dr. Reading's testimony as soon as we are able.

John M. Marshall
September 12, 2003
Page 2

If I do not receive written notice of the cancellation of Dr. Reading's deposition, presently set for September 17, 2003, I will assume that you intend to proceed at that date as set forth in your latest notice.

Very truly yours,


Scott L. Campbell

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Re: United Water Idaho - IMAP
MTBR&F File No. 18946.26

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John M. Marshall
September 12, 2003
Page 2

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Very truly yours,


Scott L. Campbell

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TAX CONSULTANT

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Via Facsimile and U. S. Mail

September 15, 2003

Scott L. Campbell
Moffatt Thomas Barrett Rock & Fields, Chtd.
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701-0829

Re: United Water Idaho Inc. – IMAP
Our File No. 30-71

Dear Scott:

I received today your letter dated September 12, 2003 indicating for the first time that you cannot supplement your clients' discovery responses regarding expert opinions because "Dr. Reading has not formed any opinions of a detailed nature" in this matter. You indicate this is because Dr. Reading recently had surgery and only recently received the transcript from the deposition of John Church.

We find it odd that that Mr. Reading has yet to form any opinions. He has had access to the IMAP for over a year, including the detailed Appendix A explaining John Church's analysis. Additionally, Mr. Church met with Dr. Reading informally to discuss the IMAP, and Dr. Reading attended Mr. Church's deposition, which occurred several weeks ago. In any event, we understand Dr. Reading attended a full-day water conference a week ago and therefore we presume he has now recovered well enough from his shoulder surgery to form IMAP opinions.

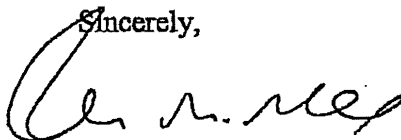
It is unclear from your letter if you will agree to reschedule Dr. Reading's deposition to a later date after he has formed his opinions. Obviously, it would unproductive to depose an expert witness who has yet to form any opinions. Accordingly, we reluctantly propose to reschedule Dr. Reading's deposition once again until after you have provided us with the general substance of Dr. Reading's opinions. However, this needs to occur within the next ten days

Scott L. Campbell
September 15, 2003
Page 2

given the fact that we are already beyond the discovery cutoff and the Hearing Officer has indicated we may have a hearing as early as November.

Please provide us with the date you anticipate Dr. Reading will have formed opinions and his available dates for a subsequent deposition. Alternatively, please let me know by 5:00 p.m. today if you will not agree to postpone Dr. Reading's deposition.

Sincerely,



John M. Marshall

cc: Client
Christopher H. Meyer

JMM:lp S:\CLIENTS\30071\UM 17-0014.DOC

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Via Facsimile, Email and U. S. Mail

September 16, 2003

Scott L. Campbell
Moffatt Thomas Barrett Rock & Fields, Chtd.
101 S. Capitol Blvd., 10th Floor
P.O. Box 829
Boise, ID 83701-0829

Re: United Water Idaho Inc. - IMAP
Our File No. 30-71

Dear Scott:

I wrote yesterday stating it would be unproductive to depose Dr. Reading based on your representation that he has not yet formed any opinions of a detailed nature. In my letter I asked that you inform me by 5:00 p.m. yesterday if you would not agree to reschedule Dr. Reading's deposition.

As of 12:00 p.m. today, I have not received any word from you. Consequently, we are canceling Dr. Reading's deposition scheduled for September 17, 2003. I will send out a Notice of Cancellation to all the parties this afternoon.

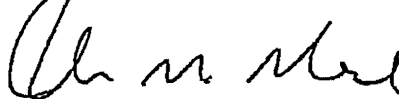
We will reschedule Dr. Reading's deposition after you indicate through supplemental discovery responses that he has formed his opinions. As I indicated yesterday, this all needs to happen by the end of next week. By 5:00 p.m. today please provide me with the dates next week Dr. Reading will be prepared to explain his opinions regarding the IMAP at deposition. If Dr. Reading will not be prepared to explain his opinions by next week, or you otherwise will not make him available for deposition, please so indicate by 5:00 p.m. today.

As I explained in previous correspondence, we need some lead time to consult with our expert prior to deposing Dr. Reading. We are prepared to work through the weekend on this to

Scott L. Campbell
September 16, 2003
Page 2

accommodate you and Dr. Reading. Please provide supplemental discovery responses stating Dr. Reading's opinions by Friday, September 19, 2003.

Sincerely,

A handwritten signature in dark ink, appearing to read "John M. Marshall". The signature is fluid and cursive, with the first name "John" being the most prominent.

John M. Marshall

cc: Client
Christopher H. Meyer
JMM:lp SAClientS3071UM lit-0016.DOC

T

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September 23, 2003
via Facsimile

John M. Marshall
Givens Pursley LLP
601 W. Bannock Street
PO Box 2720
Boise, ID 83701

Re: United Water Idaho - IMAP
MTBR&F File No. 18946.26

Dear John:

I am responding to your recent correspondence in which you make numerous demands, misstatements, and false accusations involving my clients' discovery responses and efforts to coordinate the deposition of Dr. Don Reading. I do not intend to respond to any of your accusations or misstatements of the circumstances involving this aspect of this litigation. I will, however, address the demand that we provide you with the basis for Dr. Reading's opinions prior to rescheduling his deposition.

As I stated to you previously, Dr. Reading has not yet reached any conclusions or formed any expert opinions in this matter. He was awaiting receipt of the deposition transcript of John Church's testimony prior to proceeding with the analysis of Mr. Church's report and opinions. Unfortunately, on September 15, 2003, you and Chris Meyer elected to file the pending Motions to Dismiss and Preclude Participation at Hearing against both of my clients. After I received copies of the Motions via hand delivery on September 15, 2003, I instructed Dr. Reading to suspend any further work on his analysis and formation of his expert opinions. Frankly, there is no reason for my clients to incur any additional expense for Dr. Reading's services if they are to be excluded from the proceeding, as your Motions request. Consequently, until there has been a ruling from Peter Anderson on your Motions, Dr. Reading will not proceed to complete his analysis and will have no expert opinions for you to examine. If your Motions are granted, there will be no opinions from Dr. Reading as far as my clients are concerned, since they will not be participants in this proceeding.

John M. Marshall
September 23, 2003
Page 2

Very truly yours,



Scott L. Campbell

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cc: Clients