



State of Idaho

DEPARTMENT OF WATER RESOURCES

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October 1, 2008

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTTILL, JR.
Director

ATTN: CRAIG JONES
IDAHO POWER COMPANY
PO BOX 70
BOISE ID 83707

RE: Permit No. 01-7011 additional information needed by October 6, 2008

Dear Mr. Jones:

I am helping to draft a water right license for the use of water in connection with Permit 01-7011 which was issued to Twin Falls Canal Company and North Side Canal Company Ltd. The permit authorized a year-round diversion of 12,000 cfs from the Snake River at Milner Dam for hydropower purposes.

As part of my review, I completed an assessment of the field exam report completed by Charles E. Brockway P.E. on October 29, 1993. His Beneficial Use Field Report failed to recommend an annual volume of water beneficially used. IDWR's Beneficial Use Examination Rules (IDAPA 37.03.02), require that an annual volume be determined for all water uses except municipal use and fire protection. In order to prepare a license, additional information is needed to determine the annual diversion volume.

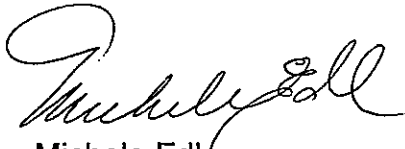
The water data from the two USGS stations related to the Milner project (#13087995 Snake River Gaging Station at Milner and #13087505 Lower Milner Power Plant at Milner ID) indicate that 1992, the year of the field exam, and 1993, the first full year potential for hydropower production, were low water years. In order to make a volume determination based on a more representative year, I chose the nearest calendar year following the field exam where flows in excess of irrigation demands were available more than thirty days during the irrigation season. I chose to evaluate the water data from 1996.

Analysis of 1996 data from USGS Station #13087995 Snake River Gaging Station at Milner ID, indicates that the FERC required target flow of 200 cfs was provided for the entire year. However, I cannot consider that water as put to beneficial hydropower use without some verification that electricity was generated by its diversion. Therefore, please provide daily average generation records from Unit #3 at Milner dam for calendar year 1996.

In order to meet a deadline, your response including the requested information, must be received no later than October 6, 2008. Without a timely written reply, I will make a volume determination based on the flows through the Lower Milner Power Plant only. The additional volume contributed by the turbine at the dam will not be included.

Feel free to contact me with questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michele Edl".

Michele Edl
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Water Rights Section
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