



United States Department of the Interior



BUREAU OF RECLAMATION
Pacific Northwest Region
1150 North Curtis Road, Suite 100
Boise, Idaho 83706-1234

IN REPLY REFER TO:

PN-1080

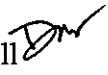
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DEPARTMENT OF
WATER RESOURCES

Mr. Dave Tuthill 
Director
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098
dave.tuthill@idwr.id.gov

Subject: Notice of Hearing Regarding the City of Pocatello's Request to Lease Water for Hydroelectric Generation

Dear Mr. Tuthill:

Thank you for providing the Bureau of Reclamation a notice of hearing regarding the City of Pocatello's request to lease water for hydropower production under Idaho Code § 42-108A. The hearing notice identified the City's Reclamation storage contract among the issues to be addressed.

Reclamation believes that the threshold legal determination is the application of State law, including whether Idaho Code § 42-108A is applicable and whether, after factual evidence is presented by the protestants, the lease would injure other water rights including the contract entitlements of reservoir spaceholders. We do not believe that Reclamation's contract with Pocatello is germane to these determinations. Accordingly, Reclamation does not plan to attend the hearing.

If the state law questions are resolved favorably to the City of Pocatello and the lease is approved, then it would be incumbent upon the City of Pocatello to work with Reclamation as the Contracting Officer to implement the lease consistent with the contract with Reclamation.

If you have any questions about this matter, you may address them to Mr. Richard Rigby at 208-378-5092.

Sincerely,

Acting for



J. William McDonald
Regional Director

cc: See next page.

cc: Continued from previous page.

Mr. A. Dean Tranmer
City of Pocatello
P.O. Box 4169
Pocatello, ID 83205
dtranmer@pocatello.us

Mr. Robert, L. Harris
Holden Kidwell Hahn & Crapo
P.O. Box 50130
Idaho Falls, ID 83405-0130
rharris@holdenlegal.com

Mr. Alan Kelsch, Board Member
Idaho Irrigation District
7466 S 15th W
Idaho Falls, ID 83402
akelsch@bdhsi.com

Mr. Jerry R. Rigby
Rigby Andrus & Moeller
P.O. Box 250
Rexburg, ID 83440-0250
jrigby@rigby-thatcher.com

Mr. Paul A. Berggren, Chairman
New Sweden Irrigation District
2350 W. 17th Street
Idaho Falls, ID 83402
kail@snid.myrf.net

Mr. Randy Budge
Ms. Candice McHugh
Racine Olson
P. O. Box 1391
Pocatello, ID 83201-1391
rcb@racinelaw.net
cmm@racinelaw.net