

Scale: 2 Inches Equals 1 Mile. Draw Map In Ink.

21783

see 21828
for proof

November 6, 1961

Re: Permit Nos. 21783 & 21828
Washington Water Power Co.
Spokane 10, Washington

Sandpoint News
Sandpoint, Idaho

Gentlemen:

On October 17, 1961 we mailed you Notices for Publication on the above numbered permits, requesting a copy or tear sheet be mailed us of the first publication for proofing purposes.

To date we have not received such copies as ask that you mail them to this office as soon as possible.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

By:

H. PETRI
Water Rights Clerk

HP:ew

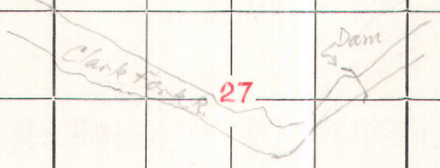
21783

R-3 E.

U.S. HWY. NO. 10

TO SAND POINT

T. 55 N.



Q = 25'000 cfs.

Scale: 2 Inches Equals 1 Mile. Draw Map In Ink.

21783

#4.
I.P. Morris Hydraulic Turbine. Propeller type
Serial # 771 70500 hp - 90' h. 120 rpm.
Baldwin-Lima-Hamilton Corpn. Philadelphia

Westinghouse A.C. Generator
55555 KVA. 2325 amps.
13800 volts 90% P.F.
3ph. 60cy. 120 rpm.
Serial # 1S44P55

#3. Identical to #4
#770 90' head Jan 1952
Identical A.C. Gen.
Serial # 2S44P55

#2. #769 Turbine
3S44P55

#1, Wh.se A.C. Generator
Serial # 1S44P58

No turbine spec.
Kaplan adjustable turbine blades

Fixed blade.

230 000 KW = Max. output

92½% eff. on turb.

Generator = 97%

290000 on register now

INSTRUCTIONS TO EXAMINERS

93.4' = head now.

1. Always carefully note the location of the point of diversion and accurately plat same.
2. When proof is for beneficial use, carefully check up the number of acres actually irrigated in each forty and accurately plat same.
3. Make a map showing the correct location of streams and ditches, and the irrigated lands, and any adjacent permanent landmarks, such as towns, lakes, large streams and public roads.
4. If any unusual conditions are discovered, make plain statement of them under remarks.
5. Always see the holder, if possible, and go over the whole ground with him and make your report only upon actual existing facts and conditions.
6. Give general characteristics of soils, topography, and crops raised.

$hp = \frac{Q \times h \times \eta}{8.8} = \frac{70500}{}$

$hp = \frac{62.4 \times 90 \times .525 \times 70500}{} = hp$

$hp = \frac{62.4 \times 90 \times .525}{70500} = .0669 hp$

Washington Water Power Co.
P.O.Drawer 1445, Spokane, 10, Wash.
Permit No. 21783

Examination for Completion of works

County Bonner

27-55N.-3E

Q = 25,000 c.f.s.

S = Clark Fork River

P.D. = Lots 2 & 7, Sec. 27, T.55N.-R.3E

Use = Hydro-electric Power

2175' elev. = normal pool

Filed - Sept. 7, 1950
Due - Nov. 28, 1961

RECEIVED
APR 25 1956
Department of Reclamation

8 sections of spillway
40'w x 35'h, @ 32000 cfs =
256000 cfs = design for Max.
Slide gates - in center of stream.
Gas driven operation.
Heat on two center gates.

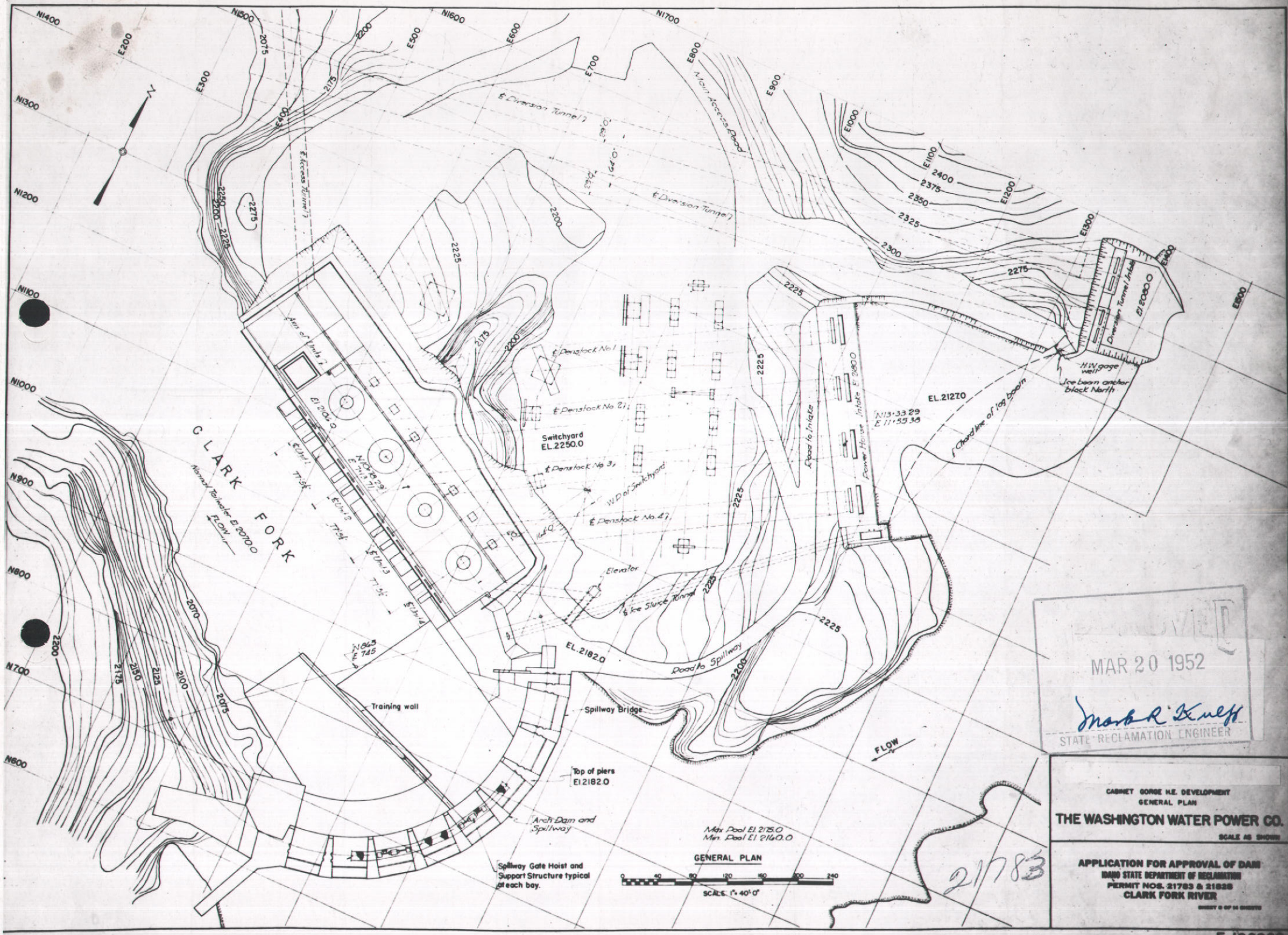
27'd. tunnels 4

7'x9' = Ice & debris tunnel

48000 a.f. = useful storage
384 000 a.f. total

50 KW. U.S. Gen. driven by Hercules Gas Engine
4 - 3/4 x 5-1/4
Model RXLD
emergency for spill gates operation

for 4 of 8 gates only



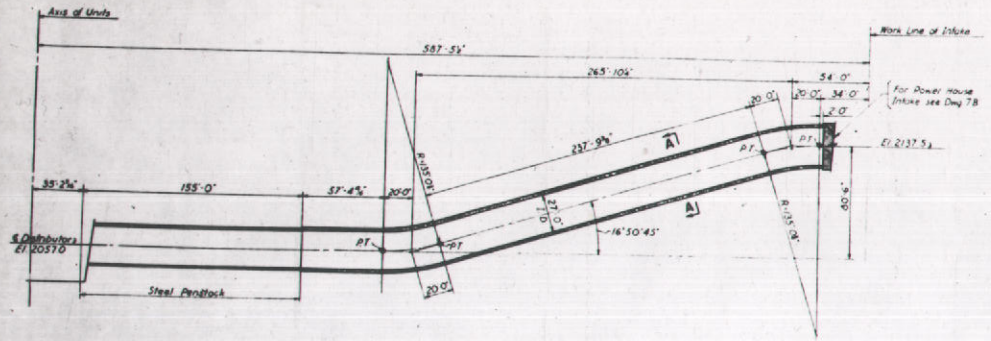
RECEIVED
MAR 20 1952
Mark R. Kulp
STATE RECLAMATION ENGINEER

CABINET GORGE H.E. DEVELOPMENT
GENERAL PLAN
THE WASHINGTON WATER POWER CO.
SCALE AS SHOWN

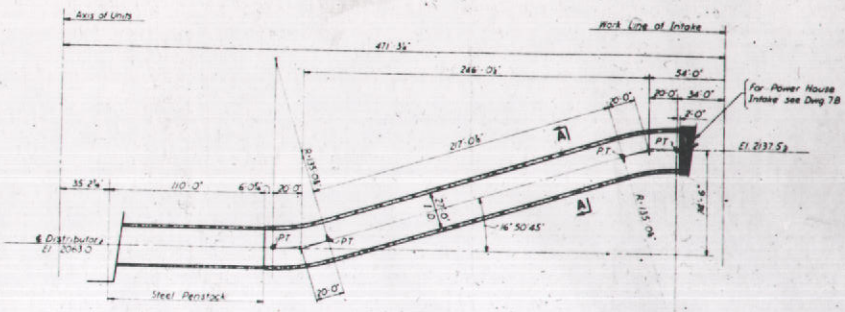
APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER

21783

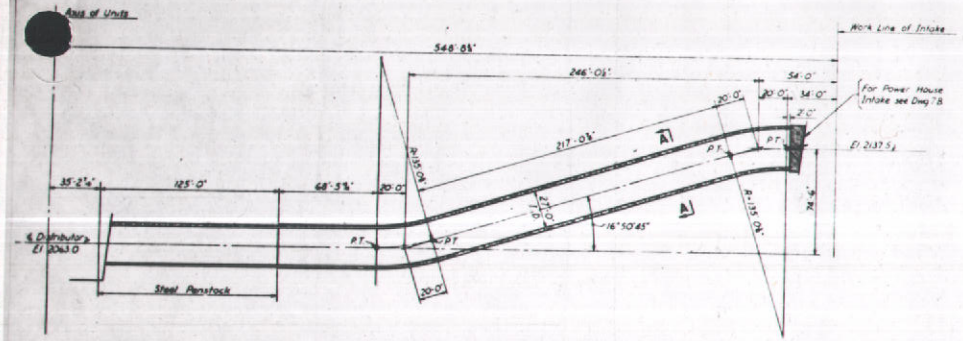
F-106660



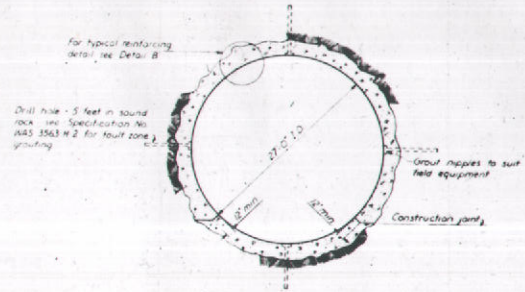
PROFILE AT ℄ OF PENSTOCK NO. 1
Scale 1" = 40'-0"



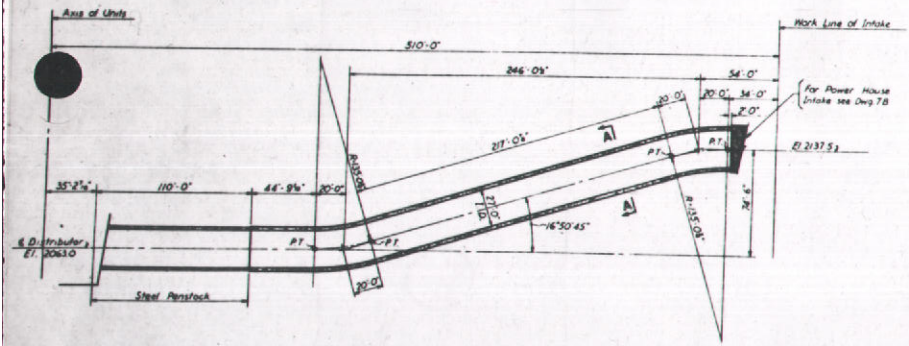
PROFILE AT ℄ OF PENSTOCK NO. 4
Scale 1" = 40'-0"



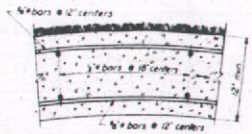
PROFILE AT ℄ OF PENSTOCK NO. 2
Scale 1" = 40'-0"



SECTION A - A
Typical for all Penstocks
Scale ⅛" = 1'-0"

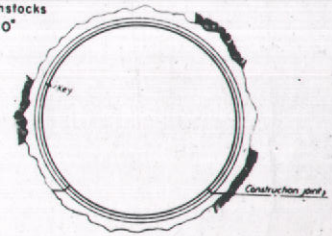


PROFILE AT ℄ OF PENSTOCK NO. 3
Scale 1" = 40'-0"



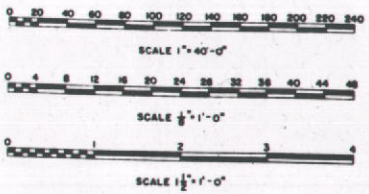
NOTE The lining of these tunnels is to be reinforced and the concrete minimum depth increased to 12" only at locations where the tunnel passes through fault zones or other locations where brecciated, soft rock or clay gouge indicates unsatisfactory rock conditions. Rock to be satisfactory must be sound and such nature as to resist internal Tunnel pressure and to prevent the development of external Hydrostatic pressure

DETAIL 'B'
Scale 1½" = 1'-0"



NOTE Circumferential joints shall be provided approximately 39 feet apart and keyed as shown

SECTION AT VERTICAL CONSTRUCTION JOINT
(Typical)
Scale ⅛" = 1'-0"



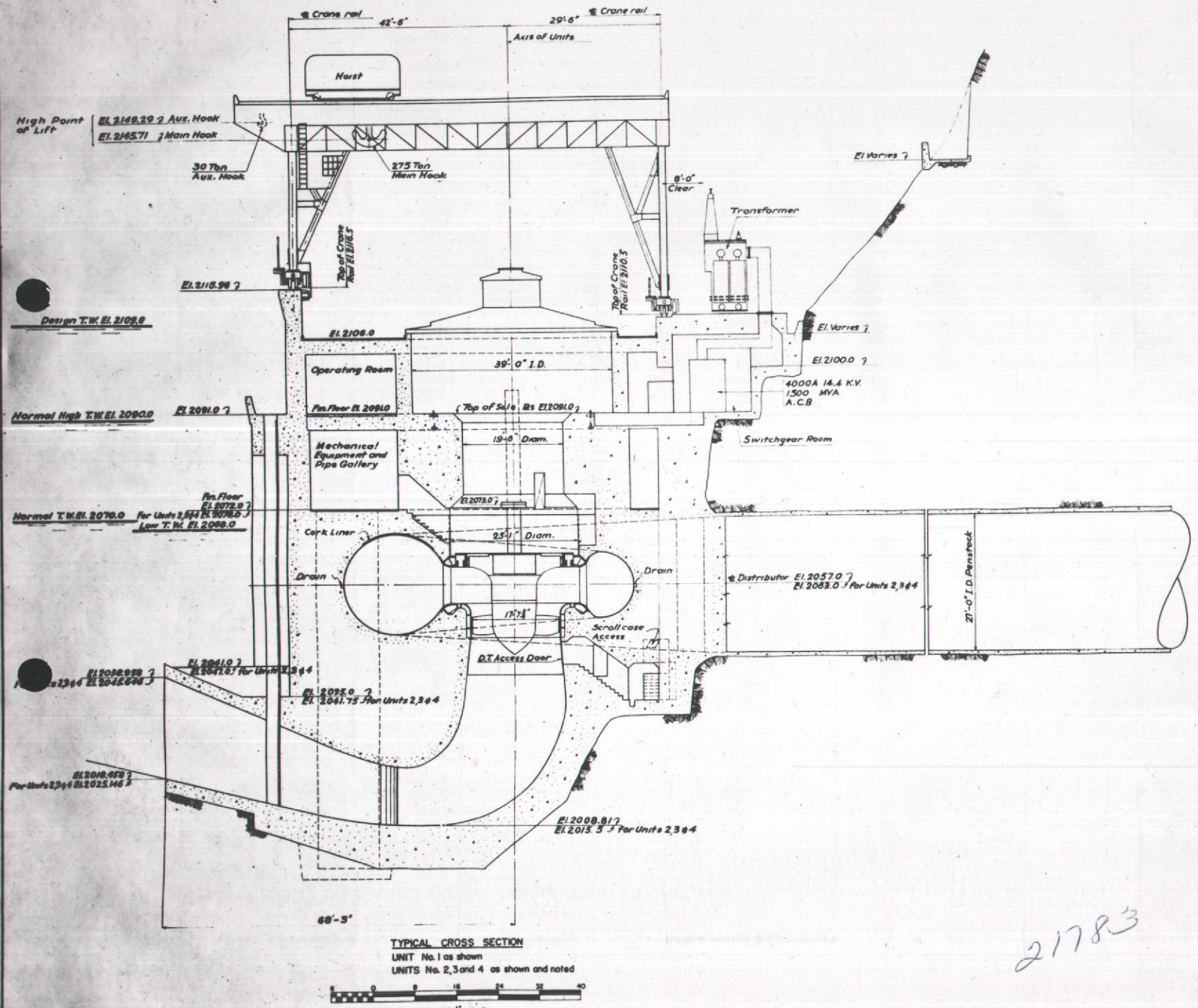
APPROVED
MAR 20 1952
Mark R Kulp
STATE RECLAMATION ENGINEER

21783

CABINET GORGE H.E. DEVELOPMENT
POWER HOUSE PENSTOCKS
THE WASHINGTON WATER POWER CO.
SCALE AS SHOWN

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER
SHEET 2 OF 14 SHEETS

F-106661



TYPICAL CROSS SECTION
UNIT No. 1 as shown
UNITS No. 2, 3 and 4 as shown and noted

NOTES

GENERATOR
55,555 K.V.A. vertical W.W. generator 0.90 P.F.
3 phase, 60 cycles. 13,800 V. 120 R.P.M.
Umbrella, outdoor type.

TRANSFORMER
42,500 K.V.A. 1 phase 60 cycle 230-13.2 K.V. Power Transformer.

TURBINE
70,500 H.P. 120 R.P.M. at 90 ft. head

CRANE
4 Motor outdoor Gantry Crane
275 Ton Main Lift, 30 Ton Aux. Lift.

APPROVED
MAR 20 1952
Mark R. Kulp
STATE RECLAMATION ENGINEER

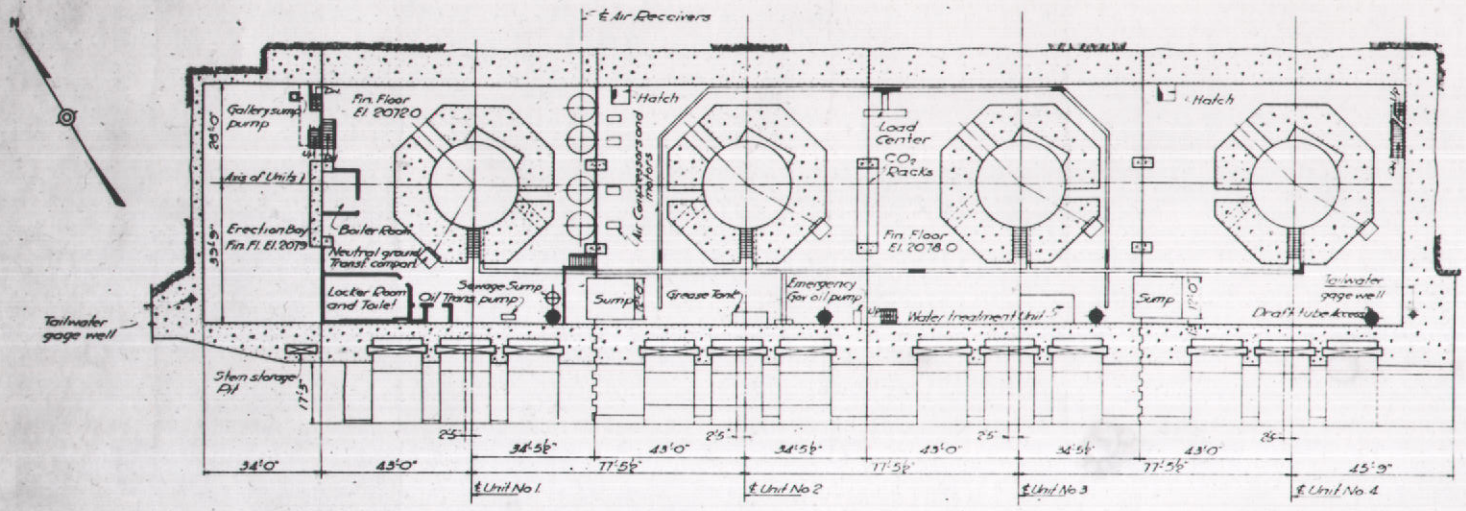
21783

CABINET GORGE H.E. DEVELOPMENT
POWER HOUSE CROSS SECTION

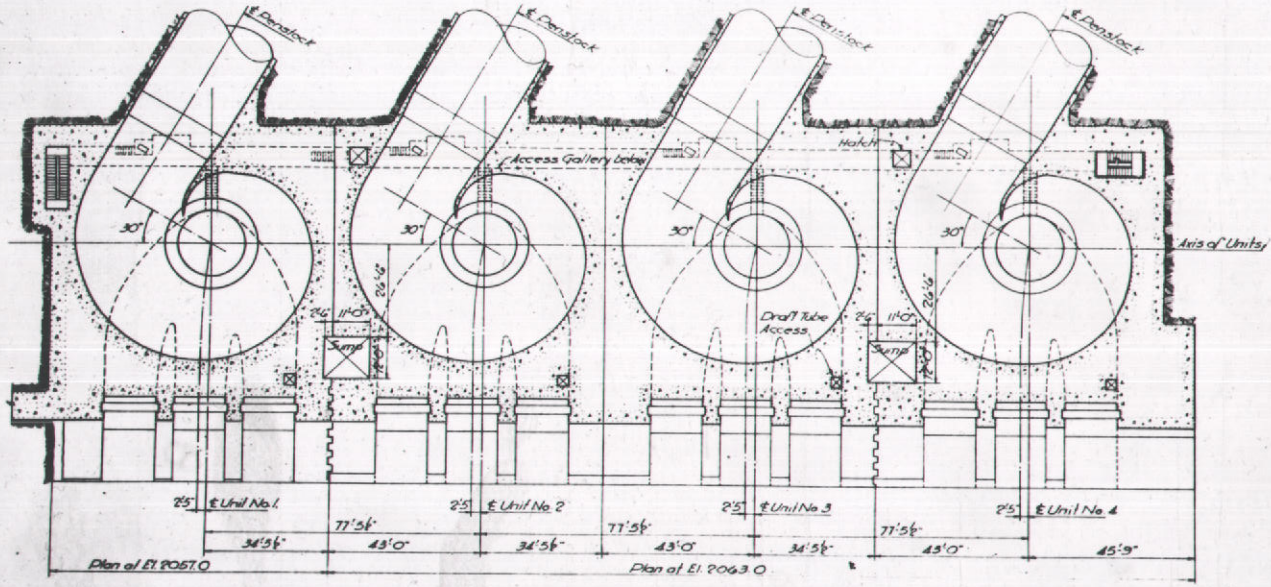
THE WASHINGTON WATER POWER CO.

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER
SHEET 11 OF 14 SHEETS

F-106663



PLAN OF PIPE GALLERY



PLAN AT ℄ DISTRIBUTOR

SCALE - 1/16" = 1'-0"

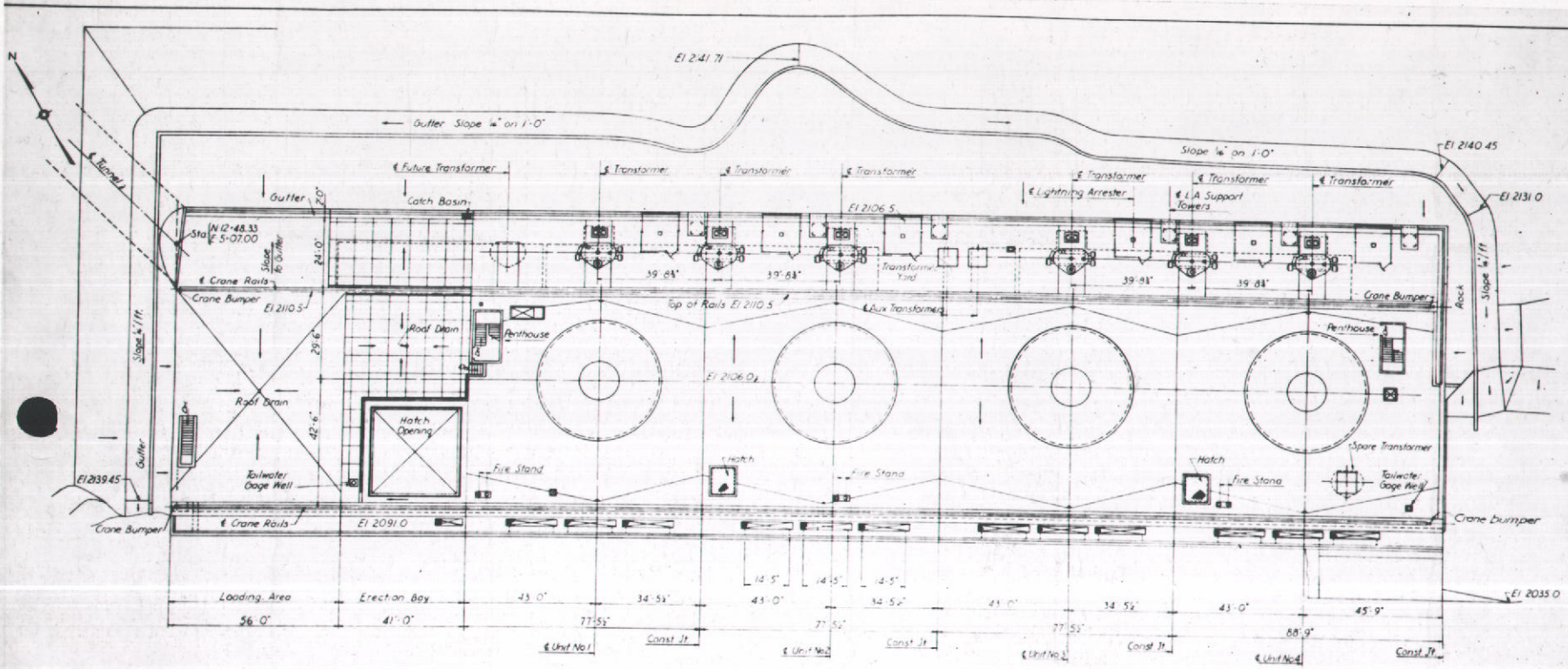
APPROVED
MAR 20 1952
Mark R. Kulp
STATE RECLAMATION ENGINEER

21783

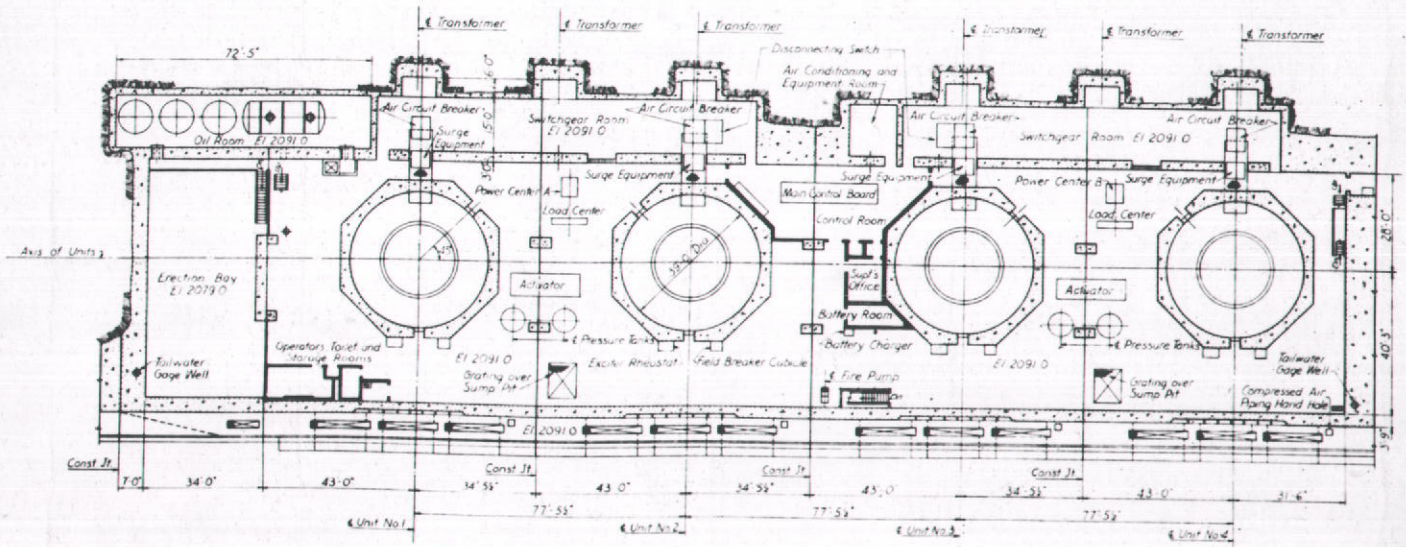
CABINET GORGE H.E. DEVELOPMENT
POWER HOUSE — PLAN OF PIPE GALLERY AND AT ℄ DISTRIBUTOR
THE WASHINGTON WATER POWER CO
SCALE 1/16" = 1'-0"

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER
SHEET 12 OF 14 SHEETS

F-106664



POWER HOUSE ROOF PLAN



OPERATING FLOOR PLAN

SCALE ⅛" = 1'-0"

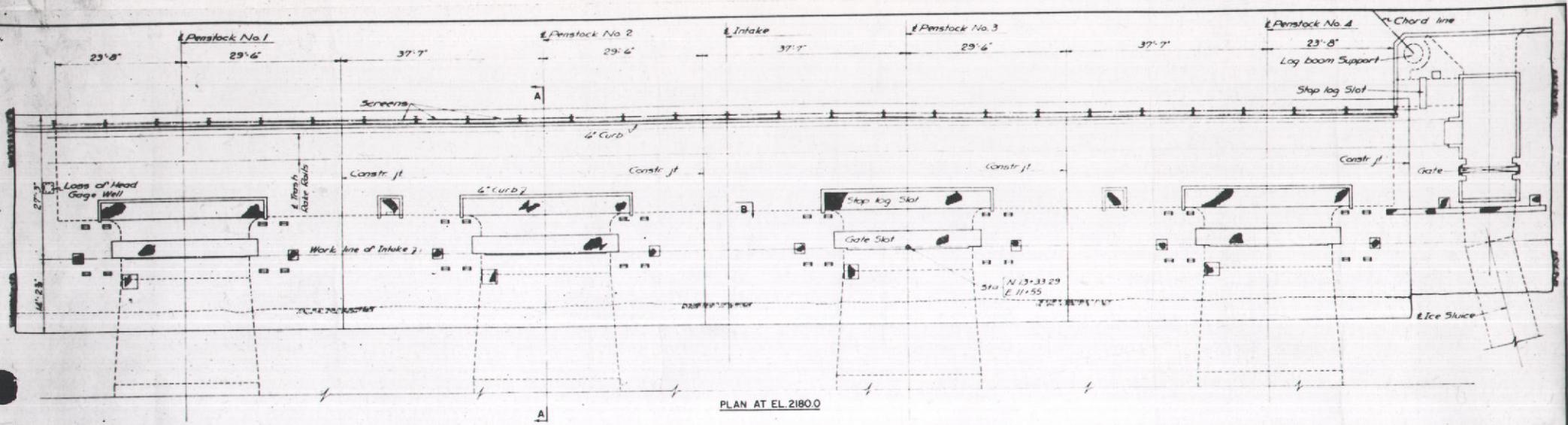
21783

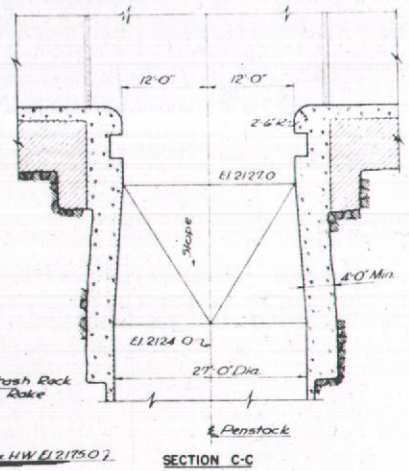
APPROVED
MAR 20 1952
Mark R Kulp
STATE RECLAMATION ENGINEER

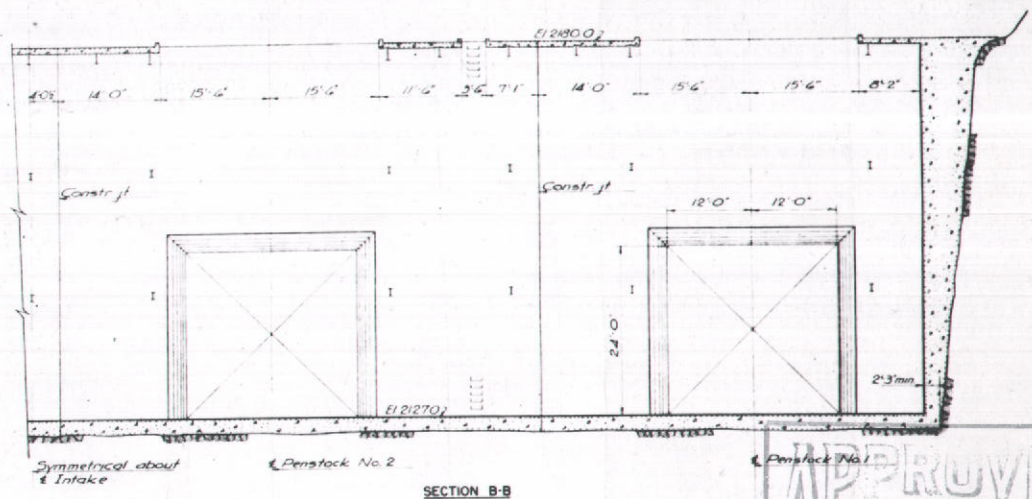
CABINET GORGE H.E. DEVELOPMENT
POWER HOUSE ROOF PLAN AND OPERATING FLOOR PLAN
THE WASHINGTON WATER POWER CO.
SCALE ⅛" = 1'-0"

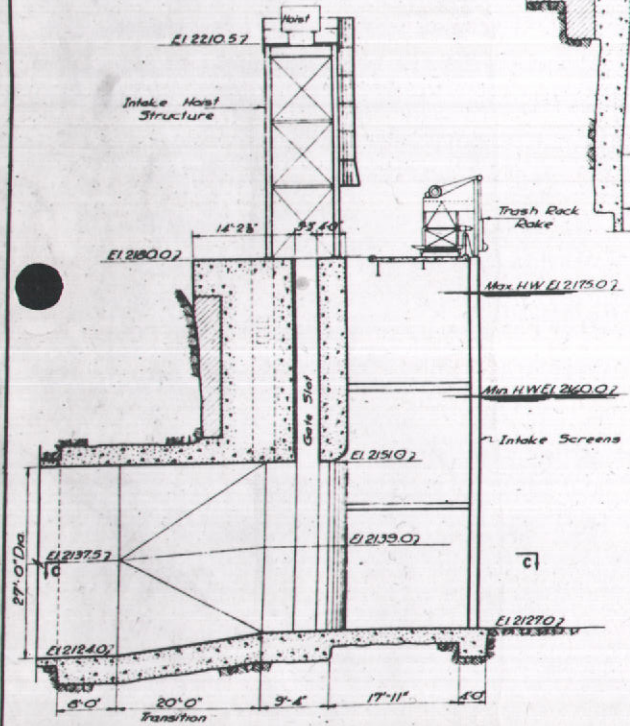
APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21838
CLARK FORK RIVER
SHEET 10 OF 14 SHEETS

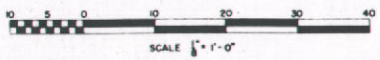
E-105668











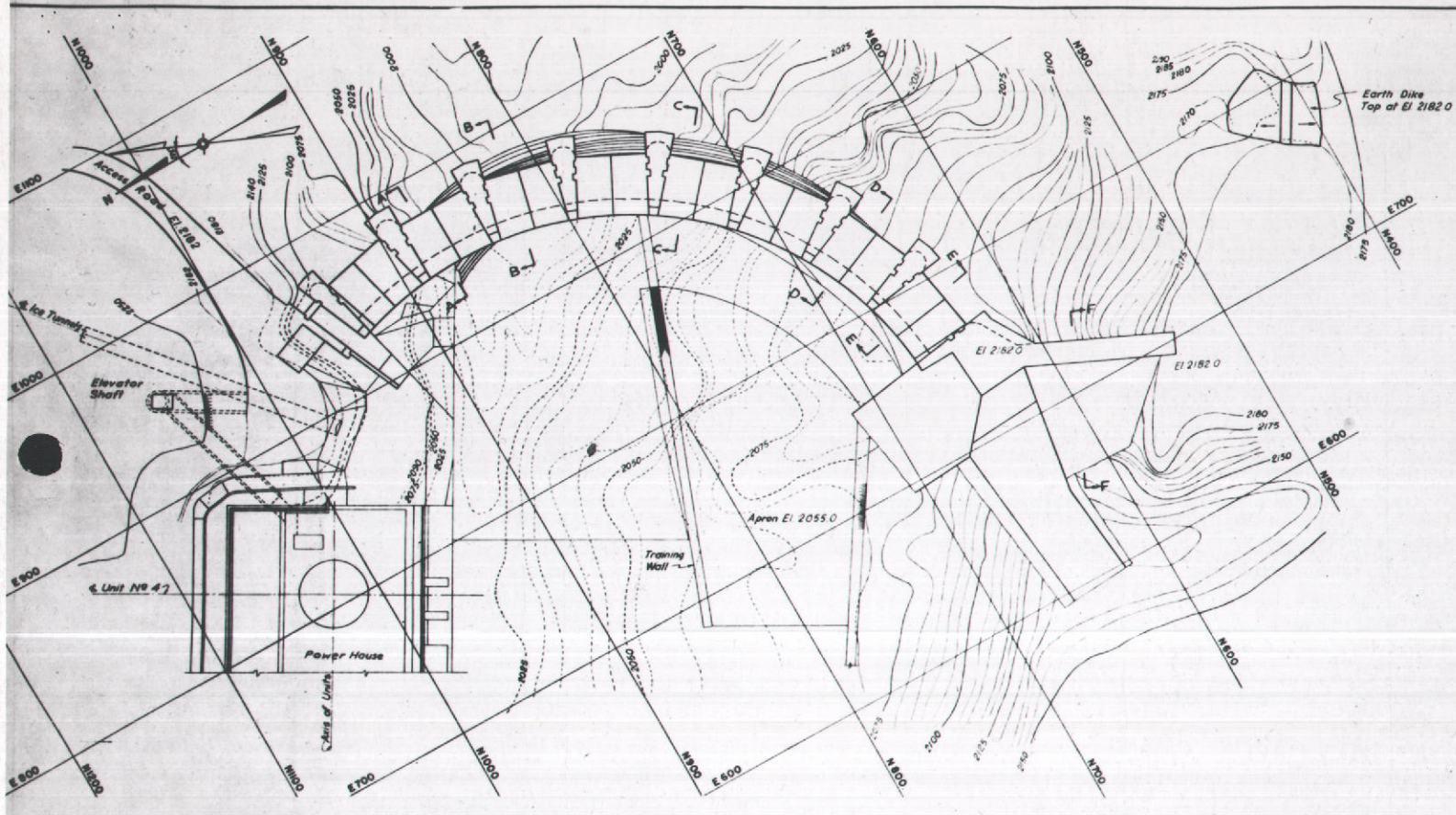
APPROVED
MAR 20 1952
Mark R McCulloch
STATE RECLAMATION ENGINEER

CABINET GORGE H.E. DEVELOPMENT
POWER HOUSE INTAKE - PLAN AND SECTIONS
THE WASHINGTON WATER POWER CO.
SCALE 1/8" = 1'-0"

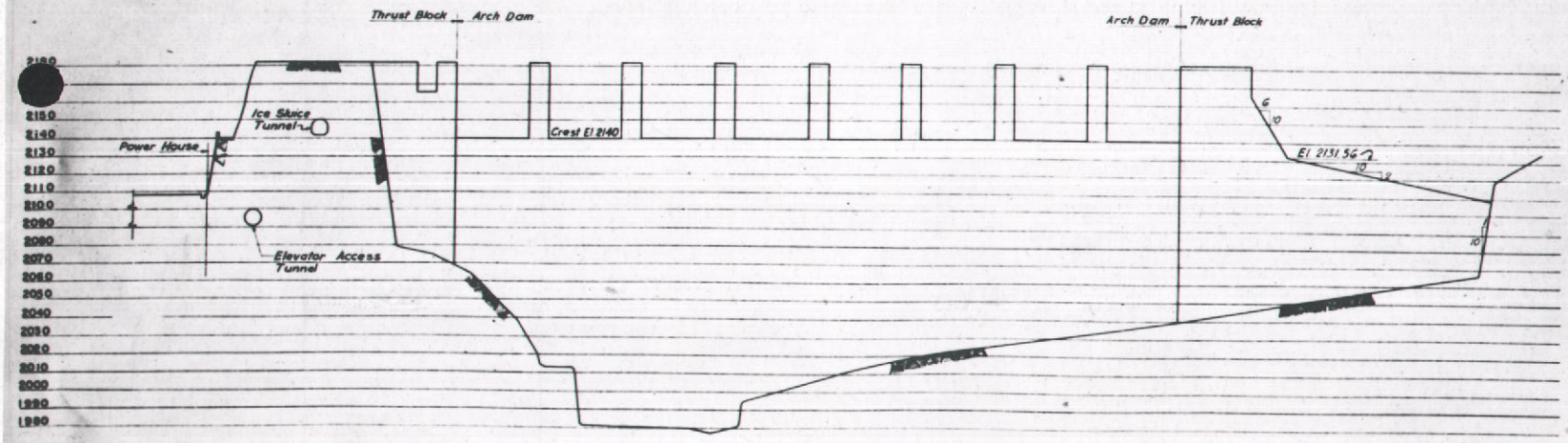
APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER
SHEET 14 OF 14 SHEETS

21783

F-106666



PLAN



DEVELOPED PROFILE ON BASE CIRCLE OF ARCH

SCALE : 1"=30'-0"

NOTES

These structures have been designed for pond level at El 2175.0

The analysis of this arch is based on method developed by W. Coin.

APPROVED
MAR 20 1952
Mark R Kulp
STATE RECLAMATION ENGINEER

CABINET GORGE H.E. DEVELOPMENT
DAM—PLAN AND PROFILE

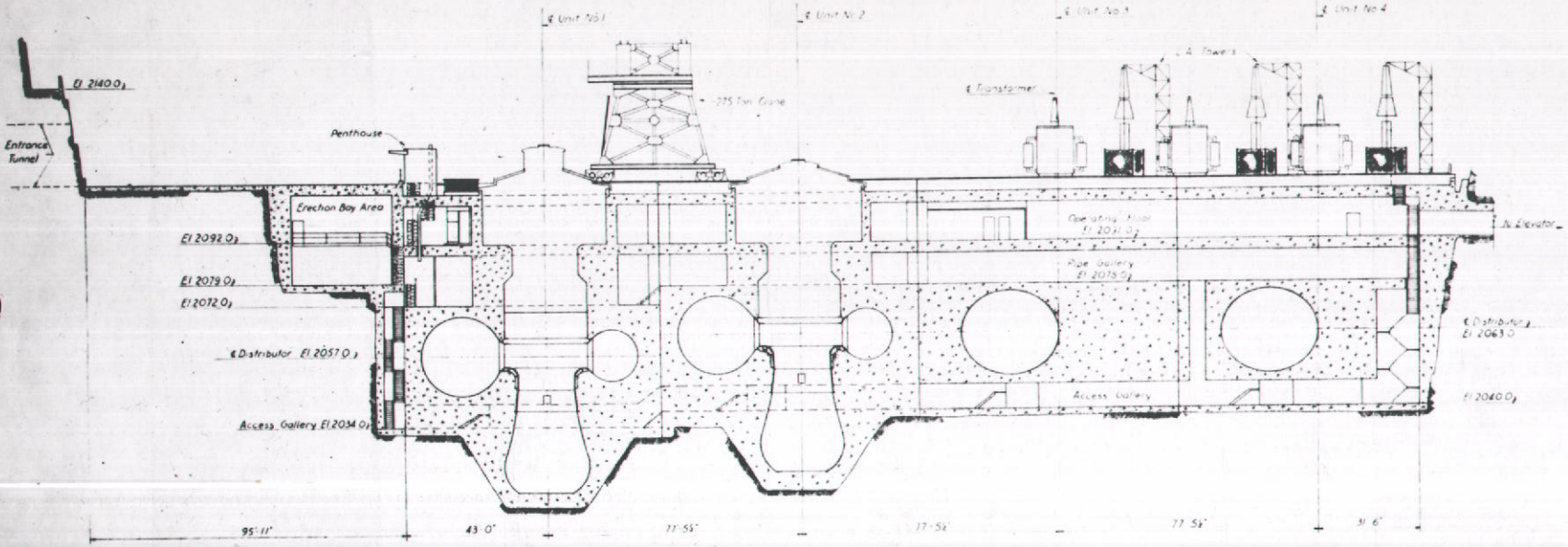
THE WASHINGTON WATER POWER CO.

SCALE: 1"= 30'-0"

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER

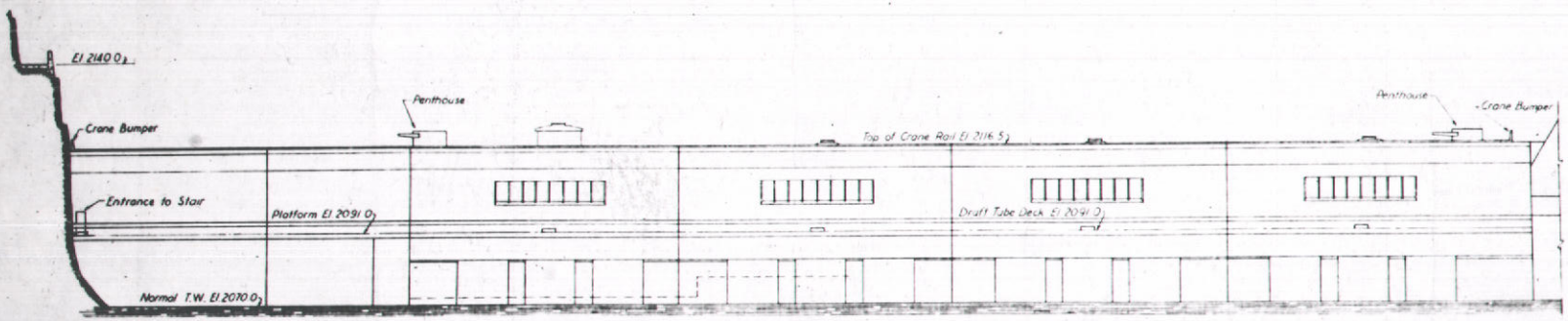
21783

F-106651

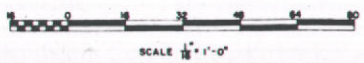


LONGITUDINAL SECTION AT AXIS OF UNITS

LONGITUDINAL SECTION AT ACCESS GALLERY



DOWNSTREAM ELEVATION



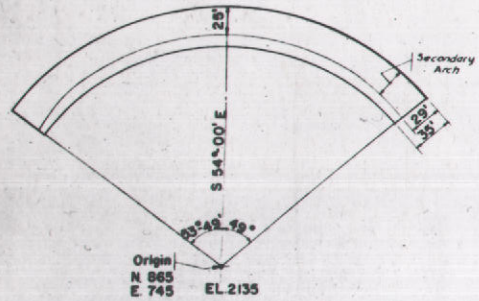
APPROVED
MAR 20 1952
Mark R Bulff
STATE RECLAMATION ENGINEER

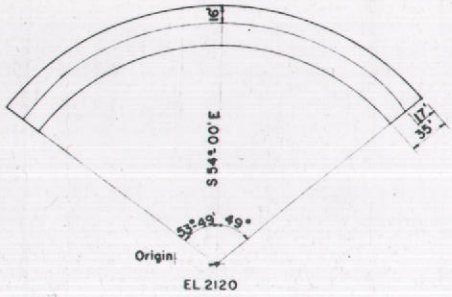
21783

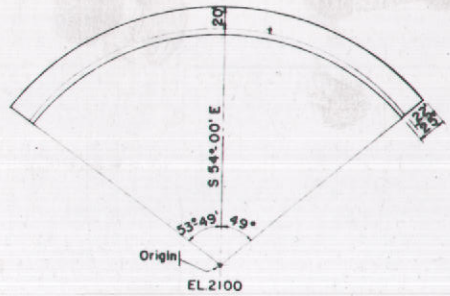
CABINET GORGE H.E. DEVELOPMENT
POWER HOUSE LONGITUDINAL SECTION AND DOWNSTREAM ELEVATION
THE WASHINGTON WATER POWER CO.
SCALE 1/8" = 1'-0"

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER
SHEET 10 OF 14 SHEETS

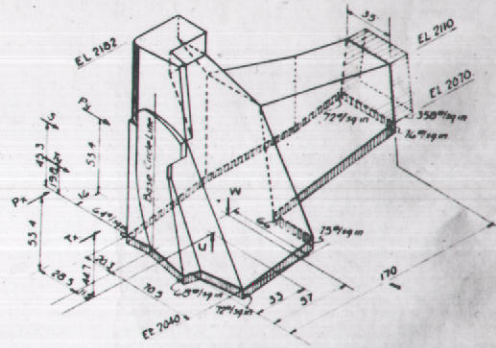
F-106662



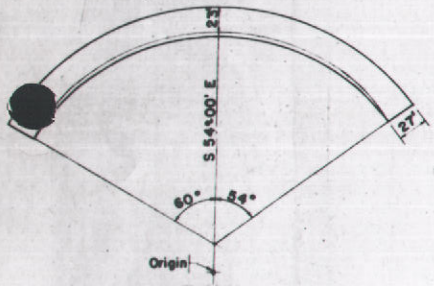


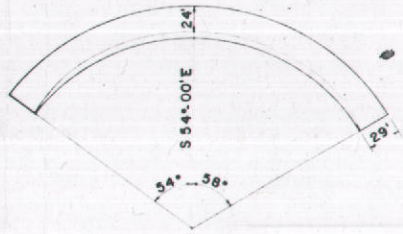


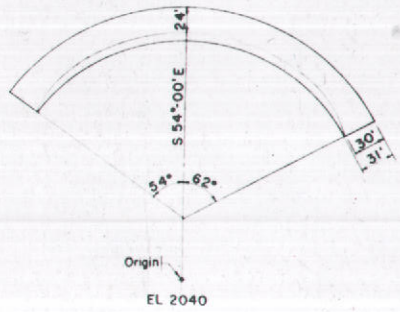
Tx = Longitudinal component of arch thrust = 112,000,000
Ty = Transverse component of arch thrust = 10,200,000
S = Arch shear = 8,600,000
Px = Longitudinal water load = 16,500,000
Py = Transverse water load = 18,900,000
U = Uplift = 8,200,000
W = Wt of block = 113,000,000



LEFT THRUST BLOCK

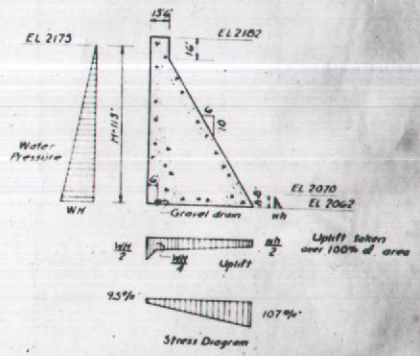




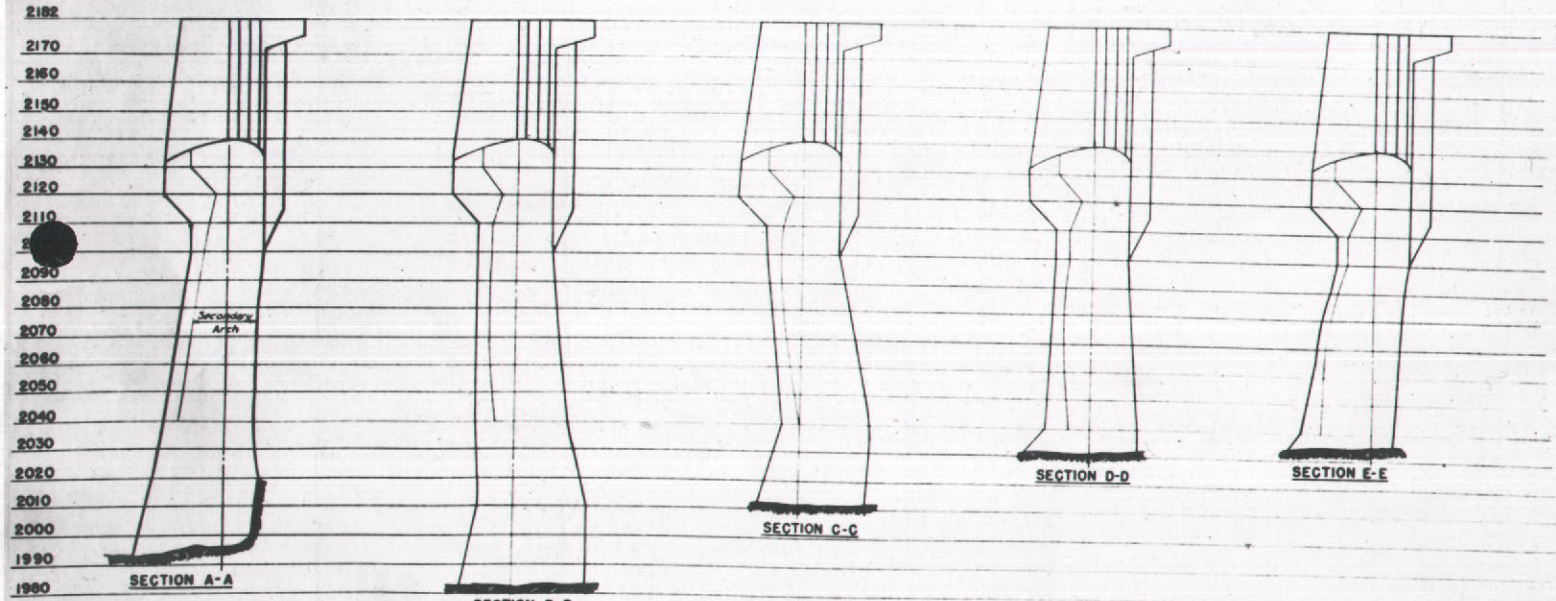


ARCH RINGS

SCALE 1"=50'-0"



SECTION F-F



ARCH SECTIONS

SCALE 1"=20'-0"

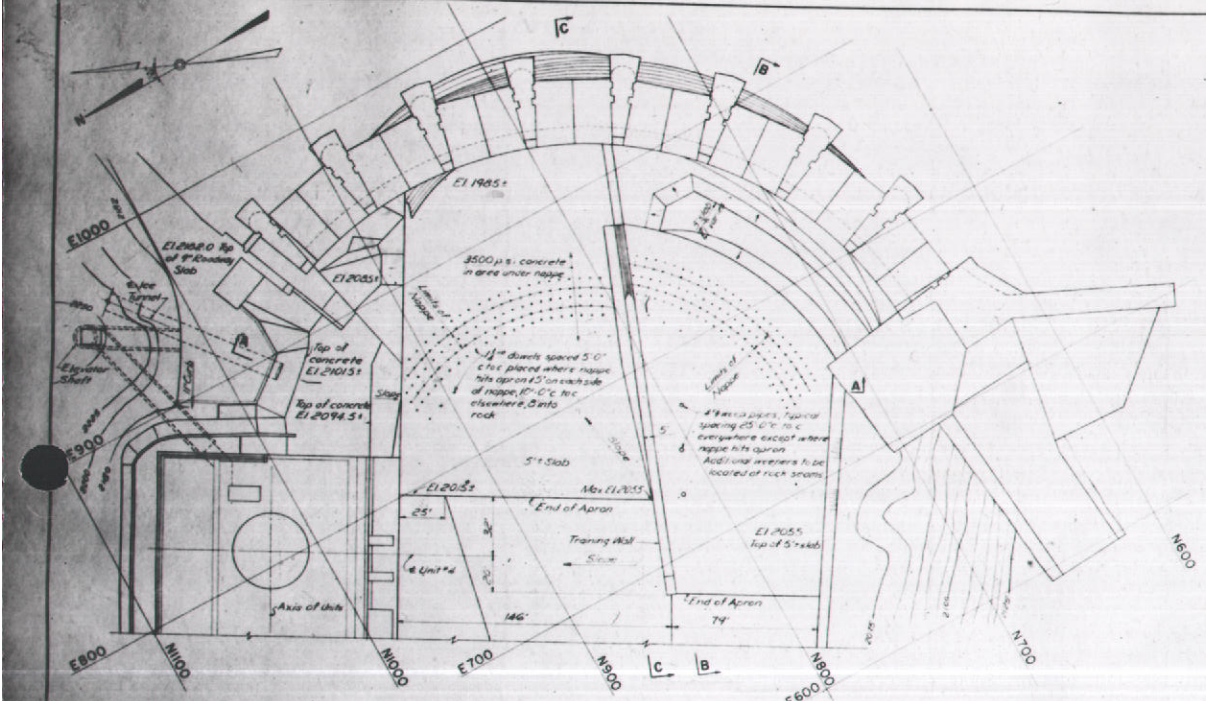
APPROVED
MAR 20 1952
Mark R Kulp
STATE RECLAMATION ENGINEER

CABINET GORGE H.E. DEVELOPMENT
DAM- ARCH RINGS AND SECTIONS
THE WASHINGTON WATER POWER CO.
SCALE AS SHOWN

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER
SHEET 3 OF 14 SHEETS

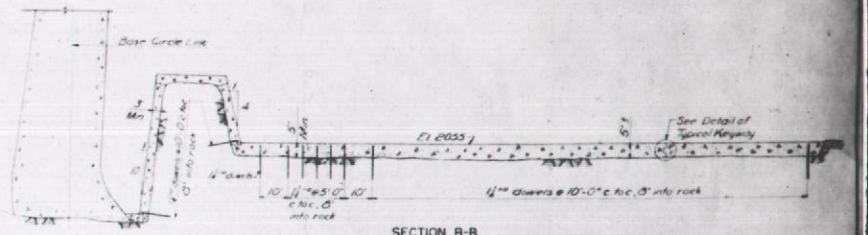
21783

F-106652



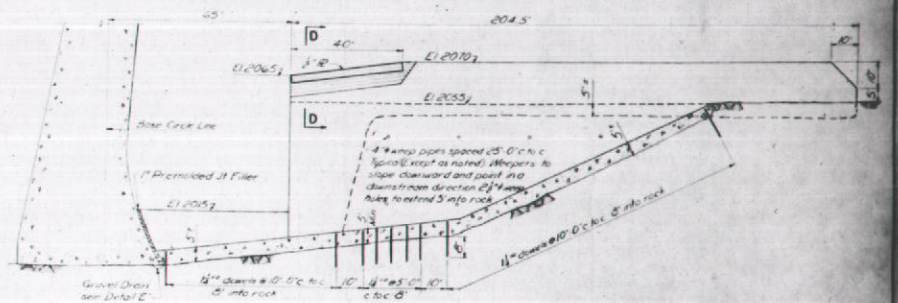
PLAN

SCALE 1"=30'-0"



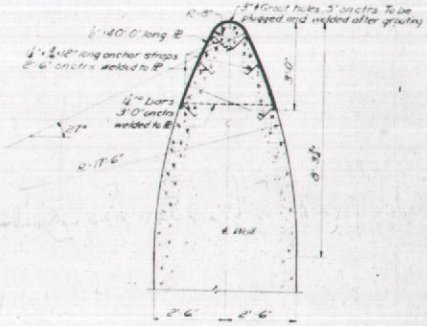
SECTION B-B

Scale 1"=20'-0"



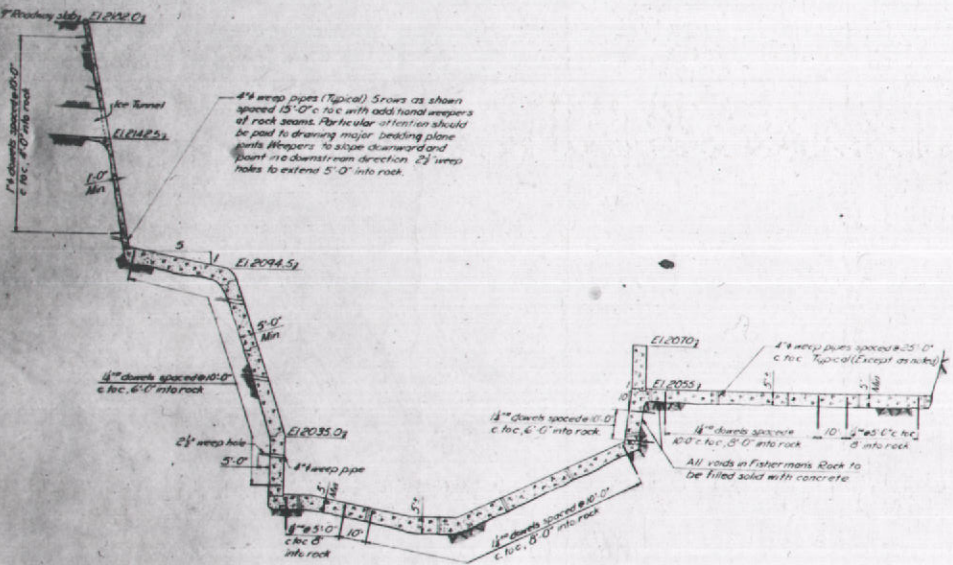
SECTION C-C

Scale 1"=20'-0"



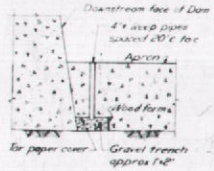
SECTION D-D

Scale ¼"=1'-0"



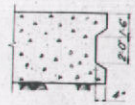
SECTION A-A

SCALE 1"=20'-0"



DETAIL "E"

Scale ¼"=1'-0"



DETAIL OF TYPICAL KEYWAY

Scale ½"=1'-0"

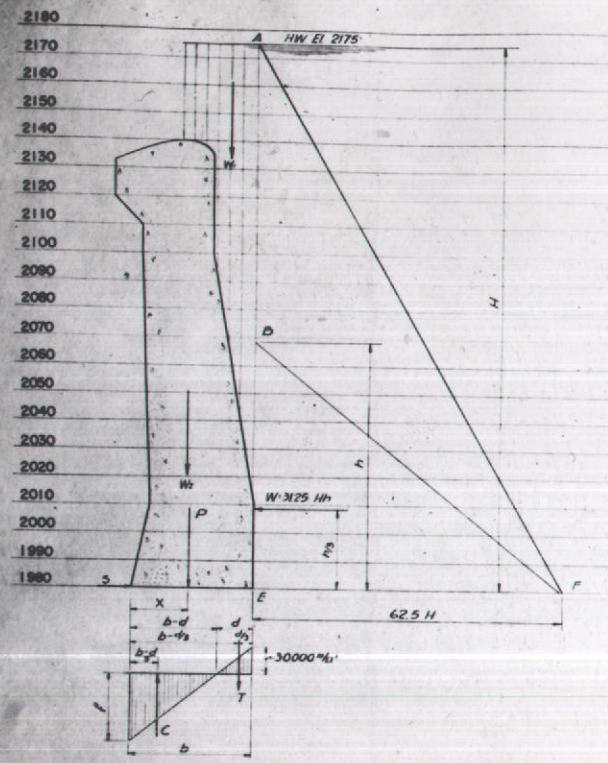
APPROVED
MAR 20 1952
Mark R Kulp
STATE RECLAMATION ENGINEER

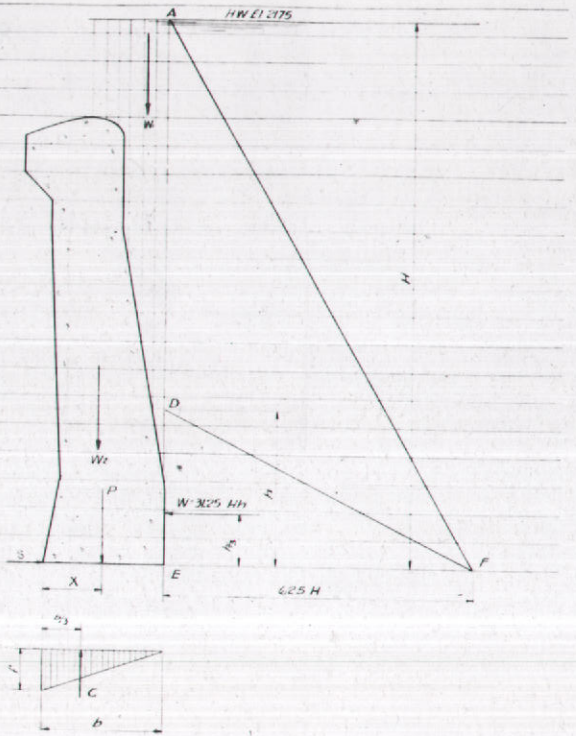
CABINET GORGE H.E. DEVELOPMENT
DAM-APRON AND PROTECTIVE WORKS
THE WASHINGTON WATER POWER CO.
SCALE AS SHOWN

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21763 & 21838
CLARK FORK RIVER

21783

F-10





CASE 1

For Maximum Tension of 30,000 #/ft²

H = Total water depth

h = Distance from base to point of zero cantilever action = Length of Cantilever arm

W = Total Water load to be carried by cantilever

P = W₂ + W₁ = Weight of dam per linear foot of section considered, plus or minus vertical pressure on upstream face of dam according to whether it recedes downstream or overhangs upstream respectively

b = Width of base

d = Distance from upstream edge to neutral axis

x = Distance from downstream edge to P

T = Total tension on base

C = Total compression on base

f = Max. compressive stress on base

S = Total shear on base

① $P = T + C$ ② $C = \frac{b(b-d)f}{2}$ ③ $f = \frac{30000(b-d)}{d}$

④ $T = 15000\,d$

Substituting ③ in ②: ⑤ $C = \frac{15000(b-d)^2}{d}$

④ & ⑤ in ①: ⑥ $P = \frac{15000(b-d)^2}{d} - 15000\,d$

or ⑦ $d = \frac{b^2}{\frac{P}{15000} + 2b}$

⑧ $S = W$

ΣM = Sum of moments about downstream edge of T, P and $C = T(b - \frac{d}{3}) + P x - C(\frac{b-d}{3})$

M_W = Moment of W about downstream edge = $\frac{1}{6} h W = 10.4\,Hh^2 = \Sigma M \therefore h = \sqrt{\frac{\Sigma M}{10.4\,H}}$ ⑨

For maximum Section

$W_1 = 138{,}000$ #

$W_2 = 829{,}000$ #

$P = 967{,}000$ #

$H = 195'$ $b = 43'$ $P_x = 20{,}200{,}000$ '#

⑦ $d = 12.4'$ ④ $T = 186{,}000$ # ⑤ $C = 1{,}140{,}000$ # $\Sigma M = 15{,}830{,}000$ '#

$h = \sqrt{\frac{15{,}830{,}000}{10.4 \times 195}} = 8.8'$ ⑨

⑧ $W = S = 537{,}000$ # v = shear per sq. in. at base = 87 #/□"

⑤ $f = 73{,}900$ #/□'

CASE 2

For Zero Tension at Upstream Edge of Dam

$W_1 + W_2 = P$

⑩ $P = C$

⑪ $C = \frac{bf}{2} \therefore f = \frac{2P}{b}$

⑫ $\Sigma M = P_x = \frac{Cb}{3}$ Sub ⑩ in ⑫ then $\Sigma M = P_x = \frac{Pb}{3}$

$M_W = \Sigma M$ or ⑬ $h = \sqrt{\frac{P_x - \frac{Pb}{3}}{10.4\,H}}$

For Maximum Section

$h = \sqrt{\frac{20{,}200{,}000 - \frac{967{,}000 \times 43}{3}}{10.4 \times 195}} = 55.8'$

⑪ $f = \frac{2 \times 967{,}000}{43} = 45{,}000$ #/□'

NOTES - CASE 1 AND 2

A dam arched in plan and of less than gravity section will carry a part of the water pressure as a vertical cantilever before arch action takes place.

Case 1 shows the method employed to obtain an equivalent triangle (FBE) of water pressure under full water load per linear ft. at the deepest section that will balance the resistance of the dam to overturning due to weights W_1 & W_2 and an assumed ultimate tensile stress in the concrete at the upstream edge of 30000 #/□' the remaining water pressure represented by triangle FAB being carried by arch action. The triangle of water pressure FBE is considered to be the greatest load that can be resisted by the section as a cantilever and it is found, in order to conveniently compute the maximum shear 'S' and compression 'f' at the base of the dam.

Case 2 shows the method employed to obtain an equivalent triangle (FDE) of water pressure under the same assumptions as in Case I except that no tension is allowed in the concrete and a triangular distribution of pressure is assumed at the base, the result being that the height of cantilever action h under full water load is decreased to a minimum and the extent of arch action due to the remaining water pressure represented by triangle FAD reaches the maximum. This gives point 'D' which is the lowest elevation at which arch action alone exists and that sought for the investigation of the arch rings.

APPROVED
MAR 20 1952
Mark R Kulp
STATE RECLAMATION ENGINEER

CABINET GORGE H.E. DEVELOPMENT
DAM-DETERMINATION OF EXTENT OF CANTILEVER ACTION IN DAM
THE WASHINGTON WATER POWER CO.
NO SCALE

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21838
CLARK FORK RIVER

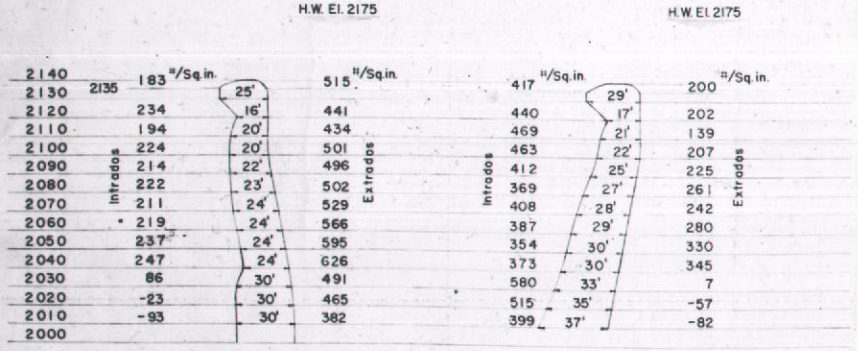
21783

F-106654

COL	ITEM	El. 2135	El 2120	El 2110	El 2100	El 2090	El 2080	El 2070	El 2060	El 2050	El 2040
1	t_o = Thickness at Crown (ft.)	2.50	16.0	20.0	20.0	22.0	23.0	24.0	24.0	24.0	24.0
2	h = Thickness at Abt (ft.)	8.90	17.0	21.0	22.0	25.0	27.0	28.0	29.0	30.0	30.0
3	$(t_o)^2$	6.25.0	256.0	400.0	400.0	484.0	529.0	576.0	576.0	576.0	576.0
4	$(t)^2$	84.10	289.0	441.0	484.0	625.0	729.0	784.0	841.0	900.0	900.5
5	R = Radius of Extrados (ft.)	23.25	23.25	23.25	23.25	22.2.0	21.1.5	20.6.0	20.0.5	19.5.0	18.9.5
6	$r = R - \frac{1}{2}t_o$ = Mean Radius (ft.)	22.00	22.4.5	22.2.5	22.2.5	21.1.0	20.0.0	19.4.0	18.8.5	18.3.0	17.7.5
7	$A = (r/t_o)^2$	77.440000	196.87598	123.76563	123.76563	91.985537	75.614367	65.340278	61.687934	58.140625	54.698351
8	B = Water Load in $^{\#}/_{\square'}$ on Ext.	57.81.25	34.37.5	40.62.50	46.87.50	53.12.50	59.37.50	65.62.50	71.87.50	78.12.50	84.37.50
9	$R_1 = R$	134.414063	79.92.18.75	94.453.125	108.984.375	117.937.500	125.578.125	135.187.500	144.109.375	152.343.750	159.890.625
10	$R_2 = R \times r$	295.710.938	179.424.609	210.158.203	242.490.234	248.888.125	251.156.250	262.243.750	271.646.172	278.789.063	283.405.859
11	2ϕ = Central Angle	102°49'	102°49'	102°49'	102°49'	108°	114°	112°	112°	115°	116°
12	ϕ =	51°24.30"	51°24.30	51°24.30	51°24.30	54°	57°	56°	56°	57°30'	58°
13	0.0174533 ϕ = ϕ in Radians	0.897.24506	0.897.24506	0.897.24506	0.897.24506	0.942.47820	0.994.83810	0.977.38480	0.977.38480	1.003.56475	1.012.91.40
14	$\frac{1}{2}\sin 2\phi$	1.740.65541	1.740.65541	1.740.65541	1.740.65541	1.828.40771	1.929.98591	1.896.12651	1.896.12651	1.946.91562	1.963.84532
15	6ϕ	5.383.4704	5.383.4703	5.383.4704	5.383.4704	5.654.86.92	5.969.02.86	5.864.30.88	5.864.30.88	6.021.3885	6.073.7484
16	Sin 2ϕ	0.975.08.49	0.975.08.49	0.975.08.49	0.975.08.49	0.951.05.65	0.913.54.55	0.927.18.39	0.927.18.39	0.906.30.78	0.896.79.40
17	0.47 Sin 2ϕ	0.458.28.99	0.458.28.99	0.458.28.99	0.458.28.99	0.446.99.46	0.429.36.64	0.435.71.64	0.435.71.64	0.425.96.47	0.421.24.32
18	3 Sin 2ϕ	2.925.25.47	2.925.25.47	2.925.25.47	2.925.25.47	2.853.16.95	2.740.63.65	2.781.55.17	2.781.55.17	2.718.92.34	2.696.38.20
19	Sin ϕ	0.781.6112	0.781.6112	0.781.6112	0.781.6112	0.809.0170	0.838.67.06	0.829.03.76	0.829.03.76	0.843.39.14	0.850.48.81
20	Sin ϕ / ϕ	0.871.1234	0.871.1234	0.871.1234	0.871.1234	0.858.3933	0.843.0222	0.848.2203	0.848.2203	0.840.3556	0.837.75.10
21	$12\ \mathrm{Sin}^2\phi$ / ϕ	8.170.5580	8.170.5580	8.170.5580	8.170.5580	8.333.45.76	8.484.21.52	8.438.47.80	8.438.47.80	8.505.38.91	8.525.43.74
21	$1-(\mathrm{Sin}\,\phi/\phi)$	0.128.87.656	0.128.87.656	0.128.87.656	0.128.87.656	0.181.60.667	0.156.97.780	0.151.77.973	0.151.77.973	0.159.60.440	0.162.24.903
23	Cos ϕ	0.623.7659	0.623.7659	0.623.7659	0.623.7659	0.587.7653	0.544.63.90	0.559.19.29	0.559.19.29	0.537.29.96	0.529.91.93
24	$\mathrm{Sin}\,\phi/\phi - \mathrm{Cos}\,\phi$	0.247.35.754	0.247.35.754	0.247.35.754	0.247.35.754	0.270.60.803	0.298.36.30	0.289.02.737	0.289.02.737	0.303.09.600	0.307.83.167
25	C_1	3.624.26.811	3.624.26.811	3.624.26.811	3.624.26.811	3.271.867.94	2.936.78.430	3.044.19.360	3.044.19.360	2.884.17.961	2.833.60.797
26	C_2	9.281.27.093	9.281.27.093	9.281.27.093	9.281.27.093	7.912.71.800	6.656.11.086	7.041.81.924	7.041.81.924	6.474.25.856	6.299.37.160
27	$K_o = (A+C_1)/(A+C_2)$	0.334.76.799	0.972.55.977	0.957.48.114	0.957.48.114	0.953.61.233	0.954.78.346	0.944.71.052	0.941.83.559	0.944.43.682	0.943.18.208
28	$K_1 = 1 - \mathrm{Cos}\,\phi + K_o \mathrm{Cos}\,\phi$	0.959.31.049	0.982.68.378	0.973.47.618	0.973.47.618	0.972.73.400	0.975.37.331	0.969.11.607	0.967.47.487	0.970.47.00	0.969.59.109
29	$P_o = B_o R K_o$	1.256.460	777.268	904.371	1.043.505	1.124.667	1.198.999	1.277.212	1.357.273	1.438.794	1.508.060
30	$M_o = B_o R r (K_o - 1)(1 - \mathrm{Sin}\,\phi/\phi)$	-2.486.006	-6.345.177	-1.151.601	-1.328.770	-1.634.634	-1.782.705	-2.198.482	-2.398.141	-2.472.248	-2.616.308
31	$P = P_o R K_1$	1.289.448	785.539.10	919.481	1.060.939	1.147.218	1.224.856	1.310.124	1.394.222	1.471.958	1.550.765
32	$M = P_o R r (1 - K_o)(\mathrm{Sin}\,\phi/\phi - \mathrm{Cos}\,\phi)$	4.771.482	1.217.853	2.210.310	2.550.357	3.123.759	3.588.564	4.186.472	4.566.673	4.634.911	4.963.665
33	$P_o/144 t_o$	3.490	3.37.4	3.14.0	3.62.3	3.55.0	3.62.0	3.69.6	3.92.7	4.16.3	4.36.4
34	$6M_o/144 t_o^2$	-1.65.7	-1.03.3	-1.20.0	-1.38.4	-1.40.7	-1.40.4	-1.59.0	-1.73.5	-1.78.8	-1.89.3
35	$P_1/144 t_1$	3.08.8	3.20.9	3.04.0	3.84.9	3.18.7	3.15.0	3.24.9	3.33.8	3.42.1	3.59.0
36	$e = M_1/P_1$	3.700	1.55.0	2.40.4	2.40.4	2.72.3	2.76.7	3.19.5	3.27.5	3.17.7	3.20.1
37	a = Up Stream Add. at Abt.	0	0	0	0	0	0	0	0	0	0
38	b = Down Stream Add at Abt	4	1	1	2	3	4	4	5	6	6
39	$e_1 = e - \frac{1}{2}(b-a)$	1.700	1.05.0	1.90.4	1.40.4	1.22.3	0.76.7	1.19.5	0.77.5	0.17.7	0.20.1
40	$6P_1 e_1/144 t_1^2$	1.08.6	1.19.0	1.65.4	1.28.2	93.5	53.7	83.2	53.6	12.1	14.4
41	Stress $\frac{P_o}{144 t_o} - \frac{6M_o}{144 t_o^2}$ Se	5.15	4.41	4.34	5.01	4.96	5.02	5.29	5.66	5.95	6.26
42	Stress $\frac{P_o}{144 t_o} + \frac{6M_o}{144 t_o^2}$ Si	1.83	2.34	1.94	2.24	2.14	2.22	2.11	2.19	2.37	2.47
43	Abt. $\frac{P_1}{144 t_1} - \frac{6P_1 e_1}{144 t_1^2}$ Se	2.00	2.02	1.39	2.07	2.25	2.61	2.42	2.80	3.30	3.45
44	Abt. $\frac{P_1}{144 t_1} + \frac{6P_1 e_1}{144 t_1^2}$ Si	4.17	4.40	4.69	4.63	4.12	3.69	4.08	3.87	3.54	3.73

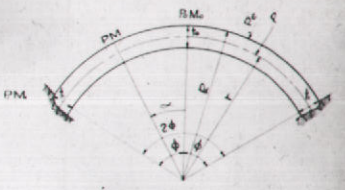
COL	ITEM	El. 2030	El. 2020	El. 2010
1	t_o = Thickness at Crown (ft.)	30.0	30.0	30.0
2	R = Radius of Extrados (ft.)	17.2.0	15.4.7	13.7.2
3	R_1 = Radius of Intrados (ft.)	14.2.0	12.4.7	10.7.2
4	r = Mean radius = $R - \frac{1}{2}t_o$	15.7.0	13.9.7	12.2.2
5	R/R_1	1.211.26741	1.240.57739	1.279.85075
6	$2.30258509 \log_{10} R/R_1$	0.191.66741	0.215.57700	0.246.74341
7	$r_n = t_o / 2.30258509 \log_{10} R/R_1$	1.56.52.1.132	1.39.1.61.413	1.21.5.03.794
8	$R(2.30258509 \log_{10} R/R_1)$	3.29.467.945	3.33.49.762	3.38.53.959
9	$R_1(2.30258509 \log_{10} R/R_1)$	2.72.1.67.722	2.68.82.45.192	2.64.50.893.36
10	r_n^2	244.98.648	193.65.898	147.82.690
11	$C_1 = r - r_n$	0.47.868	0.53.857	0.61.620.6
12	$1/r_n$	1.003.059.45	1.003.870.23	1.005.068.16
13	r_n/R	0.910.006.58	0.899.556.45	0.886.179.26
14	r_n/R_1	1.102.261.49	1.115.969.63	1.134.177.18
15	2ϕ	101° 00'	85°00'	72°00'
16	ϕ	50°30'	42°30'	36°00'
17	0.0174533 ϕ = ϕ in Radians	0.881.391.65	0.741.765.25	0.628.318.80
18	$\frac{1}{2}\sin 2\phi$	0.490.813.6	0.498.097.35	0.475.528.25
19	$\phi + \frac{1}{2}\sin 2\phi$	1.372.205.25	1.239.862.60	1.103.847.05
20	$\phi - \frac{1}{2}\sin 2\phi$	0.390.378.05	0.243.667.90	0.152.790.55
21	cos 2ϕ	-0.190.809.0	0.087.155.7	0.309.017.0
22	$1 - \cos 2\phi$	1.190.809.0	0.912.844.3	0.690.983.0
23	$\frac{1}{\phi}(1 - \cos 2\phi)$	1.351.055.45	1.230.637.73	1.099.733.13
24	$k^2 = t_o^2/r^2$	75.00	75.00	75.00
25	$I = t_o^3/12$	2250.00	2250.00	2250.00
26	k^3/r_n	0.003.061.37	0.003.872.79	0.005.073.53
27	$1 + k^3/r_n$	1.003.061.37	1.003.872.79	1.005.073.53
28	$2.88 k^3/r_n \; (\phi - \frac{1}{2}\sin 2\phi)$	0.003.545.16	0.002.778.30	0.002.243.85
29	$(\phi + \frac{1}{2}\sin 2\phi)(1 + k^3/r_n)$	1.376.406.08	1.246.644.33	1.109.447.45
30	$D_n = (29) + (28) - (23)$	0.028.804.79	0.017.549.00	0.119.581.7
31	Pe = Water load in $^{\#}/_{\square'}$ on Ext.	9062.50	9687.50	10312.50
32	$P_e R$	1.558.750.00	1.498.656.25	1.414.875.00
33	$P_e R / D_n$	54.142.636.89	44.584.86.1	28.318.68.9
34	cos ϕ	0.634.0782	0.737.2773	0.809.0170
35	sin ϕ	0.771.6246	0.675.5902	0.587.7853
36	sin ϕ / ϕ	0.871.546.166	0.910.787.0	0.935.488.96
37	$1 - \sin \phi/\phi$	0.124.538.34	0.089.212.93	0.064.511.04
38	2 sin ϕ	1.543.249.2	1.351.180.4	1.175.570.6
39	$X = P_e R / D_n (2 \sin \phi) k^3/r_n^2$	2.556.605.01	2.468.056.30	2.056.872.94
40	$X r_n$	40.012.710.65	35.282.885.80	25.138.62
41	X cos ϕ	1.626.207.07	1.345.086.79	1.570.913.018
42	$\sin \phi/\phi - \cos \phi$	0.239.383.46	0.173.509.77	0.126.471.96
43	$M_o = -X r_n \; (1 - \sin \phi/\phi)$	-4.983.560	-5.810.909	-5.535.056
44	$M_1 = X r_n \; (\sin \phi/\phi - \cos \phi)$	9.579.233	11.301.608	10.853.12
45	$P_o = P_e R - X$	13.03.090	10.306.01	7.091.88
46	$P_1 = P_e R - X \cos \phi$	13.961.30	11.535.49	8.439.62
47	M_o/I	-2214.91.554	-2582.62.141	-2460.02.496
48	$\frac{1}{2}t_o + C$	15.478.868	15.538.587	15.616.206
49	$\frac{1}{2}t_o - C$	14.521.32	14.461.413	14.383.794
50	$M_o/I \; (\frac{1}{2}t_o + C) \; r_n/R$	-31.99.0	-36.09.9.5	-34.04.3.7
51	$M_o/I \; (\frac{1}{2}t_o - C) \; r_n/R_1$	-35.45.2.1	-41.67.9.7	-40.13.2.3
52	$P_o/(R 2.30258509 \log_{10} R/R_1)$	3.95.27.3	3.09.02.8	2.09.48.9
53	$P_o/(R_1 2.30258509 \log_{10} R/R_1)$	4.78.78.2	3.83.37.3	2.68.11.5
54	Stress $(-(50)+(52))/144$ Se	+4.91	+4.65	+3.82
55	Stress $((51)+(53))/144$ Si	+.86	-.23	-.93
56	t_1 = Thickness at Abt (ft.)	33	35	37
57	a = Upstream add. at Abt.	0	0	0
58	b = Downstream add. at Abt.	3	5	7
59	$M_1/P_1 = e$	6.86.1	9.79.7	12.85.8
60	$e_1 = e - \frac{1}{2}(b-a)$	5.36.1	7.29.7	9.35.8
61	$P_1/144 t_1$	2.93.8	2.28.9	1.58.4
62	$6P_1 e_1/144 t_1^2$	2.86.4	2.86.4	2.40.4
63	Abt. Stress $\frac{P_1}{144 t_1} - \frac{6P_1 e_1}{144 t_1^2}$ Se	+.71	-.57	-.82
64	Abt. Stress $\frac{P_1}{144 t_1} + \frac{6P_1 e_1}{144 t_1^2}$ Si	+5.80	+5.15	+3.99

Se Stress in lbs. per sq. in extrados
Si Stress in lbs. per sq. in intrados
(+) Indicates compression
(−) Indicates tension



CROWN SECTION

ABUTMENT SECTION



TYPICAL DIAGRAM SHOWING
NOTATION USED IN FORMULAS

NOTES

These computations are made under the assumption that the arches shall take the full water pressure and are based on the method developed by William Cain (Paper No. 1483, Transactions, ASCE 1922) In accordance with Cain:

$P = pr - (pr - P_o)\cos\propto$

$M = r(pr - P_o)\left(\frac{\sin\phi}{\phi} - \cos\propto\right)$ where $pr = P_o R$

$pr - P_o = 2\sin\phi \; \frac{\phi}{D_o} \; \frac{k^2}{r} \; p$

$D_o = D + 2.88 \; \frac{k^2}{r^3} \; \phi \left(\phi - \frac{1}{2}\sin 2\phi\right)$

$D = \left(1 + \frac{k^3}{r^3}\right)\phi\left(\phi + \frac{1}{2}\sin 2\phi\right) - 2\sin^2\phi$

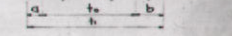
$k^2 = \frac{1}{12}\,t_o^2$

Constants C_1 and C_2 are derived from the above formulas

$C_1 = \frac{194\phi - 0.47\sin 2\phi - \sin\phi}{6\phi + 3\sin 2\phi - \frac{12\sin^2\phi}{\phi}}$

$C_2 = \frac{194\phi - 0.47\sin 2\phi}{6\phi + 3\sin 2\phi - \frac{12\sin^2\phi}{\phi}}$

Formulas for computing the thick arches at El. 2030-2010 were taken from Paper No. 1603 by B.F. Jakobsen, Transactions, ASCE 1927.



REDISTRIBUTION OF STRESSES AT ABUTMENTS FOR UNEQUAL ADDITIONS TO THE THICKNESS

APPROVED
MAR 20 1952
STATE RECLAMATION ENGINEER

CABINET GORGE H.E. DEVELOPMENT
DAM- WATER LOAD STRESSES IN DAM
THE WASHINGTON WATER POWER CO.
NO SCALE

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER
SHEET 6 OF 14 SHEETS

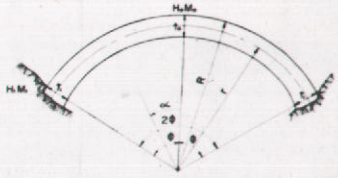
21783

F-106655

THRUST AND MOMENT PER 1°F. RISE OR FALL OF TEMPERATURE AT CROWN AND ABUTMENT IN POUNDS PER SQ. FT. BY W. CAIN'S FORMULAS

COL.	ITEM	EL. 2135	EL. 2120	EL. 2110	EL. 2100	EL. 2090	EL. 2080	EL. 2070	EL. 2060	EL. 2050	EL. 2040
1	t_c = Thickness at Crown	25.0	16.0	20.0	20.0	22.0	23.0	24.0	24.0	24.0	24.0
2	t_a = Thickness at Abutment	29.0	17.0	21.0	22.0	25.0	27.0	28.0	29.0	30.0	30.0
3	$(t_a)^2$	625.0	256.0	400.0	400.0	484.0	529.0	576.0	576.0	576.0	576.0
4	$(t_c)^2$	841.0	289.0	441.0	484.0	625.0	729.0	784.0	841.0	900.0	900.0
5	r = Mean Radius	220.00	224.50	222.50	222.50	211.00	200.00	194.00	188.50	183.00	177.50
6	r^2 at Crown	48400.00	50400.25	49506.25	49506.25	44521.00	40000.00	37636.00	35532.25	33489.00	31506.25
7	2ϕ = Central Angle	102°49'	102°49'	102°49'	102°49'	108°00'	114°00'	112°00'	112°00'	115°00'	116°00'
8	ϕ = ½ Central Angle in Degrees	51°24'30"	51°24'30"	51°24'30"	51°24'30"	54°0000	57°0000	56°0000	56°0000	57°3000	58°0000
9	ϕ in radians = ϕ x 0.0174533	0.8972450 6	0.8972450 6	0.8972450 6	0.8972450 6	0.9424782 0	0.9946381 0	0.9773848 0	0.9773848 0	1.0035647 5	1.0122914 0
10	Sin 2ϕ	0.9750849	0.9750849	0.9750849	0.9750849	0.9510565	0.9135455	0.9271839	0.9271839	0.9063078	0.8987940
11	Cos 2ϕ	-0.2218321	-0.2218321	-0.2218321	-0.2218321	-0.3090170	-0.4067366	-0.3746066	-0.3746066	-0.4226183	-0.4383711
12	Sin ϕ	0.7816112	0.7816112	0.7816112	0.7816112	0.8090170	0.8386706	0.8290376	0.8290376	0.8433914	0.8480481
13	Cos ϕ	0.6237659	0.6237659	0.6237659	0.6237659	0.5877853	0.5446390	0.5591929	0.5591929	0.5372996	0.5299193
14	Cos ∝ Crown, ∝ = 0	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
15	Cos ϕ Abutment	0.6237659	0.6237659	0.6237659	0.6237659	0.5877853	0.5446390	0.5591929	0.5591929	0.5372996	0.5299193
16	$\frac{\text{Sin}\phi}{\phi}$	0.8711234	0.8711234	0.8711234	0.8711234	0.8583933	0.8430222	0.8482203	0.8482203	0.8403956	0.8377510
17	ϕ + ½ Sin 2ϕ	1.3847875	1.3847875	1.3847875	1.3847875	1.4180065	1.4516109	1.4409768	1.4409768	1.4567187	1.4616884
18	$k^2 = \frac{1}{12}t_c^2$	52.083333	21.333333	33.333333	33.333333	40.333333	44.083333	48.000000	48.000000	48.000000	48.000000
19	k^2/r^2	0.0010761 0	0.0004232 8	0.0006733 2	0.0006733 2	0.0009059 4	0.0011020 6	0.0012753 7	0.0013508 9	0.0014333 1	0.0015235 1
20	$1 + k^2/r^2$	1.0010761 0	1.0004232 8	1.0006733 2	1.0006733 2	1.0009059 4	1.0011020 6	1.0012753 7	1.0013508 9	1.0014333 1	1.0015235 1
21	$(\phi + \frac{k^2}{r^2})(\phi + \frac{1}{2}\text{Sin } 2\phi)$	1.3862777	1.3853737	1.3857199	1.3857199	1.4192911	1.4532107	1.4428146	1.4429234	1.4588066	1.4639153
22	$\frac{1}{\phi}(1 - \text{Cos } 2\phi)$	1.3617596	1.3617596	1.3617596	1.3617596	1.3889096	1.4140357	1.4064129	1.4064129	1.4175650	1.4209062
23	$D_a = (1 + \frac{k^2}{r^2})(\phi + \frac{\text{Sin}2\phi}{\phi})(\frac{1 - \text{Cos}2\phi}{\phi})$	0.0245181	0.0236141	0.0239603	0.0239603	0.0303815	0.0391750	0.0364017	0.0365105	0.0412416	0.0430091
24	2 Sin ϕ	1.5632224	1.5632224	1.5632224	1.5632224	1.6180340	1.6773412	1.6580752	1.6580752	1.6867828	1.6960962
25	$2\text{Sin}\phi / D_a$	63.7578931	66.1986863	65.2421881	65.2421881	53.2572124	42.8166228	45.5493591	45.4136536	40.9000329	39.4357519
26	E = c x T° T° = f°	3456	3456	3456	3456	3456	3456	3456	3456	3456	3456
27	$I/c = (k^2/c)t_c$	0.0269025	0.0067725	0.0134663	0.0134663	0.0199307	0.0263478	0.0306089	0.0324214	0.0343394	0.0365642
28	$H_w = 2\text{Sin}\phi / D_a \times E c T° \times I/r^2$	5927.89	1549.43	3036.34	3036.34	3668.38	3750.82	4818.41	5088.53	4862.37	4983.33
29	$(1 - \text{Sin}\phi/\phi)r$ Crown	28.3528520	28.9327967	28.6750435	28.6750435	29.8790137	31.3955600	29.4452618	28.6104735	29.2076052	28.7991975
30	$M_w = H_w(1 - \text{Sin}\phi/\phi)$ Crown Mom.	168.0726 6	44.8293 6	87.0672 1	87.0672 1	109.6076 8	117.7591 5	141.8794 3	145.5851 2	142.0182 7	143.5160 0
31	H_w/t_c	237.12	96.84	151.82	151.82	166.74	163.08	200.77	212.02	202.60	207.64
32	$6M_w/t_c^2$	1613.50	1050.69	1306.01	1306.01	1358.77	1335.64	1477.91	1516.51	1479.36	1494.96
33	$H_a = H_w \text{ Cos } \phi$	3697.62	966.48	1893.97	1893.97	2156.22	2042.84	2694.42	2845.47	2612.55	2640.76
34	$(\text{Cos}\phi - \text{Sin}\phi/\phi)$	-.2473575	-.2473575	-.2473575	-.2473575	-.2706080	-.2983832	-.2890274	-.2890274	-.3030960	-.3078317
35	$M_a = H_w r(\text{Cos}\phi - \text{Sin}\phi/\phi)$	-322587.92	-86042.60	-167111.23	-167111.23	-209458.41	-223836.44	-270174.75	-277231.33	-269699.14	-272289.96
36	$M_a / H_a = e$	-87.242	-89.027	-88.233	-88.233	-97.141	-109.571	-100.272	-97.429	-103.232	-103.110
37	$e_a = e - c/2$	-89.242	-89.527	-88.733	-89.233	-98.641	-111.571	-102.272	-99.929	-106.232	-106.110
38	H_a/t_c	127.50	56.85	90.19	86.09	86.25	75.66	96.23	98.12	88.09	88.03
39	$6H_a e_a / t_c^2$	-235.422	-1796.39	-2286.51	-2095.11	-2041.85	-1875.90	-2106.91	2028.62	-1850.25	-1868.08
40	Se $\frac{H_a}{144\,t_c} \pm \frac{6M_a}{144\,t_c^2}$	+9.56	+6.62	+8.02	+8.02	+8.28	+8.14	+8.87	+9.06	+8.87	+8.94
41	Si	-12.85	-7.97	-10.12	-10.12	-10.59	-10.41	-11.66	-12.00	-11.68	-11.82
42	Se $\frac{H_a}{144\,t_c} \pm \frac{6H_a e_a}{144\,t_c^2}$	-17.23	-12.87	-16.50	-15.15	-14.78	-13.55	-15.31	-14.77	-13.45	-13.58
43	Si	+15.46	+12.08	+15.25	+13.95	+13.58	+12.50	+13.98	+13.41	+12.44	+12.36

NOTE: S_e and S_i are in psi for a 1°F fall of temp.



TYPICAL DIAGRAM SHOWING NOTATION USED IN FORMULAS

FORMULAS AND ASSUMPTIONS

In accordance with Cain:

$D_a = (\phi + \frac{\sin 2\phi}{2})(1 + \frac{k^2}{r^2}) - \frac{1 - \cos 2\phi}{\phi}$

Arches fixed at abutments and symmetrical.
Poissons ratio = 0
Shear = 0
Cantilever effect = 0
L = Length of arch
E = Modulus of elasticity = 4 000 000 #/sq. in.
c = Coefficient of expansion, 1°F = 0.000006
Ec = 24.0 #/sq. in.
T° = Range of temperature in degrees Fahrenheit
Rise of temperature considered positive (+)
Fall of temperature considered negative (−)
(+) indicates compression
(−) indicates tension
Swelling is considered positive
Arch shortening is considered negative
Swelling coefficient = 0.0001

Arch shortening coefficient = $\frac{\text{Average unit compr.}}{E}$

Swelling − Equivalent temp. change = $\frac{.0001\,L}{cL}$

Arch shortening − Equiv. temp. change = $\frac{\text{Av. unit compr.}}{cE}$

Σ = Sum of equivalent temp. changes due to swelling and arch shortening

Elevation	WATER LOAD Crown Ext.	WATER LOAD Crown Int.	WATER LOAD Abutment Ext.	WATER LOAD Abutment Int.	TEMP FALL +Σ Crown Ext.	TEMP FALL +Σ Crown Int.	TEMP FALL +Σ Abutment Ext.	TEMP FALL +Σ Abutment Int.	WATER LOAD + TEMP FALL + Σ Crown Ext.	WATER LOAD + TEMP FALL + Σ Crown Int.	WATER LOAD + TEMP FALL + Σ Abutment Ext.	WATER LOAD + TEMP FALL + Σ Abutment Int.
2135	+515	+183	+200	+417	+139	-186	-250	+224	+654	-3	-50	+641
2120	+441	+234	+202	+440	+86	-104	-167	+157	+527	+130	+35	+597
2110	+434	+194	+139	+469	+96	-121	-198	+183	+530	+73	-59	+652
2100	+501	+224	+207	+463	+88	-111	-167	+153	+589	+113	+40	+616
2090	+496	+214	+225	+412	+83	-106	-148	+136	+579	+108	+77	+548
2080	+502	+222	+261	+369	+73	-94	-122	+113	+575	+128	+139	+482
2070	+529	+211	+242	+408	+71	-93	-123	+112	+600	+118	+119	+520
2060	+566	+219	+280	+387	+63	-84	-103	-94	+629	+135	+177	+481
2050	+595	+237	+330	+354	+53	-70	-81	+73	+648	+167	+249	+427
2040	+626	+247	+345	+373	+45	-59	-68	+62	+671	+188	+277	+435

NOTE: Stresses are in psi

Elevation	Temp. Fall	Equiv Temp. Changes Swelling	Arch Shortening	Temp. Fall +Σ
2135	-16.6	+16.6	-14.5	-14.5
2120	-15.6	+16.6	-14.0	-13
2110	-15.5	+16.6	-13.1	-12
2100	-12.5	+16.6	-15.1	-11
2090	-11.8	+16.6	-14.8	-10
2080	-10.5	+16.6	-15.1	-9
2070	-9.2	+16.6	-15.4	-8
2060	-7.2	+16.6	-16.4	-7
2050	-5.2	+16.6	-17.4	-6
2040	-3.4	+16.6	-18.2	-5

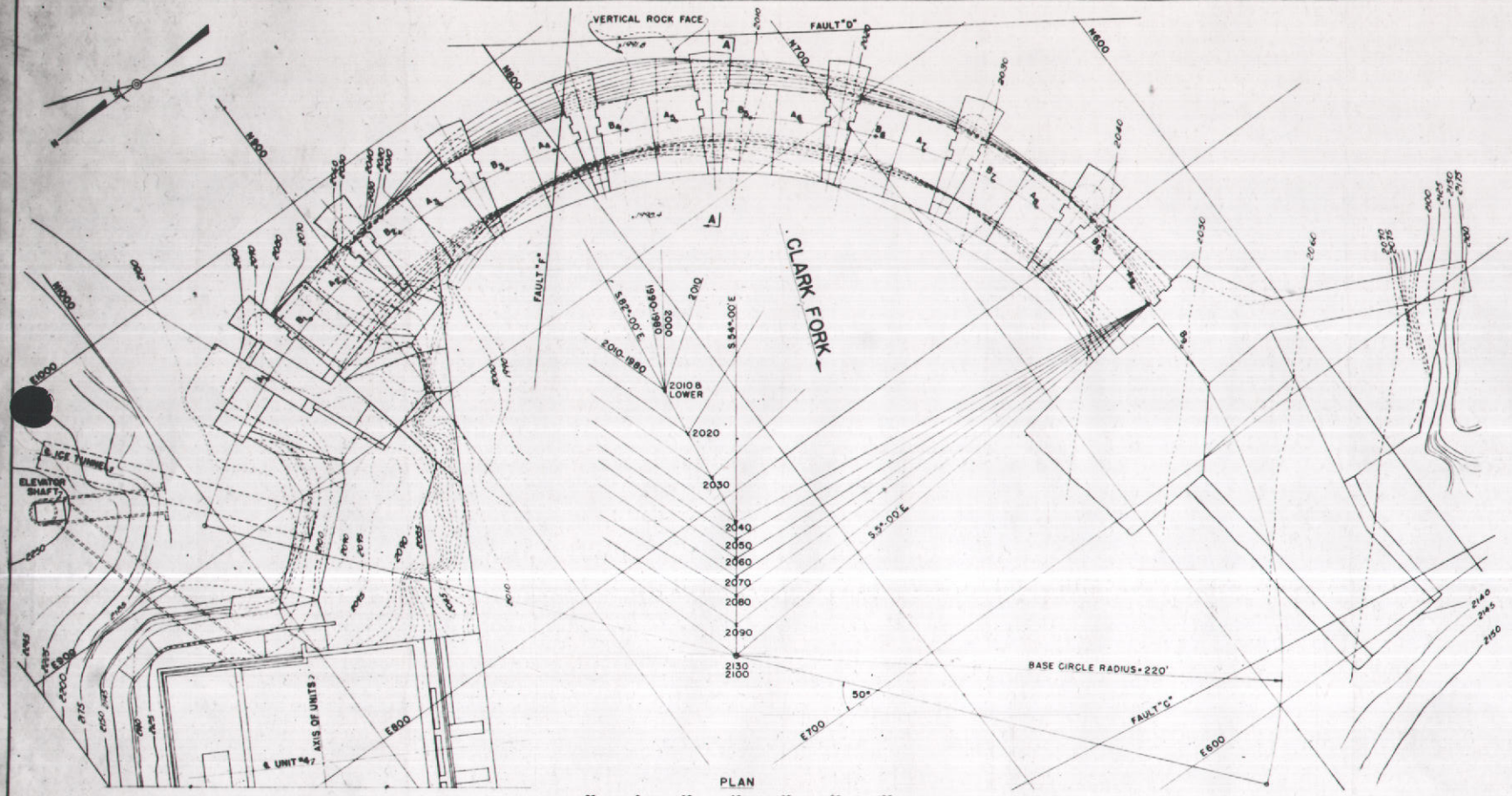
21783

APPROVED
MAR 20 1952
Mark R. Kulp
STATE RECLAMATION ENGINEER

CABINET GORGE H.E. DEVELOPMENT
DAM - TEMPERATURE AND COMBINED STRESSES IN DAM
THE WASHINGTON WATER POWER CO.
NO SCALE

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER
SHEET 7 OF 14 SHEETS

E-106656



NOTES

These structures have been designed for pond level at Elevation 2175

The analysis of this arch is based on the method developed by William Cain.

E = 4,000,000 ‰

c = .000006

(+) indicates compression

(-) indicates tension

Max. allowable comp. (Combined Stresses) = 700 psi

Max. allowable tension (Combined Stresses) = 125 psi

El 2140 — 15°F

El 2040 — 5°F

FALL OF TEMP. = Σ

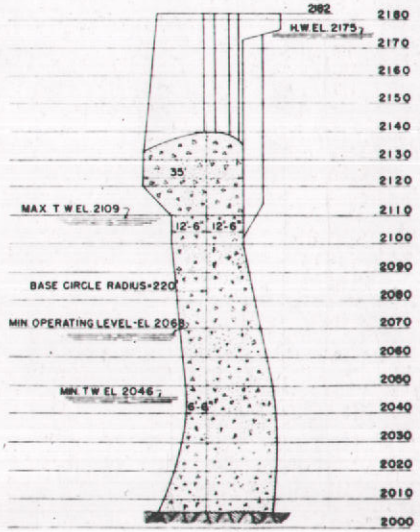
Σ = Sum of equivalent temp. changes due to swelling and arch shortening.

ARCH DIMENSIONS

Elevation (Crest)	Crown Thickness to (Ft)	Abutment Thickness (ta) Left	Abutment Thickness (ta) Right	R ℄	r/c	Central Angle	Water Head (Ft)	Add. to Abt. Ext. (Ft) Left	Add. to Abt. Ext. (Ft) Right	Add. to Abt. Int. (Ft) Left	Add. to Abt. Int. (Ft) Right
2135	35	35	35	215		102°-49'		–	–	–	–
* 2135	25	29	29	220	0.114	102°-49'	92.5	–	–	4	4
2120	35	35	35	215		102°-49'		–	–	–	–
* 2120	16	17	17	224.5	.071	102°-49'	55	–	–	1	1
2110	25	25	25	220		102°-49'		–	–	–	–
* 2110	20	21	21	222.5	.09	102°-49'	65	–	–	1	1
2100	25	25	25	220		102°-49'		–	–	–	–
* 2100	20	22	22	222.5	.09	102°-49'	75	–	–	2	2
2090	26	26	26	209		108°		–	–	–	–
* 2090	22	25	25	211	.104	108°	85	–	–	3	3
2080	27	27	35.5	198		114°		–	6.5	–	–
* 2080	23	27	27	200	.115	114°	95	–	–	4	4
2070	28	28	35.5	192		112°		–	7.5	–	–
* 2070	24	28	28	194	.124	112°	105	–	–	4	4
2060	29	29	34	186		112°		–	5	–	–
* 2060	24	29	29	188.5	.127	112°	115	–	–	5	5
2050	30	30	34.5	180		115°		–	4.5	–	–
* 2050	24	30	30	183	.131	115°	125	–	–	6	6
2040	31	31	34	174		116°		–	3	–	–
* 2040	24	30	30	177.5	.135	116°	135	–	–	6	6
2030	33	40	34.5	155.5		101°		7	15	–	–
2020	35	37.5	36.5	137.2		85°		2.5	1.5	–	–
2010	37	40	37	118.7		72°		3	–	–	–
2000	39	39	39	117.7		50°		–	–	–	–
1990	41	41	41	116.7		44°		–	–	–	–
1980	43	43	43	115.7		44°		–	–	–	–

Elevation (Crest)	Water Load Stresses (psi) Crown Ext.	Crown Int.	Abutment Ext.	Abutment Int.	Fall of Temp. Stresses (psi) Crown Ext.	Crown Int.	Abutment Ext.	Abutment Int.	Combined Stresses (psi) Crown Ext.	Crown Int.	Abutment Ext.	Abutment Int.
2135	+515	+183	+200	+417	+139	-186	-250	+224	+654	- 3	- 50	+641
* 2135												
2120												
* 2120	+441	+234	+202	+440	+ 86	-104	-167	+157	+527	+130	+ 35	+597
2110												
* 2110	+434	+194	+139	+469	+ 96	-121	-198	+183	+530	+ 73	- 59	+652
2100												
* 2100	+501	+224	+207	+463	+ 88	-111	-167	+153	+589	+113	+ 40	+616
2090												
* 2090	+496	+214	+225	+412	+ 83	-106	-148	+136	+579	+108	+ 77	+548
2080												
* 2080	+502	+222	+261	+369	+ 73	- 94	-122	+113	+575	+128	+139	+482
2070												
* 2070	+529	+211	+242	+408	+ 71	- 93	-123	+112	+600	+118	+119	+520
2060												
* 2060	+566	+219	+280	+387	+ 63	- 84	-103	+ 94	+629	+135	+177	+481
2050												
* 2050	+595	+237	+330	+354	+ 53	- 70	- 81	+ 73	+648	+167	+249	+427
2040												
* 2040	+626	+247	+345	+373	+ 45	- 59	- 68	+ 62	+671	+188	+277	+435
2030												
2020												
2010												
2000												
1990												
1980												

* SECONDARY ARCHES



SECTION A-A

APPROVED
MAR 20 1952
Mark R Kulp
STATE RECLAMATION ENGINEER

CABINET GORGE H.E. DEVELOPMENT

DAM-ARCH DESIGN DATA AND STRESSES

THE WASHINGTON WATER POWER CO.

SCALE: 1"=20'-0"

APPLICATION FOR APPROVAL OF DAM

IDAHO STATE DEPARTMENT OF RECLAMATION

PERMIT NOS. 21783 & 21628

CLARK FORK RIVER

SHEET 1 OF 14 SHEETS

21783

F-106650

IDAHO MONTANA

Cabinet Gorge Dam & Power House

BOUNDARY LINE

IDAHO MONTANA

CABINET NATIONAL FOREST

Project Boundary

Reservoir Water Line El. 2175.0

CLARK FORK

NORTHERN PACIFIC

T27N R26W

T27N R25W

T27N R24W

CABINET NATIONAL FOREST

Project Boundary

Rock Creek

Government Road

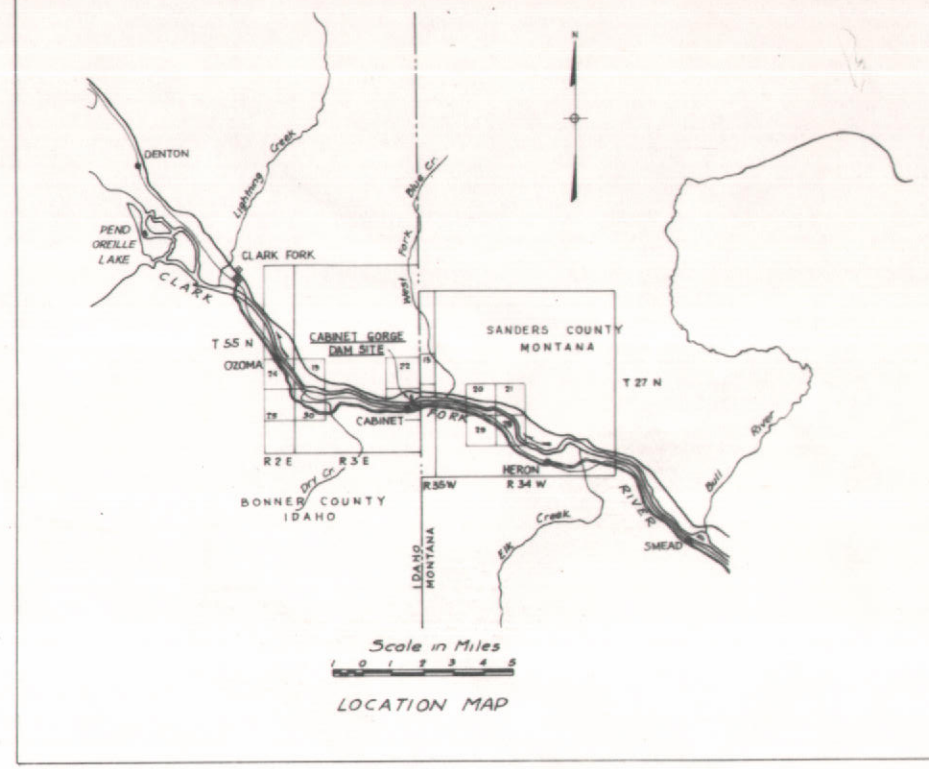
Rock Island

N

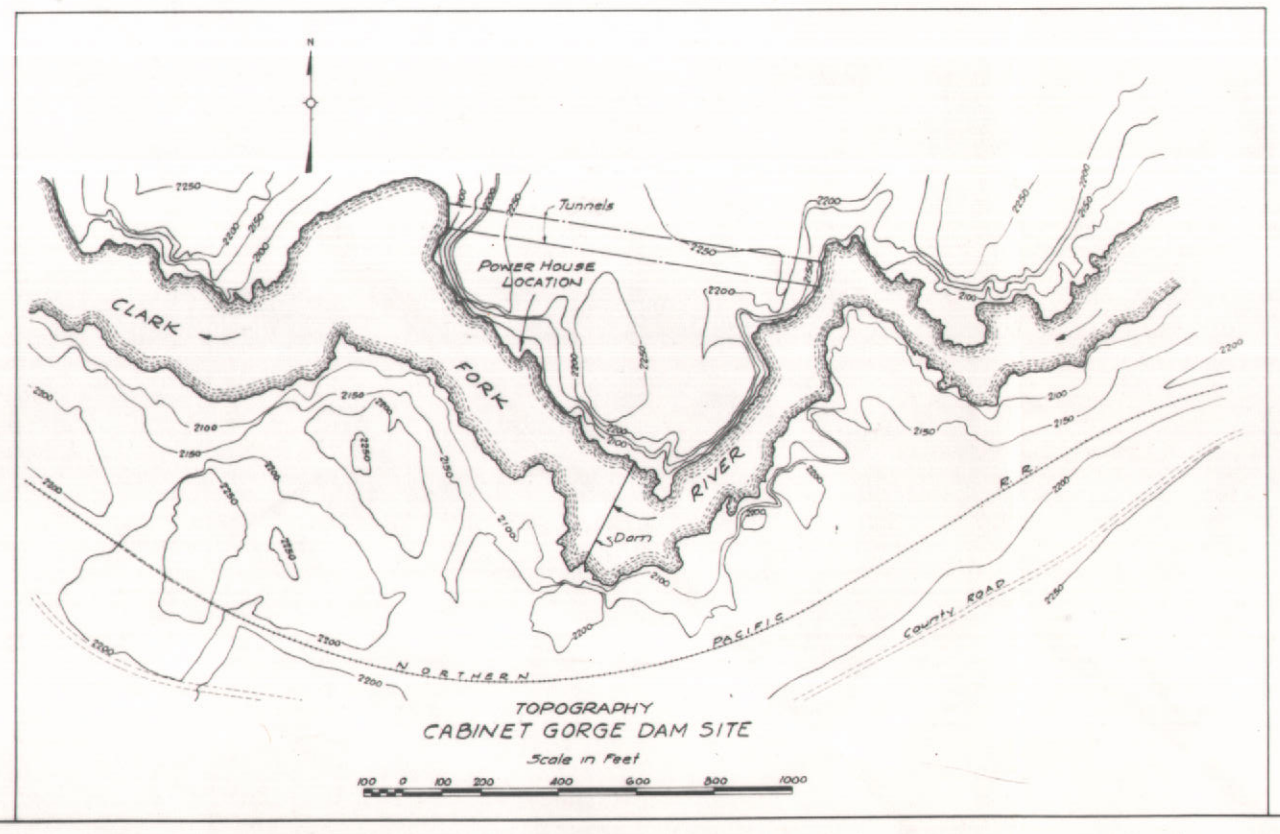
Scale in Miles

1 0 1 2 3

1½" = 1 Mile



LOCATION MAP



TOPOGRAPHY
CABINET GORGE DAM SITE

NOTES:-
Symbol ▨ denotes U.S. Government Lands
Reservoir Area - 1200 Acres ±

EXHIBIT H-1

This drawing is a part of the application for preliminary permit for Cabinet Gorge H.E. Development made by the undersigned this day of 1950.

THE WASHINGTON WATER POWER Co

By _____

21783

PROJECT NO. -IDAHO

CABINET GORGE H.E. DEVELOPMENT

GENERAL MAP

THE WASHINGTON WATER POWER CO.

SCALE AS SHOWN

Permit Map No. 21783
As Approved
NOV 28 1950
MARK R. KULP
State Reclamation Engineer

F-104650

Affidavit of Publication

STATE OF IDAHO, }
County of Bonner, } ss.

L. E. Pietsch being first duly sworn on oath deposes and says that he is Publisher of The Sandpoint News-Bulletin, a weekly newspaper printed and published at Sandpoint, Bonner County, Idaho; that the said Sandpoint News-Bulletin has been continuously and uninterruptedly published in said Bonner County during a period of 18 months or 78 weeks prior to the first publication of the hereto attached notice for publication in the case of Notice of Application to Appropriate the Public Waters of the State of Idaho in Accordance with the Provisions of Section 43-2-3, Idaho Code.

as it was published in the regular and entire issue of the said paper for a period of Three consecutive weeks, commencing on the 19th day of October, 1950, and ending on the 2nd day of November, 1950, and that said notice was published in said newspaper, and not in supplemental form.

L. E. Pietsch

Subscribed and sworn to before me this 4th day of November, 1950.

Joann La Moreaux
Notary Public for Idaho,
Residing at Sandpoint, Idaho.

STATE OF IDAHO
Department of Reclamation

NOTICE OF APPLICATION TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF IDAHO IN ACCORDANCE WITH THE PROVISIONS OF SECTION 42-203, IDAHO CODE.

NOTICE IS HEREBY GIVEN That on the 7th day of September, 1950, The Washington Water Power Company, of Spokane, Washington, made application to appropriate Twenty-five Thousand (25,000) cubic feet per second of the waters of Clark Fork River, a tributary of Columbia River, for the development of hydroelectric power and energy.

That the point of diversion of said waters is described as being approximately Twelve Hundred (1,200) feet East of the center of Section 27, Township 55 North, Range 3 East, B. M., and in lots 2 and 7 of said Section.

That the point of use of said water is the same as the point of diversion.

That any protests against the approval of this application must be filed in the Department of Reclamation, at Boise, Idaho, within forty (40) days from the date of this notice, and such protest shall state the name and address of the protestant, and shall clearly set forth his objections to the approval of said application.

Dated this 6th day of October, 1950.

MARK R. KULP,
State Reclamation Engineer

SERVICE OF THE FOREGOING, By copy, is hereby acknowledged, this 10th day of October, 1950.

WASHINGTON WATER POWER COMPANY,
By B. J. Lindsay,
Its Secretary.

o19-26-n2 21783

10310-B

O.K. R.S.

21783

✓

App. 29403

October 30, 1950

Federal Power Commission
Washington, D. C.

Attention: Mr. Leon M. Fuquay, Secretary

In the Matter of the Washington Power
Project, No. 2058

Gentlemen:

On October 12, 1950, we wrote your Commission indicating our approval of the development of the Cabinet Gorge project on the Clark Fork River by the Washington Water Power Company.

The Washington Water Power Company have been diligently investigating the foundation conditions at the site and have taken steps toward the financing and proper design of the project with the objective of being able to produce much needed electrical energy by the fall of 1952.

Early approval by your Commission and clearance through the Department of the Interior are desirable so that construction can be started at an early date and make power available for the 1952-53 winter season.

We believe that earliest initial and complete development of the site can be accomplished by the Washington Water Power Company and early approval is respectfully urged.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

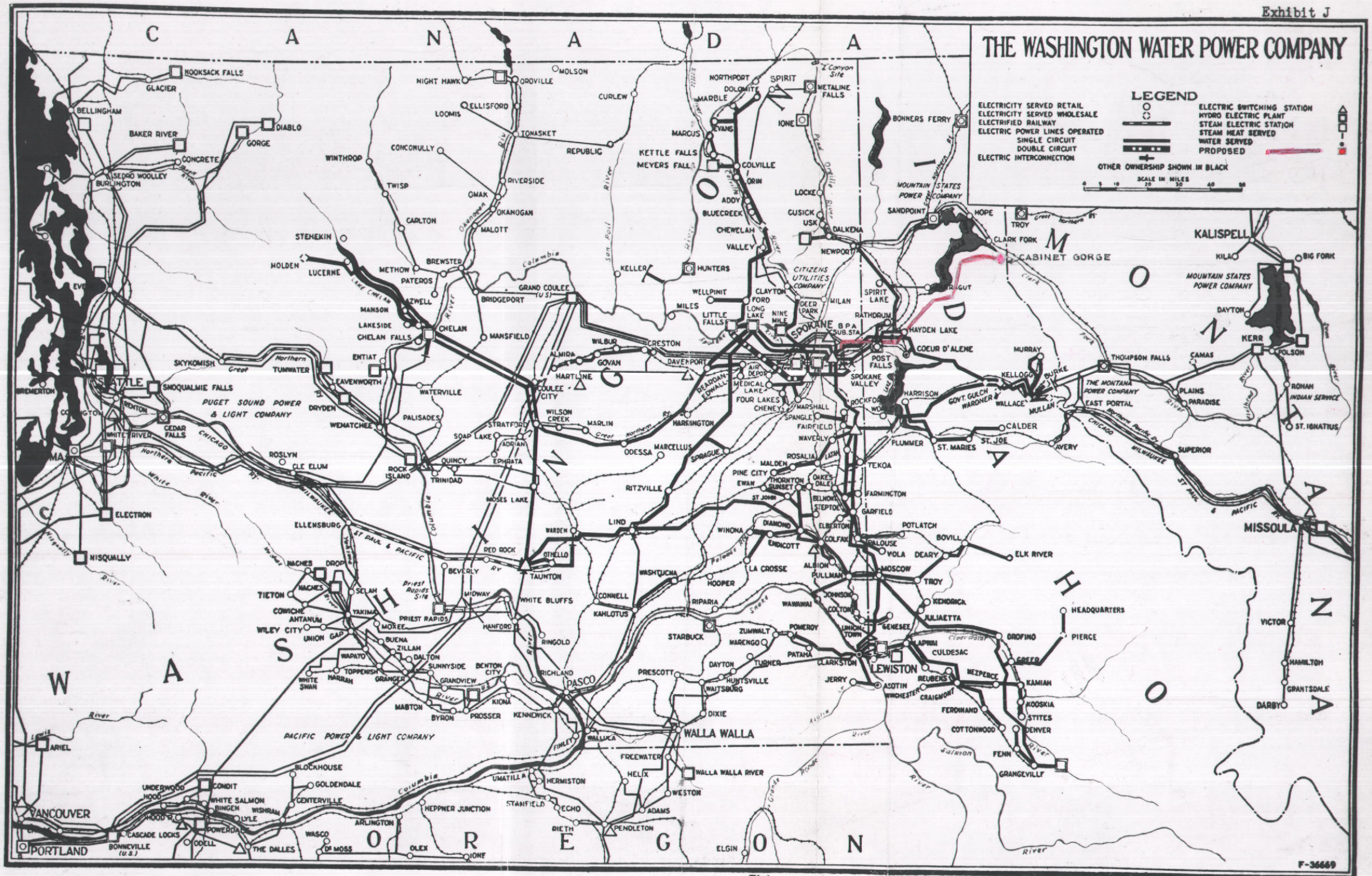
MRK:bh

Duplicate original to
Secretary of Interior,
Washington, D. C.

3 copies to Carey Hixon
1 " to Governor

21783

Exhibit J

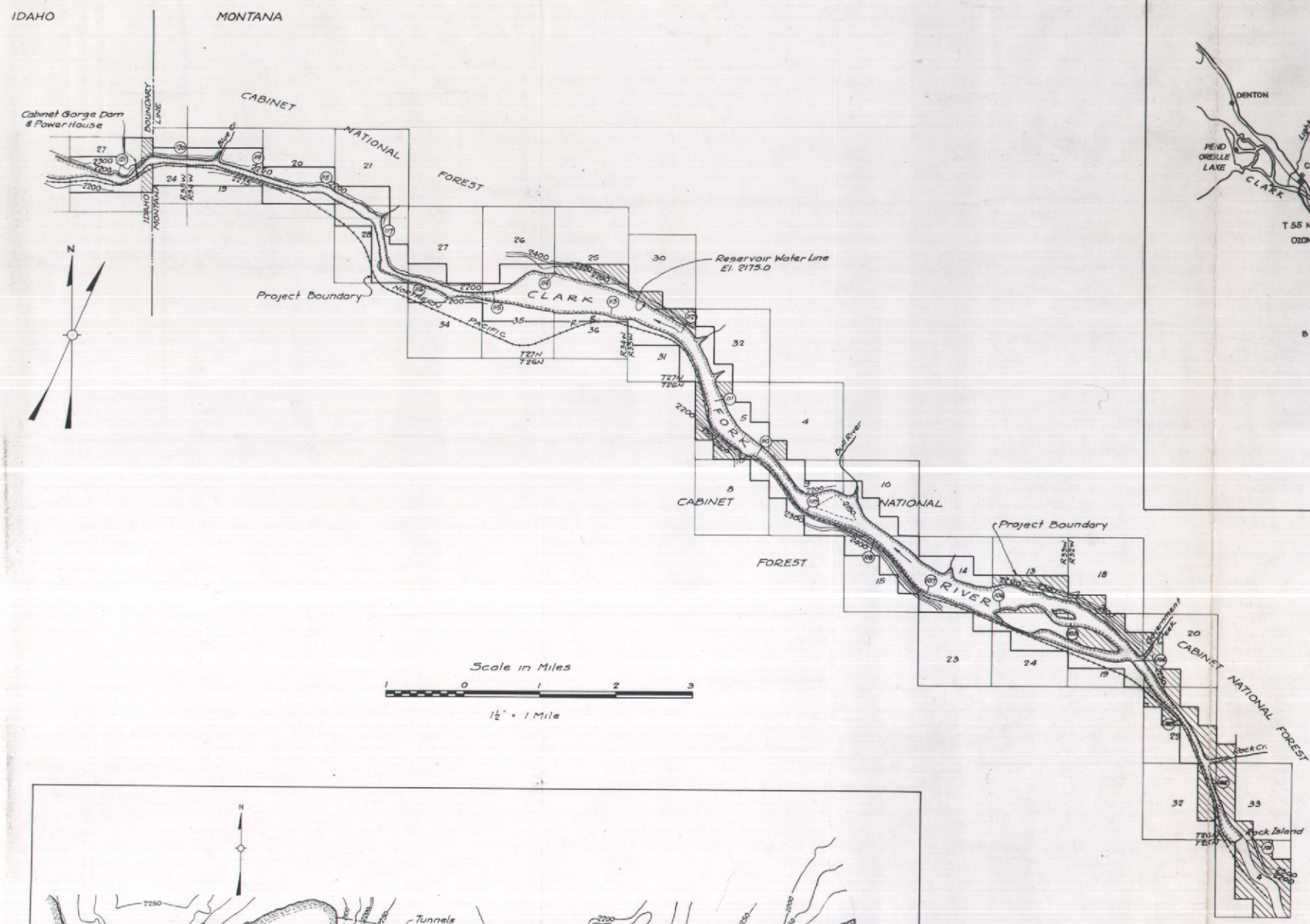


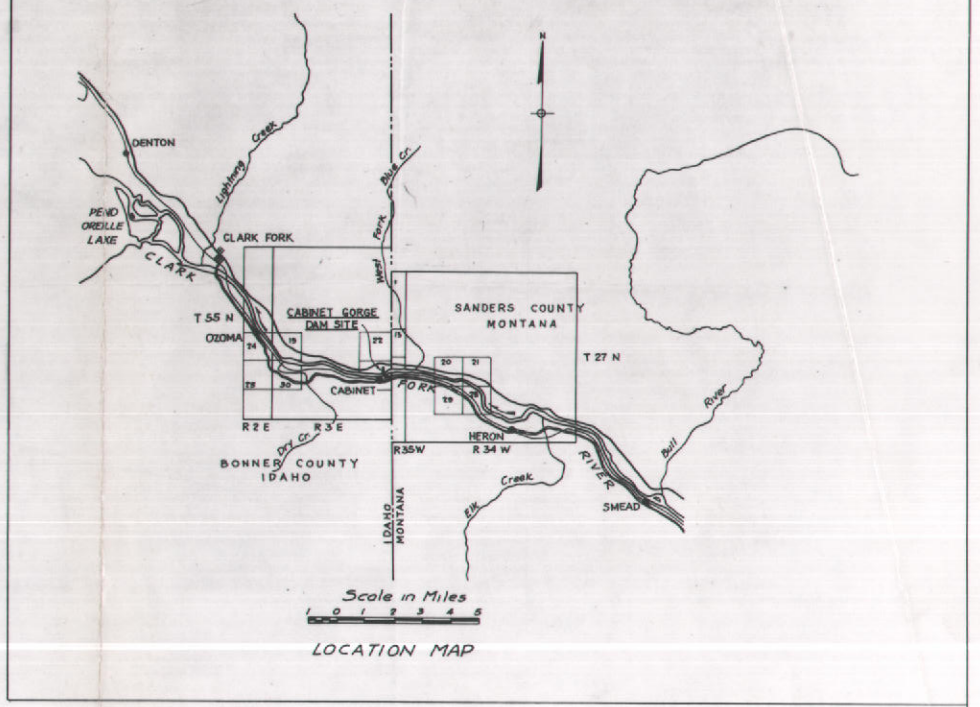
This map is a part of the application for preliminary permit JANUARY 1, 1949
made by the undersigned this 11th day of September, 1950.

THE WASHINGTON WATER POWER COMPANY

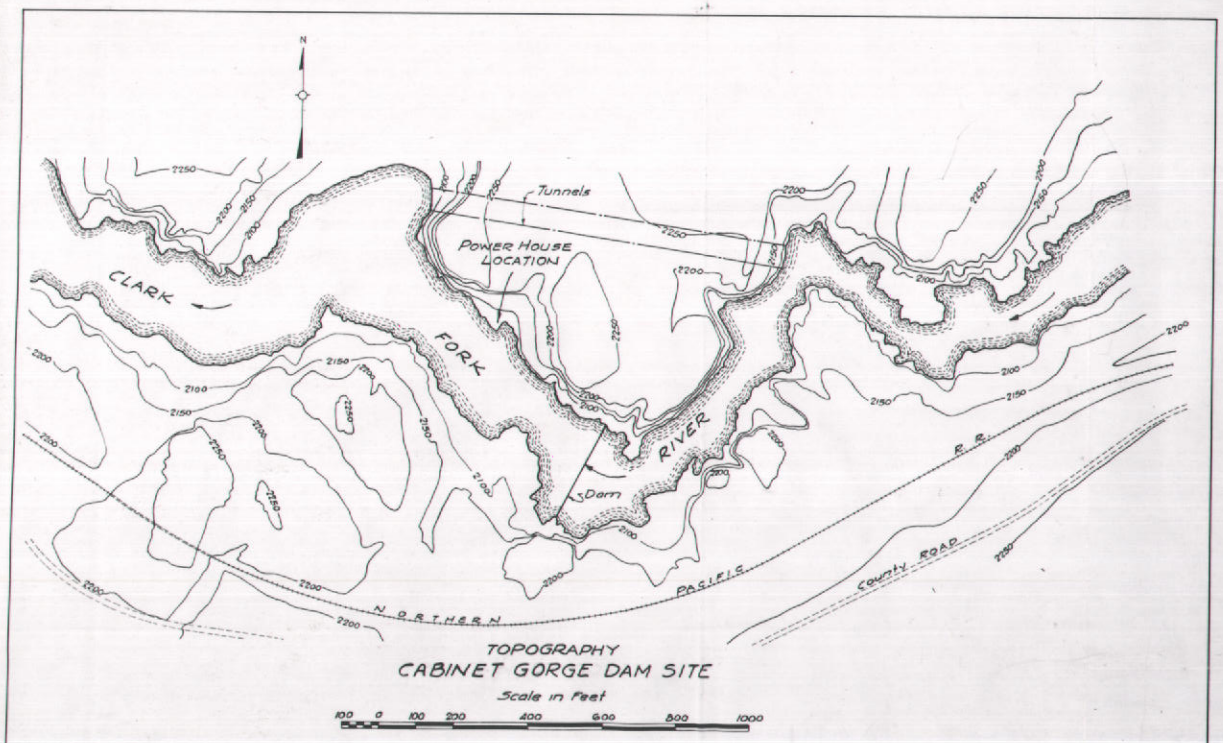
By T M Robinson

21783





LOCATION MAP



TOPOGRAPHY
CABINET GORGE DAM SITE
Scale in Feet
100 0 100 200 400 600 800 1000

NOTES:-
Symbol ▨ denotes U.S. Government Lands
Reservoir Area - 1200 Acres ±

EXHIBIT H-1

This drawing is a part of the application for preliminary permit for Cabinet Gorge H.E. Development made by the undersigned this day of 1950.
THE WASHINGTON WATER POWER Co
By [redacted]

PROJECT NO. -IDAHO
CABINET GORGE H.E. DEVELOPMENT
GENERAL MAP
THE WASHINGTON WATER POWER CO.
SCALE AS SHOWN

21783

F-104650

n

96 2179

NUMBER 15.

WWP Gets Approval on Cabinet Gorge; Construction to be Pushed Rapidly

The Washington Water Power company has received the "go ahead" signal on its request to build Cabinet Gorge project, it was revealed by company officials in Spokane Wednesday. Heads of the company received word from Washington, D. C., that the federal power commission had granted a permit to construct the high power dam which will provide an additional 200,000 kilowatts of power to serve the company's customers in the Inland Empire.

For the past few weeks contractors for the company have been constructing access roads to the dam from the highway on the north side of the river east of Clark Fork.

Clem Stearns, public relations department official for WWP, said Wednesday afternoon in a long distance telephone conversation with the News-Bulletin that the company will start immediate construction of a 13,000-volt line from Clark Fork to Cabinet for preliminary construction power and that shortly work will begin on a 110,000-volt line from Cabinet to the Sandpoint substation of Bonneville Power administration to carry power for the big construction project, which is estimated at $40,000,000.

Ebasco Services, Inc., a New York engineering firm, has charge of designing the dam and will be in charge of construction, Stearns said. A timetable will be announced shortly on the project by the engineering company.

Plans call for a reinforced concrete arch structure 160 feet high, 50 feet thick at the base and 30 feet at the top, to maintain a pool 2175 feet above sea level. Eight vertical lift gates atop the dam will permit a maximum flow of 230,000 second feet, which is nearly 100,000 feet above the record flood.

Four 27-foot tunnels about 450 feet long will carry water to the downstream powerhouse on the river's north side. Three units of 50,000 kw. are on order and space is provided for a fourth to give the dam a maximum capacity of 200,000 kilowatts.

A 230,000-volt transmission line will carry the power to distribution lines of the company. As to whether the power will be fed into Bonneville's line east of the lake or whether the company will build its own transmission line through the same area has not yet been officially announced.

A preliminary construction timetable called for the diversion tunnel to be completed late next summer with cofferdams installed and power house substructure completed before high water in the summer of 1952. It was hoped to have the entire project delivering power by November of 1952 but scarcity of materials as a result of the national emergency may seriously affect this schedule.

June 27, 1962

Re: Permits No. 21783; 21828; 30318

Mr. G. M. Brunsell, President
Washington Water Power Company
P. O. Drawer 1445
Spokane 10, Washington

Dear Mr. Brunsell:

We enclose Licenses and Certificates of Water and Completion of Works as follows:

Permit No. 21783 - License and Certificate of Water Right for 25,000 c.f.s, together with departmental receipt No. 31108, in the amount of $5.00, for fees

Permit No. 21828 - License and Certificate of Water Right for 10,000 c.f.s, together with departmental receipt No. 31107, in the amount of $5.00, for fees.

Permit No. 30318 - Certificate of Completion of Works and License and Certificate of Water Right for 700 c.f.s, together with departmental receipt No. 31106, in the amount of $217.00, for fees.

Very truly yours,

H. O. N. CARTER
State Reclamation Engineer

By:

(Mrs.) Edna P. Rule
Chief Clerk

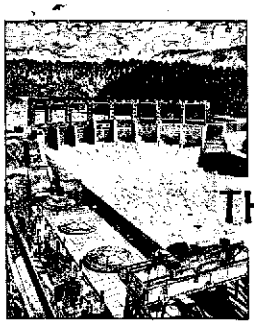
21783

EPR:ew

Enc. 3 licenses
1 certificate
3 receipts

FORM 311 S REV. 7-56

Ck Encl $5.00



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

June 21, 1962

RECEIVED
JUN 25 1962
Department of Reclamation

Mr. George N. Carter
State Reclamation Engineer
State of Idaho
Department of Reclamation
107 State House
Boise, Idaho

Re: Permit 21783

Attention: Mrs. Edna P. Rule

Dear Mr. Carter:

In accordance with your letter of June 14, 1962, addressed to Mr. G. M. Brunzell, President of our Company, we herewith enclose our Company's check no. 11700-1 in the amount of $5.00 to cover statutory fees covering License and Certificate of Water Right in connection with the above captioned permit.

Yours very truly,

James L. Irwin
Operating Property Agent

JLI:jj

Enc.

21783

June 11, 1962

RE: Permit No. 21738

G. M. Brunsell, President
Washington Water Power Company
Spokane 10, Washington

Dear Mr. Brunzell:

Our engineer's report on his inspection of the application of water to beneficial use under the terms of Permit No. 21738 shows the dam and power plant are capable of conveying 25,000 c.f.s. of water for development of hydroelectric power and energy.

Upon receipt of the statutory fee of $5.00 we will issue the License and Certificate of Water Right, confirming the right with priority of September 7, 1950 to the use of 25,000 second feet of water with the point of diversion and place of use in Lots 2 and 7, Sec.27, T. 55 N., R. 3 E.,B.M.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

(Mrs.) Edna P. Emle
Chief Clerk

EPE:mr

21783

Permit 21873 78
21828
30318

CABINET GORGE POWER PLANT - MAXIMUM FLOW TEST
JUNE 8, 1962

This test was conducted at the request and in the presence of C. E. Tappan, Assistant Reclamation Engineer for the State of Idaho, to demonstrate proof of beneficial use water as required by law in connection with the Company's Cabinet Gorge water filing.

Test results were as follows:

11:21 A.M. - All four units at full gate opening

Time	11:42 AM	1:47 PM
Forebay elevation	2177.30	2174.70
Tailrace elevation	2075.28	2074.86
Gross effective head	102.52	99.84

Plant output at above heads as determined by timing the integrating watt-hour meters of each unit for 10 revolutions of disk as computed by formula

$$KW = \frac{3600 \times rev. \times K_h}{sec. \times 1000}$$

K_h = meter constant = 43,200

	11:45 AM			1:54 PM	
Unit	Sec./10 rev.	KW	Unit	Sec./10 rev.	KW
1	27.4	56722	1	27.4	56722
2	27.3	56967	2	27.0	57600
3	27.3	56967	3	27.2	57140
4	27.2	57140	4	27.0	57600
		227796			229062

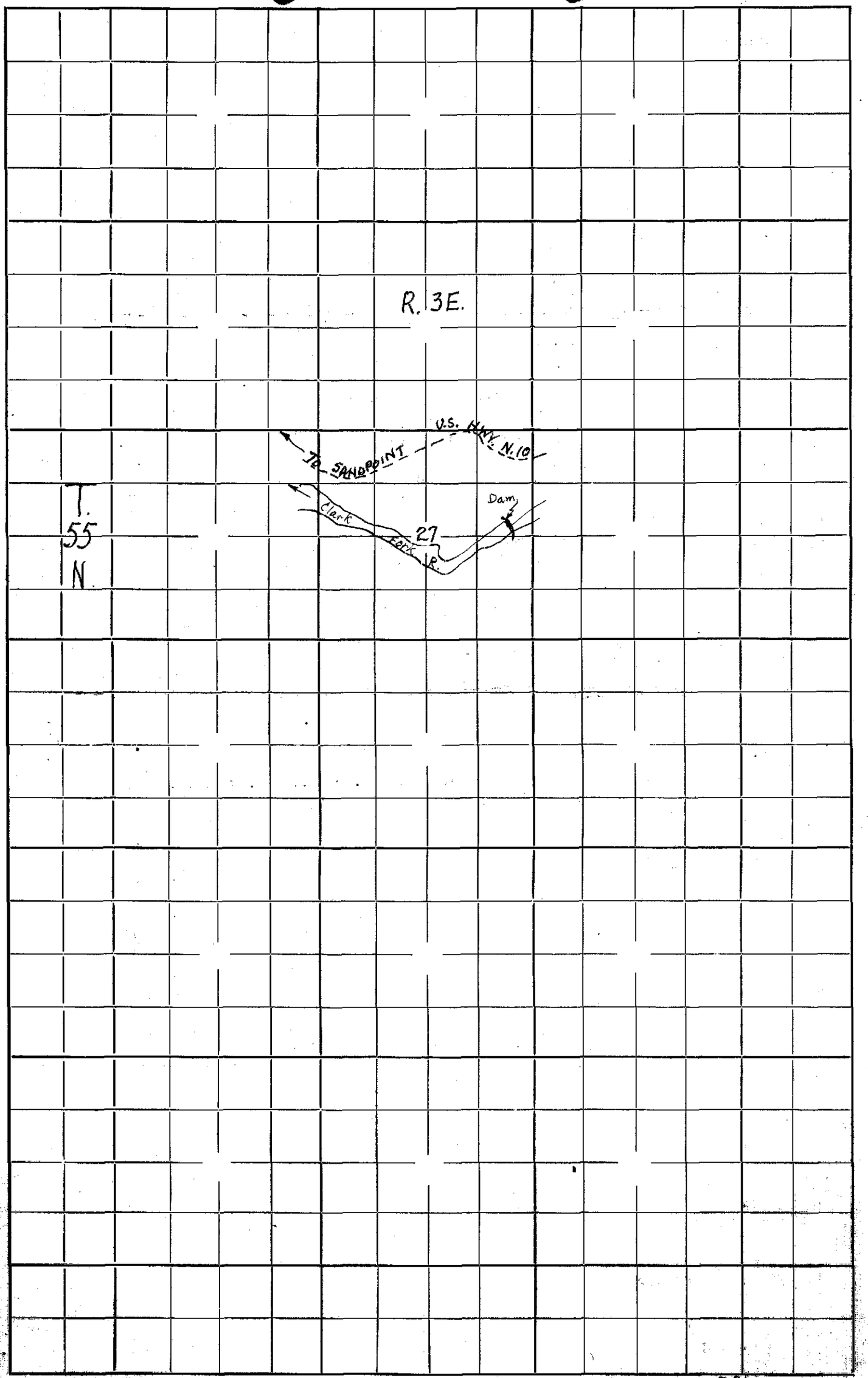
Plant output from station log at 11:44 AM 230000 KWH
1:46 PM 231000 KWH

USGS gage Clarks Fork at White Horse Rapids

11:21 AM	2075.28	Disc.	38300 c.f.s.
	to reduce tail race discharge less		600 c.f.s.
	net flow through plant		37700 c.f.s.
1:42 PM	2074.86	Disc.	36300 c.f.s.
	to reduce tail race discharge less		600 c.f.s.
	net flow through plant		35700 c.f.s.

Observers:
For WWPC - L. A. Eisele
R. Peterson
For State of Idaho - Carl E. Tappan

21783



Scale: 2 Inches Equals 1 Mile. Draw Map In Ink.

21782

Form 23

STATE OF IDAHO

DEPARTMENT OF RECLAMATION

BOISE

REPORT OF ENGINEER

PERMIT NO. 21783

REPORT ON PROOF OF Beneficial Use

G. M. Brunzell, President
Washington Water Power Company
P. O. Drawer 1445, Spokane 10, Washington

INSTRUCTIONS TO EXAMINERS

1. Always carefully note the location of the point of diversion and accurately plat same.
2. When proof is for beneficial use, carefully check up the number of acres actually irrigated in each forty and accurately plat same.
3. Make a map showing the correct location of streams and ditches, and the irrigated lands, and any adjacent permanent landmarks, such as towns, lakes, large streams and public roads.
4. If any unusual conditions are discovered, make plain statement of them under remarks.
5. Always see the holder, if possible, and go over the whole ground with him and make your report only upon actual existing facts and conditions.
6. Give general characteristics of soils, topography, and crops raised.

RECEIVED
JUN 13 1962
Department of Reclamation

G. M. Brunzell, President
Washington Water Power Company
P. O. Box 1145, Spokane 10, Washington
Permit No. 21783

check w/OSGS to see if have "Q" at plant.
Examination for Beneficial Use

County Bonner

Sec. 27 T. 55N R. 3 E. B.M.

Quantity: 25,000 c.f.s.

Source: Clark Fork River

P.D.: Lots 2 & 7, Sec. 27, T. 55N. - R. 3E BM

Use: Hydro-electric power

Filed: Sep. 7, 1950

Due: Nov. 28, 1961

Extension: —

Completion of Works: 7-13-36

Other Rights: none staked

Form 23

STATE OF IDAHO

DEPARTMENT OF RECLAMATION

BOISE, IDAHO

REPORT OF ENGINEER

Permit No. 21783

This proof is for Beneficial Use In Water District No.

1. Name of applicant Washington Water Power Company

2. Source of water supply: Clark Fork River

3. Location of point of diversion: Is in the Lots 2 and 7 of Section 27

T. 55 N R. 3 E.B.M. County of Bonner

4. Describe works as they exist, giving dimensions and capacities of same: Diversion works consist of a concrete arch-type dam across Clark Fork River at Cabinet Gorge. It is 140 feet high above bed of river and approximately 430 feet long. Spillway in 8 sections 40 feet wide and 35 feet high. For 27 ft diameter penstocks through tunnels to turbines direct connected to outdoor type vertical generaters. There are 3 fixed blade turbines and 1 Kaplan runner. Each turbine 70,500 H. P. designed for 90 foot head. Generators are 55555 K V A.

5. Water is used for: development of hydro-electric power and energy.

6. State whether or not water has been turned into works of diversion: Yes

7. List legal subdivisions of lands to be irrigated. If proof is for beneficial use, give exact number of acres under cultivation in each forty-acre tract. (Describe manner and place of use if other than irrigation):

POINT OF USE: Lots 2 and 7 of Sec. 27., Twp. 55 N., Rge. 3 E.B.M.

(Submit map on attached plat, showing location and details of above description.)

8. What large stream would the water here appropriated finally reach? Clarks Fork River

Remarks: This is a well designed, well constructed hydro electric power plant, and is carefully operated.

This examination was made on the 8 day of June, 19[illegible]

(Signed) Carl E Tappan

Examiner.

21783

Re: 21783
21828

March 16, 1962

The Washington Water Power Company
P. O. Drawer 1445
Spokane 10, Washington

Attention: R. D. Yeomans, Secretary

Dear Mr. Yeomans:

We have your letter of March 7, 1962, and acknowledge receipt of your letter dated November 29, 1961 with all documents required for Proof of Application of Water to Beneficial Use, including the affidavits of two witnesses.

The Idaho Code requires the Department of Reclamation to make an inspection and report also, and to file an official report of such inspection before license is issued. It is this inspection to which our letter dated March 7 had reference.

Our thought was to cooperate with your company in a test to show beneficial use of the quantity of water filed on, that is if you contemplated making some test for capacity soon.

Very truly yours,

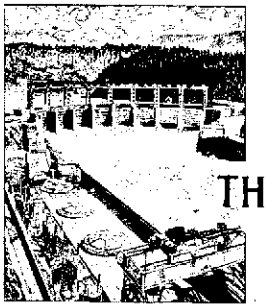
GEO. N. CARTER
State Reclamation Engineer
By

Carl E. Tappan
Assistant State Reclamation Engineer

CET:mr

21783

FORM 311 S REV. 7-56



ROBERT D. YEOMANS, SECRETARY

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

March 15, 1962

RECEIVED
MAR 16 1962
Department of Reclamation

Mr. Carl E. Tappan,
Asst. State Reclamation Engineer,
State of Idaho,
Department of Reclamation,
Boise, Idaho.

Permits No. 21783 & No. 21828

Dear Mr. Tappan:

This is in reply to your letter dated March 7, 1962 addressed to Mr. G.M. Brunzell, President, The Washington Water Power Company.

We call your attention to our letter dated November 29, 1961 addressed to Mr. George N. Carter, State Reclamation Engineer by Mr. R.D. Yeomans, Secretary, The Washington Water Power Company. Said letter is the letter of transmittal with which all documents required for "Proof of Application of Water to Beneficial Use" were sent to your Department.

The inspection of the Cabinet Gorge plant in connection with the proof of application to beneficial use was made by two independent engineers on November 8, 1961 and the affidavit was signed on November 27, 1961.

We trust that this provides a complete answer to your letter dated March 7, 1962.

Very truly yours,

R. D. Yeomans
Secretary

KOS:lo

cc - G M Brunzell
J L Irwin
George N Carter

21783

March 7, 1962

RE: Permits No. 21783
21828

G. M. Brunzell, President
Washington Water Power Company
P. O. Drawer 1445
Spokane 10, Washington

Dear Mr. Brunzell:

We are informed that the Washington Water Power Company is in the process of making proof of completion of works and proof of beneficial use on Permits 21783 and 21828.

It is our thought that if it is planned to operate your plants at capacity for such proof we may as well be on hand to witness this run and thereby avoid another test at a later date.

We will be glad to receive your advice in this matter.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

C. E. Tappan
Assistant State Reclamation Engineer

CET:mr

21783

December 1, 1961

Re: Permit Nos. 21783 and 21828

G. M. Brunzell, President
Washington Water Power Company
P. O. Box 1445
Spokane 10, Washington

Dear Mr. Brunzell:

We acknowledge receipt of the depositions of holder and two witnesses, also affidavit of publication in the Sandpoint News-Bulletin _____, all submitted in proof of completion of works and beneficial use on Permit Nos. 21783 and 21828.

Before final action is taken in the matter, the law requires that a field examination be made by an engineer from this department.

We cannot tell just when this examination will be made, but our field engineer will try and contact you at the time he makes the examination so that arrangements may be made to show him over the grounds.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

By:

(Mrs.) Edna P. Rule
Chief Clerk

EPR:

21783

Affidavit of Publication

STATE OF IDAHO, }
County of Bonner, } ss.

L. E. Pietsch being first duly sworn on oath deposes and says that he is Publisher of The Sandpoint News-Bulletin, a weekly newspaper printed and published at Sandpoint, Bonner County, Idaho; that the said Sandpoint News-Bulletin has been continuously and uninterruptedly published in said Bonner County during a period of 18 months or 78 weeks prior to the first publication of the hereto attached notice for publication in the case of

Notice of Proof Application of Water to Beneficial Use; Permits Nos. 21783 & 21828

as it was published in the regular and entire issue of the said paper for a period of Four consecutive weeks, commencing on the 26th day of October, 1961, and ending on the 16th day of November, 1961, and that said notice was published in said newspaper, and not in supplemental form.

L. E. Pietsch

Subscribed and sworn to before me this 16th day of November, 1961.

Phyllis Postil

Notary Public for Idaho,
Residing at Sandpoint, Idaho.

NOTICE OF PROOF APPLICATION OF WATER TO BENEFICIAL USE

Notice is hereby given that at 10:00 A.M. on the 27th day of November, 1961, at East 1411 Mission Avenue at Spokane, Washington, County of Spokane, State of Washington, before J. Richard Muffett, Notary Public, proof will be submitted of the application to beneficial use of 35,000 cubic feet per second of the waters of the Clark Fork River in accordance with the terms and conditions of Permits Nos. 21783 & 21828 heretofore issued by the State Reclamation Engineer of the State of Idaho.

The name and postoffice address of the person or corporation holding said permit is The Washington Water Power Company, P. O. Drawer 1445, Spokane 10, Washington.

The use of to which said water has been applied is electric power and energy production.

The amount to beneficial use is 35,000 cfs under the above permits.

The place where said water is used (if for irrigation, give full and accurate description of the lands irrigated) is at the Cabinet Gorge Hydroelectric Development near Clark Fork, Idaho. The use is non-consumptive. Location: Lots 2 & 7, Sec. 27, T. 55 N., R. 3 E.B.M.

The name of the canal or ditch or other works by which said water is conducted to such place of use is none other than penstock tunnels.

The right to take water from such works is based upon Permits Nos. 21783 and 21828.

The source of supply from which such water is diverted is the Clark Fork River.

The dates of priority which said user is prepared to establish are September 7, 1950 for Permit No. 21783 and November 7, 1950, for Permit No. 21828.

GEO. N. CARTER,
State Reclamation Engineer.

o26-n2-9-16

21783

RECEIVED
DEC 1 1961
Department of Reclamation

Form 16.

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
BOISE, IDAHO

Permit No.s. 21783 & 21828

Proof of Application of Water to Beneficial Use

Deposition of Holder

Ques. 1. State your name, residence, occupation and postoffice address.

Ans. G. M. Brunzell, Spokane, Washington, President of The Washington Water Power Company, P. O. Drawer 1445, Spokane 10, Washington.

Ques. 2. If acting in behalf of corporation, state its name, principal place of business (if a foreign corporation, give name of postoffice of statutory agent), your position with reference to same, and your authority for appearing in its behalf.

Ans. The Washington Water Power Company of Spokane, Washington. Mr. W. F. McNaughton, Statutory Agent, Coeur d'Alene, Idaho. President. Authorized by the By-Laws of Corporation.

Ques. 3. State number and date of permit, and date of priority you propose to establish under the permit.

Ans. Permits #21783 and #21828, dated November 28, 1950, December 26, 1950. Priority dates September 7, 1950 (25,000 cfs) and November 7, 1950 (10,000 cfs).

Ques. 4. State source of water supply and give exact location of point of diversion.

Ans. Clark Fork River. Approx. 1200 feet east of center of Sec. 27, T55N, R3E, BM in Lots 2 and 7 of Sec. 27, T55N, R3E, B.M.

Ques. 5. Describe your works of diversion, and state amount of water they are capable of conveying from point of diversion to place of use, and give name of canal or ditch or other works by which water is conducted to such place of use. If a well, state depth of well, depth and size of casing and depth to water. If pump is used, state discharge of pump and tell how it was measured or determined. If sprinkler irrigation, give number and size of nozzles and operating pressure.

Ans. Four (4) penstocks, 27 feet dia., 600 feet long delivering water to four (4) hydraulic turbines. Capability of penstocks alone would closely approach 135,000 cfs. Capability of penstocks and turbines is 35,700 cfs. Cabinet Gorge Hydro-electric Development.

Ques. 6. State for what purpose water is used and describe place of use. (If for irrigation, name each subdivision in which used, and number of acres in each subdivision that have actually been irrigated with said water.) State whether cultivated or natural meadow land and the nature of all improvements which have been made as a direct result of said use.

Ans. Water is used, non-consumptively, for power and energy production. Place of use: Approx. 1200 feet east of center of Sec. 27, T55N, R3E, B.M.

Ques. 6-a If this is a ground water permit, give name and address of person that drilled the well.

Ans. Not applicable.

21783

Ques. 7. If for other than irrigation purposes; state how applied, amount of horse power generated, etc.

Ans. Power produced up to 308,000 horsepower.

Ques. 8. What is the minimum amount of water required for the purpose specified above?

Ans. 308,000 horse power requires 35,700 cfs.

Ques. 9. If you are not the person or representative of the corporation to whom above mentioned permit was originally issued, please state how ownership was acquired by present holder.

Ans.

Ques. 10. State when, how, in what amount and to what extent the water diverted under above mentioned permit has been used.

Ans. Water has been used at varying rates for power production since September 29, 1952.

Ques. 11. State when, how, in what amount and to what extent waters other than those diverted under the above mentioned permit have been diverted and applied to beneficial use upon the lands herein described. Give full particulars regarding such other appropriations and rights claimed thereunder.

Ans. None.

(Sign) E. M. Brunzell
President

I hereby certify that the foregoing testimony was read to the above subscribed before its signing, that I believe him to be the person he represents himself to be, and that said testimony was subscribed and sworn to before me, at my office in Spokane, **County of** Spokane, **State of ~~Idaho~~** Wash. **on this** 27th **day of** November, **A. D. 19**61.

J. Richard Muffett

My commission expires 10-22-64

21783

Form 17

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
BOISE, IDAHO

PERMITSNOS. 21783, 21828

Proof of Application of Water to Beneficial Use

Deposition of Witness

The deposition of two witnesses, on this form, taken separately, required in each case.

Ques. 1. State your name, age, residence, occupation and postoffice address.

Ans. W. L. Malony, 78, 720 West 23rd Avenue, Spokane, Washington
Occupation - Civil Engineer

Ques. 2. Are you acquainted with THE WASHINGTON WATER POWER COMPANY, the holder of PermitSNo.S. 21783, 21828? How long have you known him and where does he reside?

Ans. Yes, 51 years. East 1411 Mission Avenue (P.O. Drawer 1445, Spokane, Washington

Ques. 3. Have you read or heard read said PermitSNo.S 21783, 21828, and are you familiar with its provisions and conditions?

Ans. Yes, I am familiar with its provisions and conditions.

Ques. 4. State source of water supply, place of diversion, and describe works for conveying water from point of diversion to place of use.

Ans. Clark Fork River, diverted approximately 1200 feet east of the center of Section 27, Twp 55 N, Rge 3 W.B.M. in Lots 2 and 7 of Section 27, Twp 55 N, Rge 3 W.B.M., thru 4 penstocks 27 feet in diameter, approximately 600 feet long each.

Ques. 5. How many second feet of water do you estimate said works will safely conduct to place of use, and how much water have you seen being so conveyed?

Ans. In excess of 35,700 cfs. I have seen 35,700 cfs being so conveyed.

Ques. 6. State for what purpose water is used and at what place. (If for irrigation, give each subdivision in which water has been used and number of acres irrigated in each subdivision.) State whether cultivated or natural meadow land and the nature of all improvements which have been made as a direct result of said use.

Ans. Purpose: Development of hydroelectric power and energy at Cabinet Gorge Hydroelectric Development of The Washington Water Power Company at location described in Answer to Question 4.

21783

Ques. 7. If for power or other purposes than irrigation, state how water has been applied and to what extent.

Ans. Water has been passed, at various times, through any, or all, of 4 hydraulic turbines each directly connected to a 55,555 kva generator. Maximum use, for test purposes, has been 35,700 cfs.

Ques. 8. If for irrigation, state character of land that has been reclaimed, and give your estimate of the amount of water required for its profitable cultivation.

Ans. Not applicable

Ques. 9. Have you any interest in the works, water or lands above mentioned? If so, in what way and to what extent?

Ans. No.

Ques. 10. State when, how, in what amount and to what extent you have witnessed the application to beneficial use of water diverted under said permit.

Ans. On November 8, 1961 I witnessed the application to beneficial use of 35,700 cfs. of water for approximately 45 minutes by the passage of said water thru the 4 hydraulic turbines of the Cabinet Gorge Hydroelectric Development.

(Signed) W. F. Maloney

I hereby certify that the foregoing testimony was read to the above subscriber before its signing, that I believe him to be the person he represents himself to be, and that said testimony was subscribed and sworn to before me in Spokane, County of Spokane, State of ~~Idaho~~ WASH. on this 27th day of November A. D. 1961.

B. Richard Muffett
Notary Public.

My commission expires 10-22-64.

21783

Form 17

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
BOISE, IDAHO

PERMITS NO.S. 21783, 21828

Proof of Application of Water to Beneficial Use

Deposition of Witness

The deposition of two witnesses, on this form, taken separately, required in each case.

Ques. 1. State your name, age, residence, occupation and postoffice address.

Ans. John P. Esvelt; 40; W. 4017 Broad, Spokane, Washington; Civil Engineer; Radio Central Building, Spokane, Washington

Ques. 2. Are you acquainted with The Washington Water Power Company, the holder of Permit Nos. 21783, 21828? How long have you known him and where does he reside?

Ans. Yes, 20 years. East 1411 Mission Avenue (P.O. Drawer 1445), Spokane, Washington.

Ques. 3. Have you read or heard read said Permits Nos. 21783, 21828 and are you familiar with its provisions and conditions?

Ans. Yes. I am familiar with its provisions and conditions

Ques. 4. State source of water supply, place of diversion, and describe works for conveying water from point of diversion to place of use.

Ans. Clark Fork River, diverted approximately 1200 feet east of the center of Section 27, TWP 55 N, Rge 3 W.B.M. in lots 2 and 7 of Section 27, Twp 55 N, Rge 3 W.B.M., thru 4 penstocks 27 feet in diameter, approximately 600 feet long each.

Ques. 5. How many second feet of water do you estimate said works will safely conduct to place of use, and how much water have you seen being so conveyed?

Ans. In excess of 35,700 cfs. I have seen 35,700 cfs being so conveyed.

Ques. 6. State for what purpose water is used and at what place. (If for irrigation, give each subdivision in which water has been used and number of acres irrigated in each subdivision.) State whether cultivated or natural meadow land and the nature of all improvements which have been made as a direct result of said use.

Ans. Purpose: Development of hydroelectric power and energy at Cabinet Gorge Hydroelectric Development of The Washington Water Power Company at location described in Answer to Question 4.

21783

Ques. 7. If for power or other purposes than irrigation, state how water has been applied and to what extent.

Ans. Water has been passed, at various times, through any, or all, of 4 hydraulic turbines each directly connected to a 55,555 kva generator. Maximum use, for test purposes, has been 35,700 cfs.

Ques. 8. If for irrigation, state character of land that has been reclaimed, and give your estimate of the amount of water required for its profitable cultivation.

Ans. Not applicable

Ques. 9. Have you any interest in the works, water or lands above mentioned? If so, in what way and to what extent?

Ans. No.

Ques. 10. State when, how, in what amount and to what extent you have witnessed the application to beneficial use of water diverted under said permit.

Ans. On November 8, 1961, I witnessed the application to beneficial use of 35,700 cfs. of water for approximately 45 minutes by the passage of said water thru the 4 hydraulic turbines of the Cabinet Gorge Hydroelectric Development.

(Signed) John P. Ewald

I hereby certify that the foregoing testimony was read to the above subscriber before its signing, that I believe him to be the person he represents himself to be, and that said testimony was subscribed and sworn to before me in Spokane, County of Spokane, State of ~~Idaho~~ Wash, on this 27th day of November, A. D. 1961.

J. Richard Muffett
Notary Public.

My commission expires 10-22-64.

21783

November 6, 1961

Re: Permit Nos. 21783 & 21828
Washington Water Power Co.
Spokane 10, Washington

Sandpoint News
Sandpoint, Idaho

Gentlemen:

On October 17, 1961 we mailed you Notices for Publication on the above numbered permits, requesting a copy or tear sheet be mailed us of the first publication for proofing purposes.

To date we have not received such copies as ask that you mail them to this office as soon as possible.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

By:

H. PETRI
Water Rights Clerk

HP:sw

21783

STATE OF IDAHO

DEPARTMENT OF RECLAMATION

BOISE

October 17, 1961

Re: Permit Nos. 21783 and 21828

The Washington Water Power Company,
P. O. Drawer 1445,
Spokane 10, Washington.

Gentlemen:

This acknowledges the Notice of Proof of [redacted] works and Application of Water to Beneficial Use under Permit Nos. 21783 & 21828. The proofs are to be made at 10:00 o'clock A.M., on the 27th day of November, 1961, 1959, before J. Richard Muffett, East 1111 Mission Ave., Spokane, Notary Public.

As of this date we have mailed the Notice to the Sandpoint News, Sandpoint, Idaho with instructions to publish it once a week for four consecutive weeks prior to the date set for final proof and then mail the affidavit of publication and statement of costs to you.

It is important that the enclosed depositions be executed by you and two disinterested witnesses who are familiar with the terms of the permit and the work done thereunder, at the place, on the date, and at the time and before the Notary, as advertised. It is very important and necessary that each question be answered in detail.

In returning the depositions to this office, be sure that all copies have been signed, the Notary's seal has been placed on each and that all depositions, (holder and two witnesses) are being returned. Also be sure to enclose the Affidavit of Publication.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

By:

Rule
(Mrs.) Edna P. [redacted]
Chief Clerk

Encl.
EPR: pmk
cc: Notary

21783

1200
6-28-61

STATE OF IDAHO

DEPARTMENT OF RECLAMATION

Boise, Idaho

Re: Permit Nos. 21783 & 21828
Washington Water Power Company
Spokane 10, Washington.

Date: **October 17, 1961**

Sandpoint News,
Sandpoint, Idaho.

Gentlemen:

Enclosed you will find notice for publication, once a week for four consecutive weeks prior to **November 27, 1961** the date set for proof; the expense of the publication is to be paid by the applicant **Washington Water Power Company** of **P. O. Drawer, Spokane 10, Washington** to whom you should furnish proof of publication on or prior to the date set for proof.

Please acknowledge receipt of this notice and furnish this office with a copy or tear sheet of the first publication.**

Very truly yours,

Geo N. Carter

GEO. N. CARTER
State Reclamation Engineer

** If the first copy is not received in this office for checking purposes and errors appear in subsequent issues, it is possible that re-publication of corrected copy will be at your own expense.

Encl.

21783

Form No. 11
2M - 10/60

RECEIVED
OCT 17 1961
Department of Reclamation

NOTICE TO ACCOMPANY THIS LETTER MUST BE MADE IN DUPLICATE

(Date) October 16, 1961

(P. O.) P. O. Drawer 1445, Spokane 10, Washington

TO THE STATE RECLAMATION ENGINEER:

Boise, Idaho

Dear Sir:

You are hereby authorized to have the attached notice published at my expense in the Sandpoint News of Sandpoint, Idaho published in the county in which the works are situated. Bonner Co.

THE WASHINGTON WATER POWER COMPANY

By _____
Robert D. Yeomans, Secretary

(In case of canals or other works designed to divert and carry more than 50 cubic feet of water per second, the following certificate must be signed by a well known and competent engineer.)

I hereby certify that the facts set forth in the attached notice are true.

_____
Karl O. Strenge, Jr. Engineer.

21783

Form 10

RECEIVED
Department of Reclamation

NOTICE FOR PUBLICATION

NOTICE OF PROOF APPLICATION OF WATER TO BENEFICIAL USE

Notice is hereby given that at 10:00 A. M. on the 27th day of November, 1961, at East 1411 Mission Avenue Spokane, Washington, County of Spokane, State of Washington, before J. Richard Maffett, Notary Public, proof will be submitted of the application to beneficial use of 35,000 cubic feet per second of the waters of the Clark Fork River in accordance with the terms and conditions of Permits Nos. 21783 & 21828 heretofore issued by the State Reclamation Engineer of the State of Idaho.

The name and postoffice address of the person or corporation holding said permit ~~are~~ is The Washington Water Power Company, P. O. Drawer 1445, Spokane 10, Washington

The use to which said water has been applied is electric power and energy production

The amount applied to beneficial use is 35,000 cfs under the above permits

The place where said water is used (if for irrigation, give full and accurate description of the lands irrigated) is at the Cabinet Gorge Hydroelectric Development near Clark Fork, Idaho. The use is non-consumptive. Location: Lots 2 & 7, Sec. 27, T. 55N. - R. 3EBM.

The name of the canal or ditch or other works by which said water is conducted to such place of use is none other than penstock tunnels

The right to take water from such works is based upon Permits Nos. 21783 and 21828

The source of supply from which such water is diverted is the Clark Fork River

The date of priority which said user is prepared to establish ~~is~~ are September 7, ~~1960~~ 1950 for Permit #21783 and November 7, ~~1960~~ 1950 for Permit #21828.

Geo. H. Carter
State Reclamation Engineer

21782

FORM 10-A

STATE OF IDAHO

DEPARTMENT OF RECLAMATION

Re: Permit No. 21783

Date: Sept. 1, 1961

Washington Water Power Co.
P. O. Drawer 1445
Spokane, Washington

Dear Sirs:

The date for proof of application of water to beneficial use, as set out under the terms of Permit No 21783 is due not later than November 28, 1961. If by this date you are not prepared to make this proof, you may make it at a later date, however, your priority will be advanced the same length of time for which the proof is late.

Before this proof can be made, the statutory requirement is that a notice of your intention of proof be published once a week for four consecutive weeks in a newspaper within the county.

We enclose Form 10, in duplicate, which is to be filled in and returned to this department at least forty (40) days before the above mentioned date and/or before the time you intend to make proof. This form, in duplicate, is to include the time of day, the date, the name of the town, the address of the Notary Public before whom you will appear to make the depositions of proof (this may be at any place that is convenient for you and your two witnesses), the quantity of water, for what purpose it is used, the point or points of diversion and the location of use or lands which are irrigated - by legal land description. Descriptions should be taken from your Permit, including any amendments thereto, as recorded in this department. If changes have been made and no amendments are on record, we advise that you request a form for this purpose before your notice is published.

Also enclosed is Form 11, which is the authorization for us to have the notice published in the designated county newspaper, at your expense. This is to be returned with Forms 10.

At the time we send the notice to the newspaper we will send to you the forms for the depositions of holder and two disinterested witnesses. It is important that the depositions be executed at the time, on the date set and at the place named, before the Notary Public, as advertised in the publication notice.

The amount of water allowed in a license cannot be more than is actually produced and measured and put to beneficial use, and cannot be more than the statutory amount allowable per acre of land actually found by field inspection to have been irrigated at the time of proof.

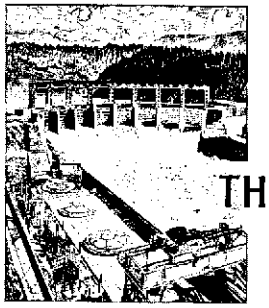
Very truly yours,

Geo. N. Carter

GEO. N. CARTER
State Reclamation Engineer

Enc. Form 10 - 11

21783



ROBERT D. YEOMANS, SECRETARY

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

January 14, 1960

RECEIVED
JAN 1 5 1960
Department of Reclamation

Mr. George N. Carter
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Carter:

We are enclosing a copy of the Ninth Supplemental Indenture issued in connection with our Mortgage which should be filed with the Mortgage and the First, Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth Supplements, all of which have been previously sent to your office.

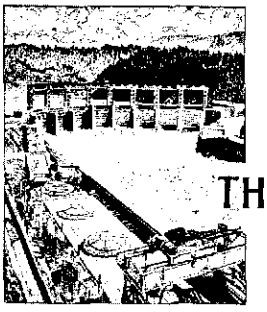
We ask that you please acknowledge receipt of this Ninth Supplemental Indenture by signing and returning the copy of this letter enclosed.

Yours very truly,

Robert D. Yeomans

ELH:o
Enc.

FORM 311 S REV. 7-56



ROBERT D. YEOMANS, SECRETARY

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

January 15, 1959

RECEIVED
JAN 1 619
Department of Reclamation

Mr. George N. Carter
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Carter:

We are enclosing a copy of the Eighth Supplemental Indenture issued in connection with our Mortgage which should be filed with the Mortgage and the First, Second, Third, Fourth, Fifth, Sixth, and Seventh Supplements, all of which have been previously sent to your office.

We ask that you please acknowledge receipt of this Eighth Supplemental Indenture by signing and returning the copy of this letter enclosed.

Yours very truly,

Robert D. Yeomans

ELH:o
Enc.

FORM 311 5 REV. 7-56



ROBERT D. YEOMANS, SECRETARY

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

August 1, 1958

24915
930-1
21763
21828

RECEIVED
AUG 6 1958
Department of Reclamation

Mr. George N. Carter
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Carter:

We are enclosing a copy of the Seventh Supplemental Indenture issued in connection with our Mortgage which should be filed with the Mortgage and the First, Second, Third, Fourth, Fifth, and Sixth Supplements, all of which have been previously sent to your office.

We ask that you please acknowledge receipt of this Seventh Supplemental Indenture by signing and returning the copy of this letter enclosed.

Yours very truly,

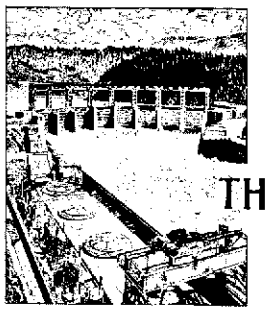
Robert D. Yeomans

ELH:o
Enc.

The copy of this letter acknowledging receipt of this letter was signed by Mr. E. N. Humphrey as Deputy State Reclamation Engineer and was returned to sender August 6, 1958.

EPR

FORM 311 S REV. 7-56



ROBERT D. YEOMANS, SECRETARY

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

January 16, 1958

1-1958

RECEIVED
JAN 20 1958
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Kulp:

We are enclosing a copy of the Sixth Supplemental Indenture issued in connection with our Mortgage which should be filed with the Mortgage and the First, Second, Third, Fourth, and Fifth Supplements, all of which have been previously sent to you.

We ask that you please acknowledge receipt of this Sixth Supplemental Indenture by signing and returning the copy of this letter enclosed.

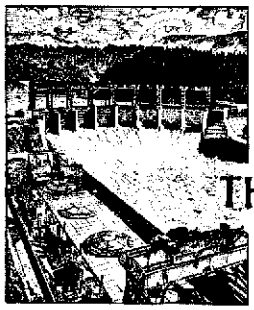
Yours very truly,

E B Talkington

E. B. Talkington
Assistant Secretary

ELH:o
Enc.

FORM 311 5 REV. 7-56



ROBERT D. YEOMANS, SECRETARY

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

July 18, 1957

RECEIVED
JUL 19 1957
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Kulp:

We are enclosing a copy of the Fifth Supplemental Indenture issued in connection with our Mortgage which should be filed with the Mortgage and the First, Second, Third, and Fourth Supplements, all of which have been previously sent to you.

We ask that you please acknowledge receipt of this Fifth Supplemental Indenture by signing and returning the copy of this letter enclosed.

Yours very truly,

E B Talkington

E. B. Talkington
Assistant Secretary

ELH:o
Enc.

ack. returned July 23 1957

April 4, 1957

The Washington Water Power Company
Post Office Drawer 1445
Spokane 10, Washington

ATTENTION: Mr. Robert D. Yoemans
Secretary

Dear Mr. Yoemans:

By telephone request, of this date from Miss Heger of your office, that we acknowledge receipt of copy of the Fourth Supplemental Indenture issued in connection with your Mortgage and stating that same should be filed with the Mortgage and the First, Second, and Third Supplements, which were previously sent us.

This Document was received and filed under date of March 18, 1957, and filed with the three Supplements previously received.

We sincerely regret that said Document was filed without the proper receipt of acknowledgement which was inadvertently overlooked.

Very truly yours,

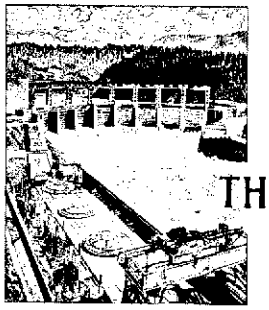
MARK R. KULP
State Reclamation Engineer

Roy W. Thompson
Office Manager

RWT:er

217R3

FORM 311 S REV. 7-55



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

ROBERT D. YEOMANS, SECRETARY

March 15, 1957

RECEIVED
MAR 18 1957
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Kulp:

We are enclosing a copy of the Fourth Supplemental Indenture issued in connection with our Mortgage which should be filed with the Mortgage and the First, Second, and Third Supplements, all of which have been previously sent to you.

We ask that you please acknowledge receipt of this Fourth Supplemental Indenture in order that our files may be complete.

Yours very truly,

Robert D. Yeomans

Robert D. Yeomans

ELH:o
Enc.

July 13, 1956

RE: Permits Nos. 21783 - 21828

Washington Water Power Company
Spokane 10
Washington

Gentlemen:

We enclose Certificate of Completion of Works issued under Permit No. 21783 for the diversion of 25,000 second feet of water from Clark Fork River with point of diversion in the $SE\frac{1}{4}NE\frac{1}{4}$, Section 27, Township 55 North, Range 3 East, B. M., with priority of September 7, 1950, for development of hydroelectric power and energy.

We also enclose Certificate of Completion of Works issued under Permit No. 21828 for the diversion of 10,000 second feet of water from Clark Fork River, with point of diversion in the $SE\frac{1}{4}NE\frac{1}{4}$, Section 27, Township 55 North, Range 3 East, B. M., with priority of November 7, 1950, for hydroelectric power and energy.

We also enclose departmental receipt No. 28046 for the $10,504.00 Completion of Works fees on these two Permits.

Very truly yours,

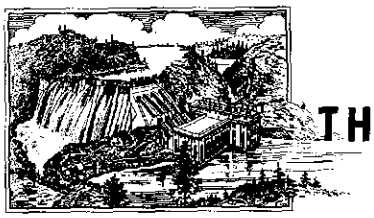
MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

R:cu
Enc.

21783

FORM-311 S REV. 6-51



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 10, WASHINGTON

B. J. LINDSAY, SECRETARY

June 21, 1956

RECEIVED
JUN 23 1956
Department of Reclamation

Mr. Mark R. Kulp,
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

THE WASHINGTON WATER POWER COMPANY
CABINET GORGE HYDROELECTRIC DEVELOPMENT
1952 - 200,000 KW INSTALLATION
PERMITS #21783 AND #21828

Dear Mr. Kulp:

In response to your two letters dated April 26, 1956 pertaining to the payment of the statutory fee for the above permits, we are pleased to include herewith our voucher #30409 in the amount of $10,504.00 for the use of the 35,000 c.f.s. of the waters of the Clark Fork River at our Cabinet Gorge Hydroelectric Development.

You will note that the total amount of the voucher is $5.40 less than the total of the amount shown in your two letters dated April 26, 1956. This difference is brought about by the fact that your calculation was predicated upon the use of a rate of $5.00 for the first c.f.s. and 30¢ for each additional c.f.s.; whereas, we believe the correct rate to be $5.00 for the first 10 c.f.s. per permit, and 30¢ for each additional c.f.s.

Very truly yours,

B. J. Lindsay

KOS:ms
cc - M L Blair
A F Elder

Encl.

21783

April 26, 1956

RE: Permit No. 21783

Washington Water Power Co.
Drawer 1445
Spokane 10, Washington

ATTENTION: Mr. B. J. Lindsay, Sec.

Gentlemen:

We now have on file the report of our field engineer on examination for Completion of Works proof on Permit No. 21783 in the name of the Washington Water Power Company, which shows that 25,000 cubic feet per second of the waters of Clark Fork River have been used for development of hydroelectric power and energy purposes.

Therefore, upon receipt of the statutory fee of $7,504.70 a Certificate of Completion of Works can be issued for 25,000 cubic feet per second, this is at the rate of $5.00 for the first c.f.s. and 30¢ for each additional c.f.s.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Roy W. Thompson
Supervisor of Water Distribution

T:hll

21783

R+3E.

U.S. Hwy. No. 10

To SAND POINT

Dam

27

T. 55 N.

Q = 25,000 cfs.

Scale: 2 Inches Equals 1 Mile. Draw Map In Ink.

21783

Form 23

STATE OF IDAHO

DEPARTMENT OF RECLAMATION

BOISE

REPORT OF ENGINEER

PERMIT NO. 21783

REPORT ON PROOF OF Completion of works

WASHINGTON WATER POWER COMPANY, Drawer 1145, Spokane, 10, Wash.

app. 25,000 cfs

25000 cfs
MRK

"Morris" Hydro
Turbine. Propeller Type
Serial # 771 70.500 hp.
90' ft. 120 rpm.
Baldwin-Lima-Hamilton
Corpn. Philadelphia

Westinghouse A.C. Generator
5555 KVA. 2325 amp.
13800 volts 90% P.F.
3 ph. 60 cy. 120 rpm.
Serial # 1944 P55

#3. Identical to #4
#770 90' head Jan 1955

Identical A.C. Gen.
Serial # 2544 P55

#2. #769 Turbine

#3544P55

#1, Whse A.C. Generator
Serial #1844P58

No turbines have
Kaplan adjustable turbine
blades

230 000 KW = Max output

92½% eff. on turb.

Generator = 97%

290000 on register now

93.4' = head now.

INSTRUCTIONS TO EXAMINERS

1. Always carefully note the location of the point of diversion and accurately plat same.
2. When proof is for beneficial use, carefully check up the number of acres actually irrigated in each forty and accurately plat same.
3. Make a map showing the correct location of streams and ditches, and the irrigated lands, and any adjacent permanent landmarks, such as towns, lakes, large streams and public roads.
4. If any unusual conditions are discovered, make plain statement of them under remarks.
5. Always see the holder, if possible, and go over the whole ground with him and make your report only upon actual existing facts and conditions.
6. Give general characteristics of soils, topography, and crops raised.

$\frac{70500 \times 538}{62\frac{1}{2} \times 90} = 6960$ hp

$62\frac{1}{2} \times 90 \times hp = 70500 \times 538 \times .9$

$hp = \frac{62\frac{1}{2} \times 90 \times .9}{538} = 70500$ hp.

Washington Water Power Co.
P.O. Drawer 1441, Spokane, 10,
Permit No. [redacted]

Examination for Completion of works

County Benewah

27-55N.-3E

Q = 25,000 c.f.s.

S = Clark Fork River

P.D. 2 Lots 2 & 7, Sec. 27, T. 55N - R. 3E

Use = Hydro-electric Power

2175 elev. = normal pool

Filed - Sept. 7, 1950
Due - Nov. 28, 1961

RECEIVED
APR 25 1956
Department of Reclamation

3 sections of spillway
40'w x 35'h, @ 32 000 cfs ea
= 320000 cfs = design for Max.
Slide gates. in center
of stream.
Gas driven operation.
Head on two center gates

27'd. tunnels. 4

7'X9' = Ice & debris Tunnel

48000 a.F. = useful storage
384 000 a.F. total

50 KW. U.S. Gen.
driven by Hercules
Gas Engine
4 - 3/4 X 5-1/4
Model RKLD
emergency for
spill gates operation

for 4 of 5 gates only.

Form 23

STATE OF IDAHO

DEPARTMENT OF RECLAMATION

BOISE, IDAHO

REPORT OF ENGINEER

Permit No. 21783

This proof is for Completion of works In Water District No.

1. Name of applicant Washington Water Power Co/, P.O.Drawer 1445, Spokane, 10, Washington
2. Source of water supply: Clark Fork River
3. Location of point of diversion: Is in the At Cabinet Gorge/ In lots 2 & 7 of Section 27
   T. 55 N. R. 3 E, B.M. County of Bonner
4. Describe works as they exist, giving dimensions and capacities of same: There are three identical turbines and generators and a fourth similar except for Kaplan instead of fixed blades. Each generator is 55,555 K.V.A. and each turbine is 70,000 hp. Turbines are to operate at 90 foot head. actual operation fluctuates up to 99' head. This is a large commercial development all properly installed in a well constructed plant.
5. Water is used for: Development of hydro-electric power and energy
6. State whether or not water has been turned into works of diversion: Yes
7. List legal subdivisions of lands to be irrigated. If proof is for beneficial use, give exact number of acres under cultivation in each forty-acre tract. (Describe manner and place of use if other than irrigation):

   Place of use: Lots 2 & 7, Section 27, Twp. 55 N., Range 3 E., B.M.

   Todays operation show 220000 KW being generated
   They claim a max. of 230000 " capacity
   " " 115% overload continuous operation possible.

(Submit map on attached plat, showing location and details of above description.)

8. What large stream would the water here appropriated finally reach?

Remarks:

Accompanied on inspection by Carl P. Strenge (Chief Civil Eng. for W.W.P.) Designed plant. Also by Mr Eisela chief operational Engineer.

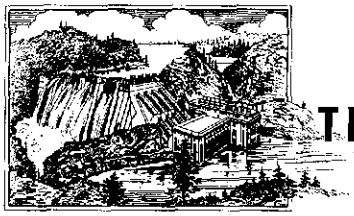
This area is faulted and cross faulted geologically the dam laying across a fault in which the river had its channel. On the South side the stream lays against a lateral moraine and

This examination was made on the 19th day of April, 1956

(Signed) E. N. Humphrey 21783
Examiner.

underneath that is sediments of old lake Missoula. There is some slight percolation thru the gravels on the South but it seems to be sealing some.

FORM-311 5 REV. 8-51



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 10, WASHINGTON

April 20, 1956

APR 25 1956

Mr. Mark R. Kulp, State Reclamation Engineer
State of Idaho - Department of Reclamation
Boise, Idaho

Attention: Mr. E. N. Humphrey

CABINET GORGE HYDROELECTRIC DEVELOPMENT
PERMITS # 21828 AND # 21783

Gentlemen:

In accordance with the request made by Mr. E. N. Humphrey, Deputy State Reclamation Engineer, during his inspection of the Cabinet Gorge Hydroelectric Development on April 19, 1956, we are enclosing a copy of a memorandum report.

The enclosed memorandum report is preliminary in nature and was developed for the purpose of proving BENEFICIAL USE OF WATER AT CABINET GORGE. Although we have not as yet submitted our "PROOF OF APPLICATION OF WATER TO BENEFICIAL USE", we are submitting this with the understanding that it will be of benefit to your department.

As indicated to Mr. Humphrey, during his inspection trip, we anticipate running an efficiency test on the units at Cabinet Gorge which will enable us to verify the quantities shown in the attached memorandum report.

Very truly yours,

Lester R. Gamble,
Chief Engineer

By K. O. Strenge

K. O. Strenge,
Chief Civil Engineer

KOS:ms

Encl.

cc - K M Robinson/J E E Royer
I R Gamble
File

21783

RECEIVED
APR 25 1956
Department of Reclamation

MEMORANDUM

BENEFICIAL USE OF WATER AT

CABINET GORGE

This memorandum report is for the purpose of establishing beneficial use of waters of the Clark Fork River to the State of Idaho to obtain Water Right Certificate for the use of such waters.

Two applications were made for Water Rights. Permit No. 21783 was received for 25,000 cfs. and No. 21828 for 10,000 cfs. This makes a total permit for 35,000 cfs.

Measurement of the capability of the Cabinet Gorge Hydro-electric Power Development to put these waters to beneficial use has been made at a U.S.G.S. Streamflow Gaging Station located a short distance below the Power Plant. It appears that the control or natural wier which controls the gage heights for the gaging station may be affected by backwater from Pend Oreille Lake at some stages and that some scour may have occurred at the control. For these reasons, the rating curve is not well established.

However, there were several actual current meter measurements made at approximately full capability of the power facilities and these measurements were used to determine beneficial use. The following tabulation gives these results:

21783

DATA FROM W.W.P. CO. CABINET FORGE STATION RECORDS

Feb. 22, 1954	Time	Mega-watts	Forebay	Upstream Tailrace	Head	Meas. No.	Gage	CFS	Pend Oreille Lake Elevation
	9 AM		2174.1	2077.45	96.65	32	2074.90	35,800	2048.98
	10	230	73.8	77.60	96.20		Meas. 9 AM to 12:15 PM		
	11	230	73.4	77.70	95.70				
	12	225	72.9	77.70	95.20				
Apr. 29, 1954	11 AM	-	74.2	77.40	96.8	35	2074.86	34,400	2052.90
	12	232	74.2	77.40	96.8		Meas. 11:15 AM to 4:35 PM		
	1 PM	232	74.1	77.40	96.7				
	2	232	74.1	77.40	96.7				
	3	233	74.1	77.40	96.7				
	4	233	74.05	77.45	96.6				
July 21, 1954	9 AM	4	73.60	77.45	96.15	39	2074.77	35,300	2061.51
	10	231	73.0	77.70	95.30				
	11	228	72.6	77.72	94.88				
	12	226	71.9	77.70	94.20				
May 4, 1955	10 AM	-	73.65	77.50	96.15	47	2074.69	36,000	2051.91
	11	229	73.20	77.50	95.70				
	12	228	72.90	77.50	95.40				
	1 PM	227	72.50	77.50	95.00				
May 9, 1955	11 AM	230	73.45	77.50	95.95		2074.75	*	2052.70
	12	230	73.30	77.50	95.80				
	1 PM	229	73.15	77.50	95.65				

* These data pertain to a period of steady operation with minimum of forebay fluctuation and was used to apply efficiency determined from above periods when measurements were made.

21783

From the above Station data, it can be observed that stability of discharge and head and therefore power output is reasonably stable on February 22, 1954, April 29, 1954 and particularly stable on May 9, 1955. One addition is to be made to the data. The records show only the upstream tailrace elevation while at the plant on May 9th it was observed that when the upstream tailrace recorded elevation 2077.50, the downstream tailrace read 2077.15. If the average of these two tailrace readings is taken, and 0.2 feet should be added to the recorded heads. (Graphic chart of tailrace readings of May 9th is attached hereto).

From the above data, the following table was computed to determine a realistic over-all plant efficiency with water measured at the Gaging Station. Such efficiency besides water turbine and generator efficiencies includes all hydraulic losses and any underground inflow between the dam and the Gaging Station using this average efficiency, discharge was computed for the more stable conditions of May 9, 1955.

Date	Mega-Watts	Discharge CFS	Head Ft.	Computed Efficiency
Feb. 22, 1954	230	35,800	96.2	80.1
Apr. 29, 1954	232.5	34,400	96.7	82.5
				81.3 Average
May 9, 1955	230	(Computed) 34,750	96.08	81.3

On May 9, 1955, the forebay was filling slightly. An elevation of 2173.30 and a head of 96.08 is quite representative. A full forebay would be elevation 2175.00/ This would add 1.7 ft. to the head and make it 97.78. For this sligh change in head assume the discharge increases directly with the head. The capability of the facilities to put water to beneficial use would then be 97.78 ft. head divided by 96.08 ft. head times 34,750 cfs. or 35,350 cfs.

21783

There apparently is some inflow between the plant and the Gaging Station but it certainly is not greater than 350 cfs. Therefore, in conclusion, it is readily seen that at least 35,000 cfs. is put to beneficial use and it is recommended that the proof be submitted to the State of Idaho and a Water Right Certificate be obtained for 35,000 cfs.

SUPPORTING DATA

Attached is a print of U.S.G.S. rating curve for the Gaging Station in the Clark Fork River at Cabinet, Idaho. On this drawing is a dotted line and a solid line curve. The dotted line is at the Gaging Station and the solid curve is at White Horse Rapids further downstream. U.S. G.S. informs us that both curves are tentative and unpublished information. Before the data is published, it will all be reviewed and the curves revised in light of this further study. It will be noted that each measurement is plotted and then plotted a second time by arbitrarily adding 1,000 cfs. to the measurement to adjust to White Horse Rapids location. It will be noted that the last numbered measurements fall to the right. For this reason, there is evidence of scour of the control and one reason this study relied on measurements rather than the established curve as shown.

The second reason the curve was not relied on was because there was an indication of backwater effect from Pend Oreille Lake elevations. The Gaging Station is approximately 8 miles from the Lake. Slopes between the Gaging Station and the Lake at the time of various gaging station measurements were plotted. This plotting indicated that backwater at the Gaging Station probably occurred when the Lake was about elevation 2060. This probably would disappear with higher flows in the river.

The following data gives one indication of backwater:

21783

Date	Meas. No.	Gage Height	Flow CFS	Lake Elevation
Feb. 22, 1954	32	2074.90	35,800	2048.98
July 1, 1953	21	2075.04	35,800	2062.37

There is also attached a print of Gaging Station chart for May 9th showing steady flow for several hours.

2783

April 10, 1956

RE: Permit No. 21828, and 21783

Washington Water Power Co.
P. O. Drawer 1445
Spokane 10, Washington

Gentlemen:

Events have changed my schedule and advanced your date of inspection. I intend to be in Sandpoint on Wednesday evening, April 18 and will want to make inspection in connection with the above numbered Permits on Thursday, April 19 instead of Friday, as I wrote you on April 6.

I will contact your office in Spokane by telephone on Tuesday the 17th as I am passing through the Coeur d'Alene area on my way North.

I have just received your letter of April 9 advising that Mr. Eisele will be your representative on this trip. I will either contact your office or Mr. Eisele as stated above.

Thank you for this information.

Yours truly,

MARK R. KULP
State Reclamation Engineer
By

R. N. Humphrey
Deputy State Reclamation Engineer

H:hll

P. S. Please advise Mr. Eisele of the change.

21783

April 6, 1956

RE: Permits Nos. 21828 & 21783

Washington Water Power Company
P. O. Drawer 1445
Spokane 10, Washington

Gentlemen:

Inspection is required in connection with your two Permits before Certificate of Completion of Works can be issued. This is in accordance with State Law.

If the weather and roads permit, I hope to be in North Idaho and make inspection in connection with your two permits on Friday, April 20. I should have an engineer or someone familiar with your installation accompany me on the inspection.

I intend to stay overnight in Coeur d'Alene on Thursday, April 19, and will try to contact someone in your organization at that time in order to give you an opportunity to advise as to whom will accompany me on the inspection and where I should meet him.

If at the ti e you receive this letter you know who will accompany me and where it will be possible to contact him on the evening of the 19th and will advise me right away by letter there will be ample time for me to receive same before Monday Evening, April 16, which will be my last opportunity to receive mail before going North.

One of the chief requirements of this inspection is to determine as accurately as possible the amount of water passing through your turbines. If per chance you have already made determinations of such and have copies of such it would perhaps facilitate the inspection.

Yours truly,

MARK R. KULP
State Reclamation Engineer
By

21783

E. N. Humphrey
Deputy State Reclamation Engineer

H:hll

December 5, 1955

RE: Permits Nos. 21783 and 21828

Mr. B. J. Lindsay, Secretary
The Washington Water Power Co.
P. O. Drawer 1445
Spokane 10, Washington

Dear Mr. Lindsay:

We have your letter of December 1st enclosing affidavit of publication in the Sandpoint News Bulletin which completes proof of completion of works on the above numbered Permits.

Before final action is taken in the matter, the law requires that a field examination be made by an engineer from this department.

We cannot tell just when this examination will be made but our field engineer will try and contact you at the time he makes the examination so that arrangements may be made to show him over the grounds.

Very truly yours,

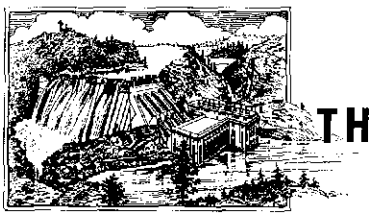
MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

A:hll

21783

FORM-311 5 REV. 8-51



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 10, WASHINGTON

B. J. LINDSAY, SECRETARY

December 1, 1955

RECEIVED
DEC 5 1955
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Attention: Ms. Jeanne L. Anderson

Dear Mr. Kulp:

We desire to acknowledge receipt today of your letter of November 30, 1955, wherein you inform us that you had received from Mr. J. Richard Muffett the Depositions of Holder and two Witnesses in Proof of Completion of Works on Permits 21783 and 21828.

Within less than two hours of the time that we received your letter we also received the Affidavit of Publication of the Notice from The Sandpoint News-Bulletin, and we enclose herewith this Affidavit.

We trust that you will find everything complete in connection with this transaction.

Yours very truly,

B. J. Lindsay

BJL:c
Enc.

21783

Affidavit of Publication

STATE OF IDAHO,
County of Bonner, } ss.

L. E. Pietsch being first duly sworn on oath deposes and says that he is Publisher of The Sandpoint News-Bulletin, a weekly newspaper printed and published at Sandpoint, Bonner County, Idaho; that the said Sandpoint News-Bulletin has been continuously and uninterruptedly published in said Bonner County during a period of 18 months or 78 weeks prior to the first publication of the hereto attached notice for publication in the case of Notice for Publication; The Washington Water Power Company.

as it was published in the regular and entire issue of the said paper for a period of Four consecutive weeks, commencing on the 20th day of October, 1955, and ending on the 10th day of November, 1955, and that said notice was published in said newspaper, and not in supplemental form.

L. E. Pietsch

Subscribed and sworn to before me this 28th day of November, 1955.

Notary Public for Idaho,
Residing at Sandpoint, Idaho.

NOTICE FOR PUBLICATION

Notice is hereby given that at 10:00 A. M., on the 25th day of November, 1955, at W. 825 Trent Ave., Spokane, County of Spokane, State of Washington, before J. Richard Muffett, a Notary Public proof will be submitted of the completion of works for the diversion of 35,000 cubic feet per second of the waters of Clark Fork River, a tributary of Columbia River, in accordance with the terms and conditions of certain permits heretofore issued by the State Reclamation Engineer of the State of Idaho.

1. The name of the person or corporation holding said permits is The Washington Water Power Company.

2. The postoffice address of such person or principal place of business of such corporation is P. O. Drawer 1445, Spokane 10, County of Spokane, State of Washington.

3. The numbers of such permits are 21783 and 21828, and the date set for completion of such work is November 28, 1955 and December 26, 1955, respectively.

4. Said water is to be used for development of hydroelectric power and energy.

5. Said works of diversion will be fully completed on the date set for such completion, and the amount of water which said works are capable of conducting to the place of intended use, in accordance with the plans accompanying the application for such permits is 35,000 cubic feet per second.

6. The place of use of such water is in Lots 2 and 7, Section 27, Township 55 North, Range 3 East, B. M.

MARK R. KULP,
State Reclamation Engineer

o20-27-n3-10.

217P3

21783

December 5, 1955

Mr. B. J. Lindsay, Secretary
The Washington Water Power Co.
P. O. Drawer 1445
Spokane 10, Washington

Dear Mr. Lindsay:

Thank you very much for your letter of November 30 enclosing copy of your Third Supplemental Indenture.

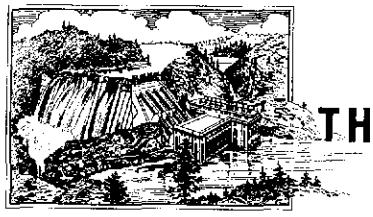
Very truly yours,

MARK R. KULP
State Reclamation Engineer

A:hll

21783

FORM 311 S REV. 8-51



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 10, WASHINGTON

B. J. LINDSAY, SECRETARY

November 30, 1955

RECEIVED
DEC 2 1955
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Kulp:

We are enclosing herewith a copy of the Third Supplemental Indenture issued in connection with our Mortgage which should be filed with the Mortgage and First Supplemental Indenture and the Second Supplemental Indenture, all of which were sent to you some time ago.

We ask that you kindly acknowledge receipt of this Supplemental Indenture in order that our files may be complete thereon.

Yours very truly,

B. J. Lindsay

BJL:o
Enc.

21783

November 30, 1955

RE: Permits Nos. 21783 - 21828

Washington Water Power Company
P. O. Drawer 1445
Spokane 10, Washington

Gentlemen:

We have received from Mr. J. Richard Muffett depositions of Holder and two Witnesses in proof of Completion of Works on the above numbered Permits.

However, the Affidavit of Publication is a necessary part of these proofs and the Sandpoint News Bulletin was instructed to send you this Affidavit. If you have not received it we suggest that you take the matter up with them at once.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

A:eu
CC: Mr. J. Richard Muffett

21783

Spokane, Washington
November 25, 1955

REGISTERED

RECEIVED
NOV 28 1955
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Kulp:

The hearing was held this morning before me pursuant to the procedure required by your department and notice of which has recently been published in the Sandpoint News-Bulletin of Sandpoint, Idaho. This hearing was held for the submission of Proof of Completion of Works in connection with State of Idaho Permit No. 21783, and State of Idaho Permit No. 21828, both of which are held by The Washington Water Power Company for use of water on Clark Fork River at Cabinet Gorge, Idaho.

I enclose in connection with Permit No. 21783, the following:

1. Deposition of Holder of Proof of Completion of Works signed by Mr. K. M. Robinson, President and Chairman of the Board of The Washington Water Power Company.

2. Deposition of Witness of Proof of Completion of Works, signed by Mr. W. L. Scearce of Trout Creek, Montana.

3. Deposition of Witness of Proof of Completion of Works, signed by Mr. W. L. Malony of Spokane, Washington.

4. A certification of a resolution passed by the Board of Directors of The Washington Water Power Company on September 11, 1950, authorizing the power development at the Cabinet Gorge site on the Clark Fork River.

I also enclose in connection with Permit No. 21828, the following:

1. Deposition of Holder of Proof of Completion of Works signed by Mr. K. M. Robinson, President

21783

and Chairman of the Board of The Washington Water Power Company.

2. Deposition of Witness of Proof of Completion of Works, signed by Mr. W. L. Scearce of Trout Creek, Montana.

3. Deposition of Witness of Proof of Completion of Works, signed by Mr. W. L. Malony of Spokane, Washington.

4. A certification of a resolution passed by the Board of Directors of The Washington Water Power Company on September 11, 1950, authorizing the power development at the Cabinet Gorge site on the Clark Fork River.

Yours very truly,

J. Richard Muffett

Encls. 8

E. 41 - 31st Avenue
Spokane 36, Washington

21783

Form 15

PERMIT NO. 21783

Proof of Completion of Works

DEPOSITION OF HOLDER

Ques. 1. State your name, residence, occupation and postoffice address.

Ans. K. M. Robinson, Spokane, Washington. President and Chairman of the Board, The Washington Water Power Company, P. O. Drawer 1445, Spokane 10, Washington

Ques. 2. If acting in behalf of a corporation, state its name, principal place of business, your position with reference to same, and your authority for appearing in its behalf.

Ans. The Washington Water Power Company, Spokane, Washington. President. Authorized by the By-Laws of the Corporation and Resolution of the Board of Directors.

Ques. 3. State number and date of permit, amount of water you are authorized to divert, source, and point of diversion.

Ans. No. 21783, granted November 28, 1950, for 25,000 second feet on Clark Fork River at Cabinet Gorge, Idaho

Ques 4. State purpose for which water is to be used, and, if for irrigation, state the number of acres and give description of the land you intend to reclaim.

Ans. Hydroelectric power development.

Ques. 5. State whether or not the water has been turned into your works of diversion, and, if so, when and to what extent.

Ans. Water first turned into works September 29, 1952. All water covered by permit used as of February 2, 1953, and presently in use.

Ques. 6. State whether or not the works of diversion are fully completed, and whether or not they comply in all respects with the terms of the permit.

Ans. The works are fully completed and comply in all respects with the terms of the permit.

Ques. 7. If the works of diversion do not comply with all the terms of your permit, state fully those particulars in which there is any variance.

Ans. None

Ques. 8. Give description of works, state dimensions and capacity of each part, and give cost of same.

Ans. Dam: 99 ft. head, 600 ft long, 208 ft. high. Powerhouse: 400 ft. long x 123 ft. x 116 ft. high. 4 propeller type hydro turbines with generators, 50 MW each. 4 power tunnels 27-ft. diameter 550 ft. long. Each turbine uses up to 8750 cfs. Cost of project $46,000,000.

(Sign here.) K. M. Robinson

I hereby certify that the foregoing testimony was read to the above subscriber before its signing, that I believe him to be the person he represents himself to be, and that said testimony was subscribed and sworn to before me, in Spokane, County of Spokane, State of ~~Idaho~~ Wash, on this 25 day of November A. D. 1955.

J. Richard Muffett
Notary Public.

My Commission expires 10-22-56

21783

Form 14

The Depositions of two Witnesses, in this form, taken separately, required in each case.

Permit No. 21783

Proof of Completion of Works

DEPOSITION OF WITNESS

Ques. 1. State your name, residence, occupation and postoffice address.

Ans. W. L. Scearce, Trout Creek, Montana

Occupation: Resident Engineer. P. O. Address: Box 36, Trout Creek, Montana

Ques. 2. Are you acquainted with The Washington Water Power Company, the holder of Permit No. 21783, authorizing the diversion of 25,000 second-feet of the waters of the Clark Fork River, at Cabinet Gorge, Idaho for power development purposes? How long have you known him, and where does he reside?

Ans. Yes. 4½ years. Spokane, Washington

Ques. 3. Have you read or heard read said Permit No. 21783, and are you familiar with its terms and conditions?

Ans. Yes.

Ques. 4. (If for irrigation purposes). Are you acquainted with the land proposed to be irrigated under said permit? If so, describe same, state its character, and give your estimate of the amount of water required for its profitable cultivation.

Ans. -------

Ques. 5. Are the works of diversion fully completed and of sufficient capacity to convey the entire amount of water set out in the permit from point of diversion to place of use?

Ans. Yes.

Ques. 6. Describe the works of diversion as they now exist, and give your estimate of their capacity.

Ans. Dam: 99 ft. head, 600 ft. long, 208 ft. high. Powerhouse: 400 ft. long x 123 ft. x 116 ft. high. 4 propeller type hydro turbines with generators, 50 MW each. 4 power tunnels 27 ft. diameter, 550 ft. long. Each turbine uses up to 8750 cfs. Cost of project $46,000,000.

(Sign here.) W. L. Scearce

I hereby certify that the foregoing testimony was read to the above subscriber before its signing, that I believe him to be the person he represents himself to be, and that said testimony was subscribed and sworn to before me, at my office in Spokane, County of Spokane, State of ~~Idaho~~ Utah, on this 25th day of November, A. D. 1955.

J. Richard Moffett

21783

Form 14

The Depositions of two Witnesses, in this form, taken separately, required in each case.

Permit No. 21783

Proof of Completion of Works

DEPOSITION OF WITNESS

Ques. 1. State your name, residence, occupation and postoffice address.

Ans. W. L. Malony 720 W. 23rd Avenue, Spokane, Washington
Occupation: Consulting Engineer. P. O. Address: Symons Building, Spokane 4, Wash.

Ques. 2. Are you acquainted with The Washington Water Power Company, the holder of Permit No. 21783, authorizing the diversion of 25,000 second-feet of the waters of the Clark Fork River, at Cabinet Gorge, Idaho for power development purposes? How long have you known him, and where does he reside?

Ans. Yes. 45 years. Spokane, Washington

Ques. 3. Have you read or heard read said Permit No. 21783, and are you familiar with its terms and conditions?

Ans. Yes.

Ques. 4. (If for irrigation purposes). Are you acquainted with the land proposed to be irrigated under said permit? If so, describe same, state its character, and give your estimate of the amount of water required for its profitable cultivation.

Ans. -----

Ques. 5. Are the works of diversion fully completed and of sufficient capacity to convey the entire amount of water set out in the permit from point of diversion to place of use?

Ans. Yes.

Ques. 6. Describe the works of diversion as they now exist, and give your estimate of their capacity.

Ans. Dam: 99 ft. head, 600 ft. long, 208 ft high. Powerhouse: 400 ft. long x 123 ft x 116 ft. high. 4 propeller type hydro turbines with generators, 50 MW each. 4 power tunnels 27 ft. diameter, 550 ft. long. Each turbine uses up to 8750 cfs. Cost of project $46,000,000.

(Sign here.) W. L. Malony

I hereby certify that the foregoing testimony was read to the above subscriber before its signing, that I believe him to be the person he represents himself to be, and that said testimony was subscribed and sworn to before me, at my office in Spokane County of Spokane, State of ~~Idaho~~ Wash, on this 25th day of November, A. D. 1955.

J. Richard Muffett

21783

This certifies that the following is a true and complete excerpt from the minutes of the meeting of the Board of Directors of The Washington Water Power Company held at New York, New York, on September 11, 1950, at which a majority of such directors was present and voting throughout:

> "RESOLVED that the officers of this Company be and they are hereby authorized and directed to proceed with the completion of detailed engineering surveys, plans and designs, and to take any and all such action and further steps, on behalf of this Company, as in their opinion may be necessary or desirable to construct, equip and complete a hydroelectric power generation station of up to approximately 200,000 kilowatts capacity, at the Cabinet Gorge site located on the Clark Fork of the Columbia River in Bonner County, Idaho, together with the necessary switching equipment and transmission lines to connect said station with the Company's interconnected primary transmission system, with full power to act in the premises, including the making of any loans or temporary borrowings as they may deem necessary, together with preliminary arrangements for the permanent financing of said installations, and including the acquisition of such lands, easements and other rights as they may deem necessary or desirable for said purposes, and including the entering into and execution by said officers, on behalf of this Company, of such construction contracts and other agreements, and the making and filing of such applications for permits, licenses, and other authorizations as may be required, or as may by them be deemed necessary or desirable in the premises."

The foregoing resolution is in full force and effect.

Witness my hand and the seal of said Company at Spokane, Washington, this 17th day of November, 1955.

R. J. Lindsay

Secretary of The Washington Water Power Company.

21783

November 3, 1955

RE: Permits Nos. 21783 and 21828

Sandpoint News-Bulletin
Sandpoint
Idaho

Gentlemen:

On October 17 you acknowledged receipt of notices on the above numbered Permits of the Washington Water Power Co. which you stated would start publication on October 20.

To date we have not received a copy of your issue containing these notices, and would appreciate receiving same in order that we may check.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

A:hll

21783

Sandpoint, Idaho
October 17, [illegible]55

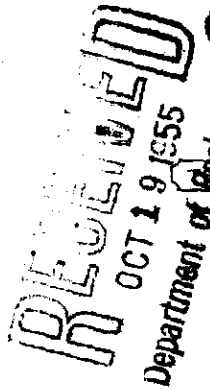
Gentlemen:

This is acknowledge receipt of Permits Nos. 21783 and 21828 for Washington Water Power Co. of P.O. Drawer 1445, Spokane 10, Wash., to be published Oct. 20 and 27 and Nov. 3 and 10.

Yours very truly,

SANDPOINT NEWS-BULLETIN

21783





THIS SIDE OF CARD IS FOR ADDRESS



State of Idaho
Department of Reclamation
Boise, Idaho

ATTN: Jeanne L. Anderson

21783

STATE OF IDAHO

DEPARTMENT OF RECLAMATION

BOISE, IDAHO

Re: Permits Nos. 21783 and 21828

Date: October 14, 1955

Sandpoint News-Bulletin

Sandpoint, Idaho

Gentlemen:

Enclosed you will find notice for publication once a week for four consecutive weeks prior to November 25, 1955 the date set for proof, the expense of the publication to be paid by the applicant, The Washington Water Power Co. of P.O.Drawer 1445 Spokane,10, Wash. , to whom you should furnish proof of publication on or prior to the date set for proof.

Please acknowledge receipt of this notice, and furnish this office with a copy of the first publication, in order that we may check same.

Very truly yours,

MARK R. KULP

State Reclamation Engineer
By

Chief Clerk

21783

FORM 8

Notice for Publication

Notice is hereby given that at 10:00 A.M., on the 25th day of November 19 55, at W. 825 Trent Ave., Spokane County of Spokane, State of Washington before J. Richard Muffett, a Notary Public proof will be submitted of the completion of works for the diversion of 35.000 cubic feet per second of the waters of Clark Fork River, a tributary of Columbia River in accordance with the terms and conditions of a certain permit heretofore issued by the State Reclamation Engineer of the State of Idaho.

1. The name of the perrson or corporation holding said permits is The Washington Water Power Company

2. The postoffice address of such person or principal place of business of such corporation is P. O. Drawer 1445, Spokane 10, County of Spokane, State of Washington

3. The numbers of such permits are 21783 and 21828, and the date set for the completion of such work is November 28, 1955 and December 26, 1955, respectively.

4. Said water is to be used for development of hydroelectric power and energy purposes.

5. Said works of diversion will be fully completed on the date set for such completion, and the amount of water which said works are capable of conducting to the place of intended use, in accordance with the plans accompanying the application for such permits is 35.000 cubic feet per second.

6. ~~The amount of lands for which said water is available is~~ none ~~acres, particularly described as follows:~~, The place of use of such water is in Lots 2 and 7, Section 27, Township 55 North, Range 3 East, B. M.

MARK R. KULP

xxxxxxxxxxxxxxxxxxxxxx

State Reclamation Engineer.

21783

September 23, 1955

RE: Permits Nos. 21783 and 21828

Washington Water Power Company
P. O. Drawer 1445
Spokane 10, Washington

ATTENTION: Mr. B. J. Lindsay,
Secretary

Dear Mr. Lindsay:

We have your letter of September 21 enclosing notice for completion of works on the above numbered Permits to be made November 25, 1955, together with authorization to publish in the Sandpoint News.

We have made one slight change to show the place of use as given in the Permits, that is, in Lots 2 and 7, Section 27, Township 55 North, Range 3 East, B.M.

A copy of the notice will be sent to the newspaper with instructions to publish once a week for four weeks prior to November 25 and to send the affidavit of publication together with statement of costs to you.

Meanwhile, we enclose the forms of deposition to be used in making these proofs. A separate set of proofs should be submitted on each permit. These are to be executed by a representative of the Company and two disinterested witnesses before Mr. J. Richard Muffett, Notary Public at the time set for proof.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

21783

A:hll
Enc.

Form No. 11

NOTICE TO ACCOMPANY THIS LETTER MUST BE MADE IN DUPLICATE

(Date) September 20, 1955

(P. O.) P. O. Drawer 1445, Spokane, Washington

TO THE STATE RECLAMATION ENGINEER:

Boise, Idaho.

Dear Sir:

You are hereby authorized to have the attached notice published at my expense in the **Sandpoint News** of **Sandpoint, Idaho** published in the county in which the works are situated.

The Washington Water Power Company

By: B. J. Lindsay
Secretary

(In case of canals or other works designed to divert and carry more than 50 cubic feet of water per second, the following certificate must be signed by a well-known and competent engineer.)

I hereby certify that the facts set forth in the attached notice are true.

Lester R. Gamble
Engineer.

21783

Form No. 11

NOTICE TO ACCOMPANY THIS LETTER MUST BE MADE IN DUPLICATE

(Date) September 20, 1955

(P. O.) P. O. Drawer 1445, Spokane, Washington

TO THE STATE RECLAMATION ENGINEER:

Boise, Idaho

Dear Sir:

You are hereby authorized to have the attached notice published at my expense in the Sandpoint News of Sandpoint, Idaho published in the county in which the works are situated.

The Washington Water Power Company

By: B. J. Lindsay

Secretary

(In case of canals or other works designed to divert and carry more than 50 cubic feet of water per second. the following certificate must be signed by a well-known and competent engineer.)

I hereby certify that the facts set forth in the attached notice are true.

Lester R. Gamble

Engineer.

21783

Form No. 7

State of Idaho

DEPARTMENT OF RECLAMATION

BOISE

September 1, 1955

INSTRUCTIONS

PROOF OF COMPLETION OF WORKS

Washington Water Power Co.
Box 1445
Spokane, Washington

Boise, Idaho,

Dear Sir:—

I enclose herewith blank form upon which to give notice that you are prepared and desire to submit proof of completion of works under your permit No. 21783.

This form should be filled out and mailed to the Department of Reclamation, at least 60 days before the date upon which proof is to be submitted, which proof MUST be on or before November 28, 1955. Upon receipt of the blank properly filled out, notice of publication will be sent to the paper direct from this office, which notice must be published a period of four weeks prior to the date of proof.

The proof may be submitted at any place convenient to you and two witnesses, where there is a notary public or other officer authorized to administer oaths.

The certificate that shall be issued under this proof does not give you a perpetual right to the use of the water for which application is made, as it only confirms the completion of the works of a capacity to divert and convey to the place of intended use a certain amount of water. The law requires that another proof be submitted when the water has been fully applied to a beneficial use, at which time license is issued for the amount of water actually in use. Information in regard to this last proof will be furnished on request.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

21783

August 17, 1953

Re: Permits Nos. 21783 & 21828

Washington Water Power Company
Box # 1445
Spokane, 10, Washington.

Attention- Mr. H. Collins.

Dear Mr. Collins:

In reference to your telephone request for the necessary forms in connection with proofs on the above numbered permits:

If we understood you correctly, and you are ready to make proof of both completion of works and beneficial use on these permits, notice should be made for each, in duplicate, on form 36 enclosed, and both copies returned to this department, together with Form 11, which is your authorization for us to have the notice published at your expense, in the designated county newspaper.

However, if only proof of completion of works is to be made at this time, the notice should be in duplicate, on Form 8- and both copies returned, together with Form 11.

Notice must be published once a week for four weeks prior to making proof, so the date must be set far enough ahead to allow for that.

At the time set the proofs must be made by depositions of the holder and two witnesses, for each permit, on the forms enclosed. Forms 15 and 14 for Completion of Works, and Forms 16 and 17 for Beneficial Use.

We are including extra copies of all these forms for your own files.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

By
Chief Clerk

Encls.

21783

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION

RECEIVED
AUG 1
Department of Reclamation

Before Commissioners: Jerome K. Kuykendall, Chairman; Dale E. Doty, Claude L. Draper and Nelson Lee Smith.

In the Matter of)
) Project No. 2058
The Washington Water Power Company)

ORDER FURTHER EXTENDING TIME FOR COMPLETION OF INSTALLATION

On June 8, 1953, The Washington Water Power Company, licensee for major Project No. 2058, filed an application for extension of time for completion of installation of Unit No. 4 of the project from July 1, 1953 to August 22, 1953.

It appears that the manufacturer of the turbine equipment had not fulfilled its shipping dates for various parts of the turbine and that the shaft appeared to contain structural defects while still at the factory resulting in further delay to make exhaustive tests to ascertain the true condition of the shaft. The licensee advised in letter of June 8, 1953 that the shaft has proved to be satisfactory and would be shipped to the project site about June 15. However, this date would not permit completion of the installation before August 22, 1953, especially should there be any minor delays.

The Commission finds:

The licensee has carried on construction of the project in good faith and with reasonable diligence and an extension as hereinafter provided is not incompatible with the public interest.

The Commission orders:

The time specified in the Commission's January 9, 1951 order, issuing license for Project No. 2058, as amended, for completing installation of Unit No. 4 is hereby further extended to September 15, 1953.

By the Commission.

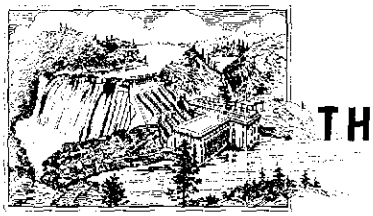
Leon M. Fuquay,
Secretary.

Adopted: July 23, 1953

Issued: July 29, 1953

21783

FORM 311 S REV. 8-51



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 10, WASHINGTON

June 17, 1953

RECEIVED
JUN 18 1953
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Kulp:

I am enclosing herewith a copy of the Second Supplemental Indenture issued in connection with our Mortgage which should be filed with the Mortgage and First Supplemental Indenture that I sent you some time back.

Yours very truly,

Alan G. Paine

AGP:ba

Enc.

MONDAY MAY 9

MID

2 AM

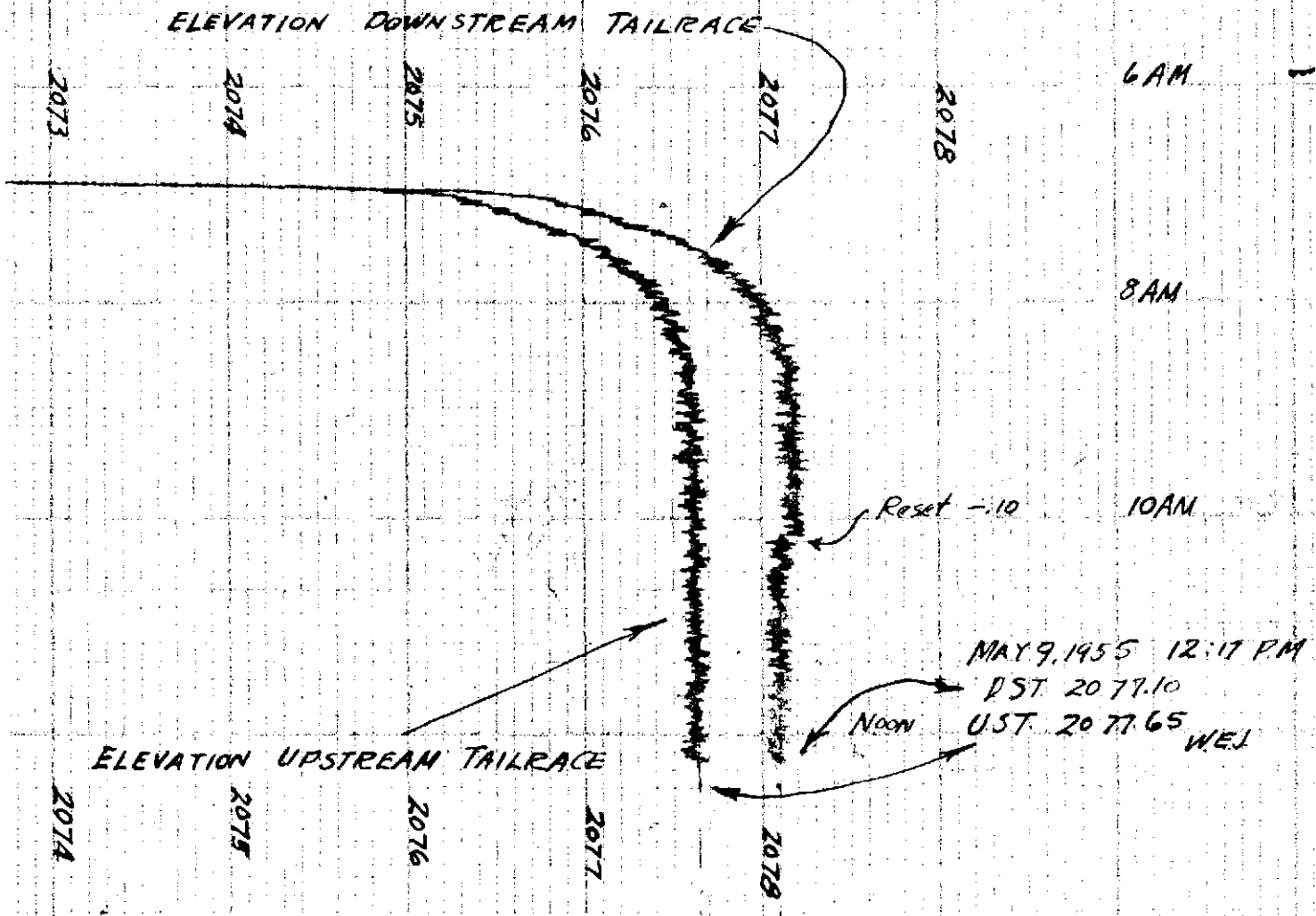
4 AM

6 AM

8 AM

10 AM

CABINET GORGE PLANT
MAY 9, 1955



21783

WWP Print file

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION

Before Commissioners: Thomas C. Buchanan, Chairman; Dale E. Doty, Claude L. Draper, Nelson Lee Smith and Harrington Wimberly.

January 6, 1953

RECEIVED
JAN 10 1953
Department of Reclamation

In the Matter of)
) Project No. 2058
The Washington Water Power Company)

ORDER EXTENDING TIME FOR COMPLETION OF CONSTRUCTION OF INITIAL INSTALLATION

Application was filed November 26, 1952 by The Washington Water power Company, licensee for major Project No. 2058, for extension of the time specified in the license for completion of construction of the initial installation of three generating units in its project from December 31, 1952 to February 28, 1953.

According to the application the first unit was placed in operation on September 29, 1952 and it is estimated that the second unit will be placed in operation November 28, 1952. It is presently estimated that delays in delivery of steel parts for the third unit will result in a delay in its installation until early February 1953. Under the circumstances, the application concludes, the licensee desires the date for completion of the three units extended to February 28, 1953.

Delays in delivery of the steel parts of the unit have been occasioned by the recent steel strike and the necessary diversion of manufacturing space for use in the National Defense effort. Consequently, steel equipment and particularly water wheel parts have not been delivered to this project on schedule.

The Commission finds:

The licensee has carried on in good faith and with reasonable diligence the construction of Project No. 2058 and the requested extension of time as hereinafter provided is not incompatible with the public interests.

The Commission orders:

The time specified in paragraph C(1) of the license for Project No. 2058 for completing construction of the initial installation of three generating units is hereby extended from December 31, 1952 to February 28, 1953.

By the Commission.

J. H. Gutride
Acting Secretary.

21783

Date of Issuance: January 7, 1953

November 28, 1952

RE: Permits Nos. 21783 and 21828

Mr. Alan C. Paine
Spokane and Eastern Building
Spokane 8, Washington

Dear Mr. Paine:

Receipt is acknowledged of copies of Mortgage and Deed of Trust, dated June 1, 1949, and First Supplemental Indenture dated as of October 1, 1952, the Washington Water Power Company to City Bank Farmers Trust Company and Ralph E. Morton, trustee.

The instruments have been filed as acceptable under Section 42-207 Idaho Code, with Permits Nos. 21783 and 21828.

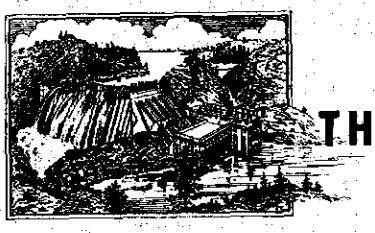
Very truly yours,

MARK R. KULP
State Reclamation Engineer

A:fg

21783

FORM 6.6.6



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 6, WASHINGTON

August 6, 1952

Colonel N. A. Matthias
District Engineer, Seattle District
Corps of Engineers, U. S. Army
4735 East Marginal Way
Seattle 4, Washington

Mr. T. R. Newell, District Engineer
U. S. Geological Survey
429 Federal Building
Boise, Idaho

Mr. W. C. Griffin
U. S. Geological Survey
P. O. Box 275, Parkwater Station
Spokane, Washington

Mr. J. D. Stevens, Chief
Power Resources Section
Bonneville Power Administration
Portland 8, Oregon

Mr. L. B. Cowgill
Northwest Power Pool
809 Public Service Building
Portland 4, Oregon

RECEIVED
AUG 7 1952
Department of Reclamation

Gentlemen:

As per our letter of July 31, 1952 regarding the closure schedule of the diversion tunnels at Cabinet Gorge, we are enclosing our latest estimate of the probable schedule of closure, filling of reservoirs, estimated stream flows, etc. The schedule of operation, estimated stream flows, and estimated lake elevations are self-explanatory. Our original plan of storing 62,000 acre-feet on the initial closure has been reversed to 40,000 acre-feet.

Since we have a very tight construction schedule at Cabinet Gorge, we wish to point out that if any untoward circumstance should occur in the next few days it might cause some change in the proposed schedule. Also, since estimated daily stream flows forecasted so far in advance can be considerably in error, the dates of actual operation are more dependent upon reaching certain reservoir elevations than upon the actual date estimated in the tabulations. It is, of course, recognized that stream flows where reservoirs are being juggled all the way from Hungry Horse to Grand Coulee will not be as uniform as those shown on the tabulation and may cause considerable variation in lake elevations from those actually shown on the tabulation.

21783

Col.N.A.Matthias
Mr. T.R.Newell
Mr. W.C.Griffin
Mr. J.D.Stevens
Mr. L.B.Cowgill

Aug. 6/52

It is planned to call all interested parties on Friday, August 8, 1952, for any necessary adjustments in the schedule and it might be well, if personnel is available, to again check all parties late Sunday, August 10, with the final confirmation of closure after the fact on August 11.

Those parties who are interested in having close detailed information as to the actual closure time and discharges at Cabinet Gorge can notify the Washington Water Power Company engineers of such desire at the time of the Friday contact by telephone.

Sincerely,

M. L. Blair
System Operation Superintendent

MLB:bp
cc-Mr.J.O.Swanson - BPA
Mr.J.A.Riner/Mr.B.S.Philbrick - CG
Mr.M.R.Kulp - State of Idaho

21783

ESTIMATED COULEE INFLOW
ALBENI AND KOOTENAY DISCHARGE AND
BALANCE OF COULEE INFLOW

Date	Albeni Discharge SFD	Kootenay Inflow SFD	Kootenay Discharge SFD	Stored Per Day SFD	Total Stored (2.32 ft.) SFD	Kootenay Elev.	Balance of Coulee Inflow SFD	Total Coulee Inflow SFD
Aug. 8/52	13,600	25,500	25,500	0	0	1745.0	74,000	113,000
" 9	13,400	25,000	10,000	15,000	15,000	1745.1	72,000	95,000
" 10	13,100	24,500	10,000	14,500	29,500	1745.5	71,000	94,000
" 11	12,900	24,000	10,000	14,000	43,500	1745.8	70,000	93,000
" 12	12,700	23,500	10,000	13,500	57,000	1746.0	68,000	91,000
" 13	7,000	23,000	10,000	13,000	70,000	1746.2	67,000	84,000
" 14	7,000	22,500	10,000	12,500	82,500	1746.4	66,000	83,000
" 15	7,000	22,000	10,000	12,000	94,500	1746.6	64,000	81,000
" 16	7,500	21,500	10,000	11,500	106,000	1746.8	63,000	80,000
" 17	11,500	21,000	10,000	11,000	117,000	1747.0	62,000	84,000
" 18	11,200	20,500	10,000	10,500	127,500	1747.2	60,000	81,000
" 19	7,000	20,000	13,500	6,500	134,000	1747.3	59,000	79,000
" 20	7,000	19,500	19,500	0	134,000	1747.3	58,000	84,000
" 21	7,000	19,000	19,000	0	134,000	1747.3	56,000	82,000
" 22	7,000	19,000	19,000	0	134,000	1747.3	55,000	81,000
" 23	7,000	18,500	18,500	0	134,000	1747.3	54,000	80,000
" 24	7,000	18,000	18,000	0	134,000	1747.3	53,000	78,000
" 25	7,000	17,500	17,500	0	134,000	1747.3	52,000	76,000
" 26	7,000	17,000	17,000	0	134,000	1747.3	50,000	74,000
" 27	7,000	17,000	17,000	0	134,000	1747.3	49,000	73,000
" 28	9,100	16,500	16,500	0	134,000	1747.3	48,000	74,000
" 29	8,800	16,000	16,000	0	134,000	1747.3	47,000	72,000
" 30	8,600	15,500	15,500	0	134,000	1747.3	46,000	70,000
" 31	8,400	15,500	15,500	0	134,000	1747.3	45,000	69,000

Note: Coulee on storage probably on August 29, 1952.
Albeni discharge shown on this tabulation 48 hours after the fact to compensate for time delay between Albeni and Grand Coulee.
Kootenay discharge shown 24 hours after the fact.

TWPCo
MLBlair:bp
August 5/52

21783

CABINET GORGE DIVERSION TUNNEL CLOSURE
ESTIMATED RIVER FLOWS, RESERVOIR ELEVATIONS
CLARKS FORK - PEND OREILLE

Date	Estimated Cabinet Inflow SFD	Cabinet Discharge SFD	Stored Per Day SFD	Total Stored SFD	Cabinet Elev. at End of Per.	Cabinet-Albeni Inflow SFD	Total Inflow Pend Oreille SFD	Albeni Discharge SFD	Daily Change Pend Oreille Storage SFD	Accumulated Change Pend Oreille Storage SFD
Aug. 11/52	11,000	0	11,000	11,000	2130	1,500	1,500	7,000	-5,500	-5,500
" 12	10,800	2,000	8,800	19,800	2150	1,400	3,400	7,000	-3,600	-9,100
" 13	10,500	10,500	0	19,800	2150	1,400	11,900	7,000	4,900	-4,200
" 14	10,300	10,300	0	19,800	2150	1,400	11,700	7,500	4,200	0
" 15	10,100	10,100	0	19,800	2150	1,400	11,500	11,500	0	0
" 16	9,800	9,800	0	19,800	2150	1,400	11,200	11,200	0	0
" 17	9,600	5,600	4,000	23,800	2154	1,400	7,000	7,000	0	0
" 18	9,400	5,600	3,800	27,600	2158	1,400	7,000	7,000	0	0
" 19	9,200	5,600	3,600	31,200	2160	1,400	7,000	7,000	0	0
" 20	9,000	5,700	3,300	34,500	2163	1,300	7,000	7,000	0	0
" 21	8,800	5,700	3,100	37,600	2165	1,300	7,000	7,000	0	0
" 22	8,600	5,700	2,900	40,500	2167	1,300	7,000	7,000	0	0
" 23	8,400	5,700	2,700	43,200	2169	1,300	7,000	7,000	0	0
" 24	8,200	5,700	2,500	45,700	2171	1,300	7,000	7,000	0	0
" 25	8,000	5,700	2,300	48,000	2172	1,300	7,000	7,000	0	0
" 26	7,800	7,800	0	48,000	2172	1,300	9,100	9,100	0	0
" 27	7,500	7,500	0	48,000	2172	1,300	8,800	8,800	0	0
" 28	7,300	7,300	0	48,000	2172	1,300	8,600	8,600	0	0
" 29	7,100	7,100	0	48,000	2172	1,300	8,400	8,400	0	0
" 30	7,000	7,000	0	48,000	2172	1,300	8,300	8,300	0	0
" 31	6,800	6,800	0	48,000	2172	1,300	8,100	8,100	0	0

TWPCo.
MEBlair:bp
Aug.5/52

21783

August 5, 1952

CABINET GORGE DIVERSION TUNNEL CLOSURE
ESTIMATED SCHEDULE OF OPERATION

A. Close diversion tunnels at Cabinet Gorge on morning of August 11, 1952.

B. Entire river cut off until 40,000 acre-feet has been stored at Cabinet, 2150 elevation.

C. Albeni discharging 7,000 c.f.s., is estimated to lose 18,000 acre-feet from August 11th to late August 12th, at which time the entire Cabinet inflow will be by-passed at Cabinet until midnight August 16th. However, discharge at Cabinet will be made during night hours, with entire flow cut off during day hours.

D. Albeni, maintaining 7,000 c.f.s. discharge, is estimated to refill on August 14.

E. On August 17, Cabinet will reduce total daily discharge (continuing night discharge with daytime cut-off until indefinite date) to an average of 5,600 c.f.s. to maintain 7,000 c.f.s. discharge at Albeni and to fill Cabinet reservoir to elevation 2,172 feet (96,000 acre-feet total) by August 25.

F. Entire Cabinet inflow, with continuing night-day operation, to be discharged from August 25.

G. Remaining three feet of Cabinet storage (2172 - 2175, 10,000 acre-feet) to be filled at a later date.

TWPCo
MLBlair:bp

21783

FEDERAL POWER COMMISSION
WASHINGTON 25

MAY 8 1952

MAY 12 1952
Department of Reclamation

B. J. Lindsay, Secretary
The Washington Water Power Company
P. O. Box 1445
Spokane 10, Washington

Re: The Washington Water Power Company
Project No. 2058

Dear Sir:

Enclosed is the order entered by the Commission on May 6, 1952, in the above entitled matter, which has been designated Amendment No. 2, Instrument No. 3.

Very truly yours,

Leon M. Fuquay
Secretary.

Enclosure
Registered

cc: Dept. of Reclamation, State of Idaho, Boise, Idaho

21783

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION

Before Commissioners: Thomas C. Buchanan, Chairman; Claude L. Draper and Nelson Lee Smith.

May 6, 1952

In the Matter of)
) Project No. 2058
The Washington Water Power Company)

ORDER APPROVING EXHIBITS AND ADJUSTING ANNUAL CHARGES

In compliance with paragraph (C) (3) of the Commission's January 9, 1951 order issuing license to The Washington Water Power Company for Project No. 2058, the licensee on January 21, 1952 filed Exhibit K maps of the 230-KV transmission line, and on January 25 and February 5, 1952 filed Exhibit L drawings consisting of detailed plans of the project works.

The Exhibit K maps show the location of the transmission line, which is now under construction, and that it occupies a 100-foot wide right-of-way on lands of the United States within the Coeur D' Alene and Kaniksu National Forests for a total distance of 18.95 miles.

The Chief, Forest Service, has reported that the use of the lands for transmission line purposes would not be inconsistent with the purpose for which the National Forests affected were created or acquired.

The Commission finds:

(1) The following described exhibits conform with the Commission's rules and regulations and should be approved as part of the license for Project No. 2058, and superseded Exhibit L drawings (FPC Nos. 2058-3, -4, -6 and -7) now part of the license for the project should be excluded from the license:

Exhibit K: Maps in six sheets signed The Washington Water Power Co. by J. E. E. Royer, Vice President on November 9, 1950:

Sheets Nos. 1 to 6 inclusive (FPC Nos. 2058-11 to -16, inclusive), entitled "Detail Map of 230-KV Transmission Line, Cabinet to Spokane".

21783

Exhibit L: Drawings in 11 sheets, signed The Washington Water Power Co., by H. L. Aller, Chairman of the Board on November 9, 1950;

Sheet 1A (FPC No. 2058-17) entitled "Dam - Arch Design Data and Stresses";

Sheet 2A (FPC No. 2058-18) entitled "Dam - Plan and Profile";

Sheet 3A (FPC No. 2058-19) entitled "Dam - Arch Rings and Sections";

Sheet 4A (FPC No. 2058-27) entitled "Dam - Apron and Protective Works";

Sheet 1B (FPC No. 2058-20) entitled "General Plan";

Sheet 2B (FPC No. 2058-21) entitled "Power House - Penstocks";

Sheet 3B (FPC No. 2058-22) entitled "Power House Longitudinal Section and Downstream Elevation";

Sheet 4B (FPC No. 2058-23) entitled "Power House Cross Section";

Sheet 5B (FPC No. 2058-24) entitled "Power House - Plan of Pipe Gallery and at ℄ Distributor.

Sheet 6B (FPC No. 2058-25) entitled "Power-house - Roof Plan and Operating Floor Plan"; and

Sheet 7B (FPC No. 2058-26) entitled "Power-house Intake - Plan and Sections".

(2) The annual charge herinafter imposed under paragraph (C) (7) (iii) of the license for the project for the purpose of recompensing the United States for the use, occupancy, and enjoyment of its lands for transmission line rights-of-way only, is reasonable.

The Commission orders:

(A) The exhibits described in finding (1) above as conforming with the Commission's rules and regulations are hereby approved as part of the license for Project No. 2058, and the Exhibit L drawings described in the same finding as being superseded are hereby eliminated from the license.

(B) An annual charge of $151.60 is hereby imposed under paragraph (C) (7) (iii) of the license for Project No. 2058 so that paragraph (C) (7) (iii) shall read as follows:

(iii) For the purpose of recompensing the United States for the use, occupancy, and enjoyment of its lands for transmission line rights-of-way only, $151.60.

(C) This order shall become final thirty (30) days from the date of its issuance unless application for rehearing shall be filed as provided by Section 313 (a) of the Act, and failure to file such an application shall constitute acceptance of this order.

By the Commission.

Leon M. Fuquay,
Secretary.

Date of Issuance: May 8, 1952

21783

March 20, 1952

RE: Permits Nos. 21783 and 21828

Washington Water Power Company
P. O. Drawer 1445
Spokane 6, Washington

ATT: Mr. J. E. E. Royer, Vice President and General Manager

Dear Mr. Royer:

We return two photo-static copies each of fourteen drawings in connection with Permits Nos. 21783 and 21828 (Cabinet Gorge) which have been approved by me.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

K:fg
Enc.

21783

MR Kulp

March 13, 1952

Mr. Mark R. Kulp, State Reclamation Engineer
Department of Reclamation
Boise, Idaho

Dear Sir:

Subject: Cabinet Gorge Project
Idaho Water Permits Nos. 21783 and 21828
Plans of Dams

The Washington Water Power Company, holder of Permits No. 21783 and No. 21828, herewith makes application for approval of dam to be constructed at its Cabinet Gorge Hydro-Electric Project in Bonner County, Idaho, on the Clark Fork River approximately one-half mile west of the Idaho Montana state line.

Attached hereto are four photostatic copies each of fourteen drawings, giving complete data as required by your Regulations "Plans of Dams", as follows:

Sheet 1, Drawing No. F-106650, Dam-Arch Design Data and Stresses
Sheet 2, Drawing No. F-106651, Dam-Plan and Profile
Sheet 3, Drawing No. F-106652, Dam-Arch Rings and Sections
Sheet 4, Drawing No. F-106653, Dam-Apron and Protective Works
Sheet 5, Drawing No. F-106654, Dam-Determination of Extent of Cantilever Action in Dam
Sheet 6, Drawing No. F-106655, Dam-Water Load Stresses in Dam
Sheet 7, Drawing No. F-106656, Dam-Temperature and Combined Stresses in Dam
Sheet 8, Drawing No. F-106660, General Plan
Sheet 9, Drawing No. F-106661, Power House Penstocks
Sheet 10, Drawing No. F-106662, Power House Longitudinal Section and Downstream Elevation
Sheet 11, Drawing No. F-106663, Power House Cross Section
Sheet 12, Drawing No. F-106664, Power House--Plan of Pipe Gallery and At A Distributor
Sheet 13, Drawing No. F-106665, Power House Roof Plan and Operating Floor Plan
Sheet 14, Drawing No. F-106666, Power House Intake--Plan and Sections

21783

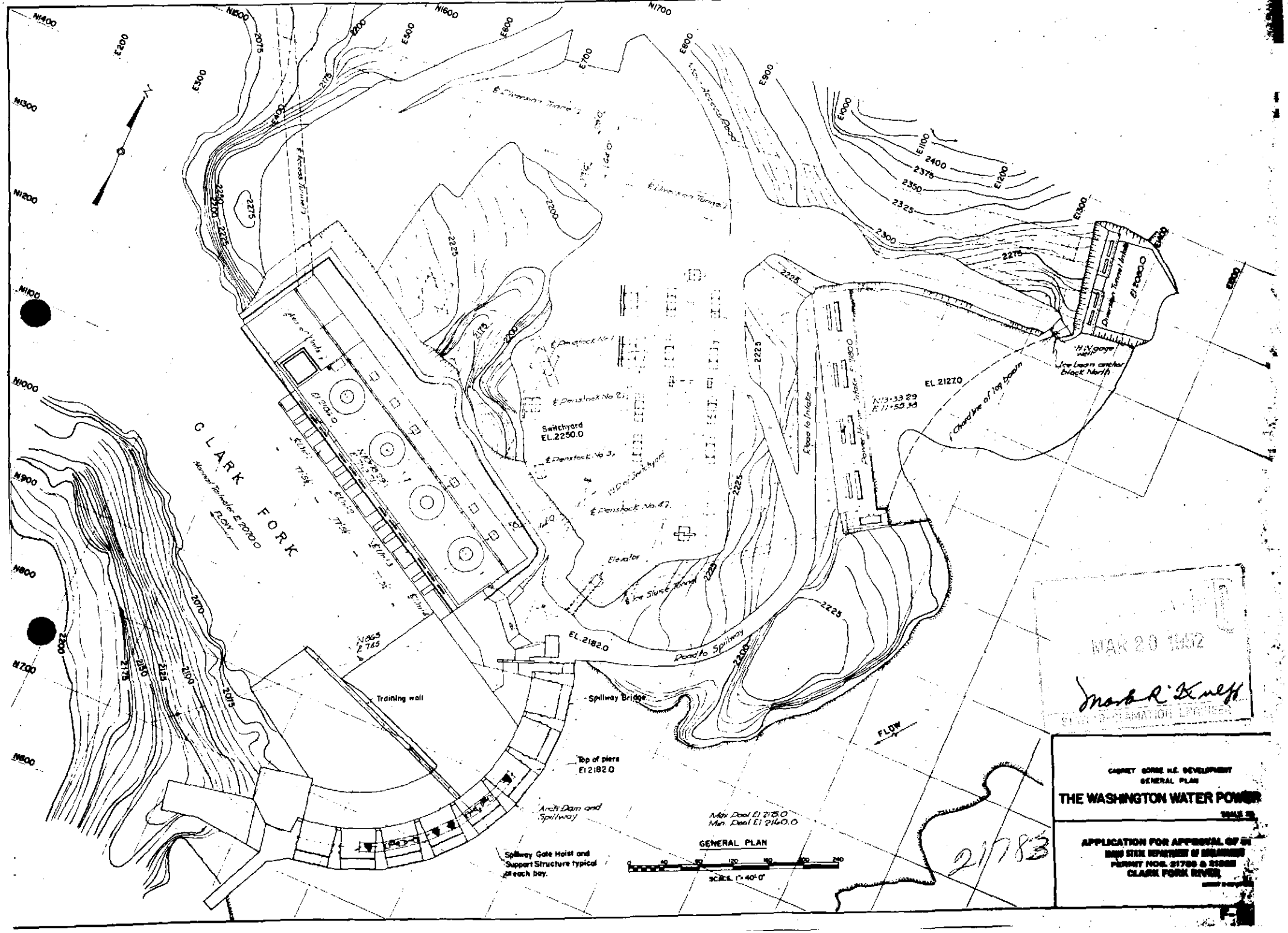
We respectfully request the approval of these plans.

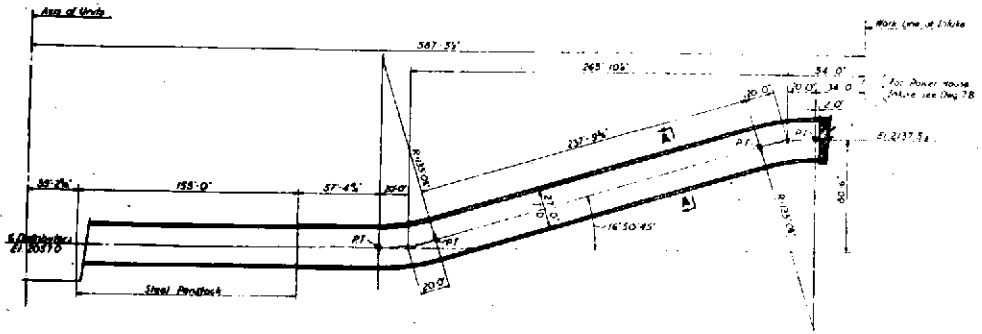
Yours very truly,

J. E. E. Royer
Vice President and General Manager

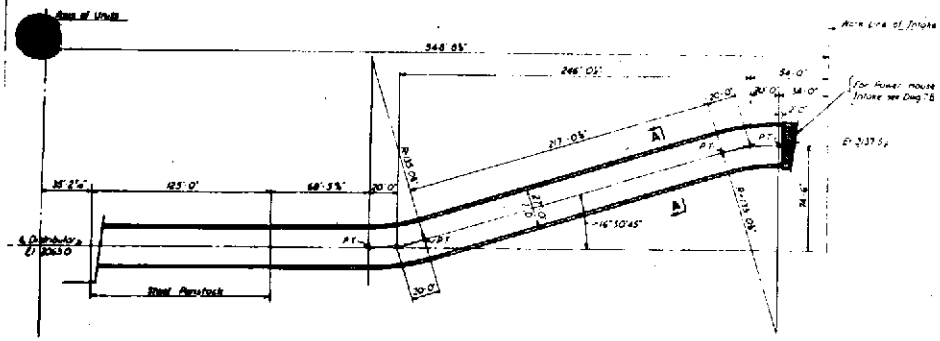
JEERR:jj
Attch.

21783

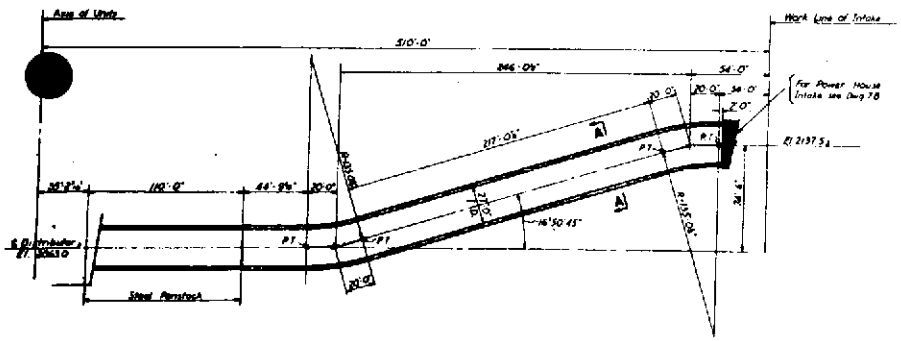

CLARK FORK
Switchyard EL.2250.0
Penstock No 1
Penstock No 2
Penstock No 3
Penstock No 4
Elevator
Pool to Spillway
EL. 2182.0
Spillway Bridge
Training wall
Top of piers El 2182.0
Arch Dam and Spillway
Max Pool El 2175.0
Min Pool El 2160.0
Spillway Gate Hoist and Support Structure typical of each bay.
GENERAL PLAN
SCALE 1" = 40'-0"
EL 2127.0
Log boom
Ice Boom anchor block North
FLOW
MAR 20 1962
CABINET GORGE H.E. DEVELOPMENT
GENERAL PLAN
THE WASHINGTON WATER POWER
APPLICATION FOR APPROVAL OF
PERMIT NOS. 21783 &
CLARK FORK RIVER
21783



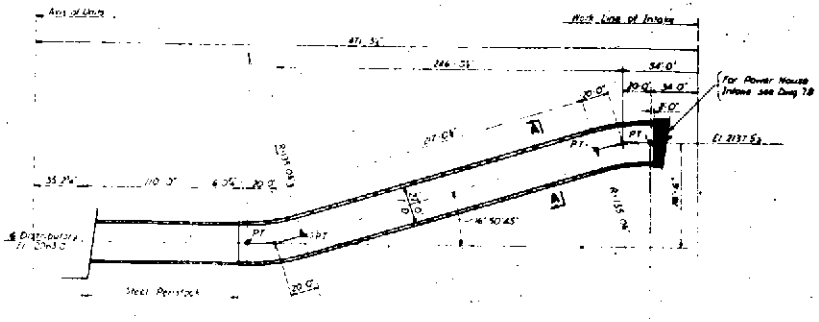
PROFILE AT ℄ OF PENSTOCK NO. 1
Scale 1" = 40'-0"



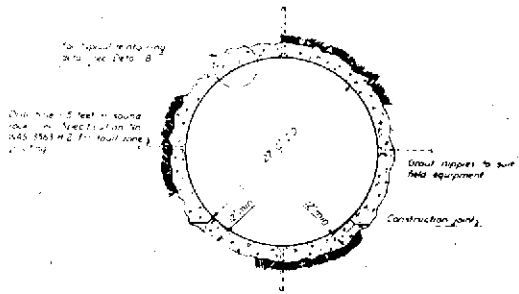
PROFILE AT ℄ OF PENSTOCK NO. 2
Scale 1" = 40'-0"



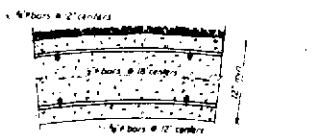
PROFILE AT ℄ OF PENSTOCK NO. 3
Scale 1" = 40'-0"



PROFILE AT ℄ OF PENSTOCK NO. 4
Scale 1" = 40'-0"

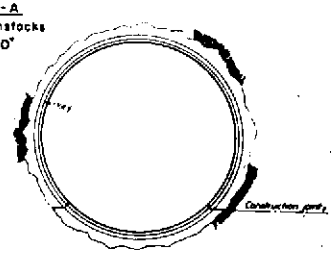


SECTION A - A
Typical for all Penstocks
Scale ⅛" = 1'-0"



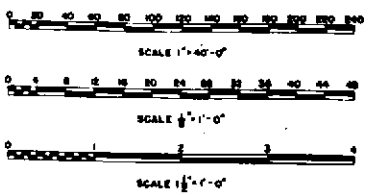
NOTE The lining of these tunnels is to be reinforced and the concrete minimum depth increased to 12" only at locations where the tunnel passes through fault zones or other locations where brecciated soft rock or clay gouge indicates unsatisfactory rock conditions. Rock to be satisfactory must be sound and such nature as to resist external hydrostatic pressure and to prevent the development of external hydrostatic pressure.

DETAIL 'B'
Scale 1½" = 1'-0"



NOTE Circumferential joints shall be provided approximately 35 feet apart and keyed as shown.

SECTION AT VERTICAL CONSTRUCTION JOINT
(Typical)
Scale ⅛" = 1'-0"

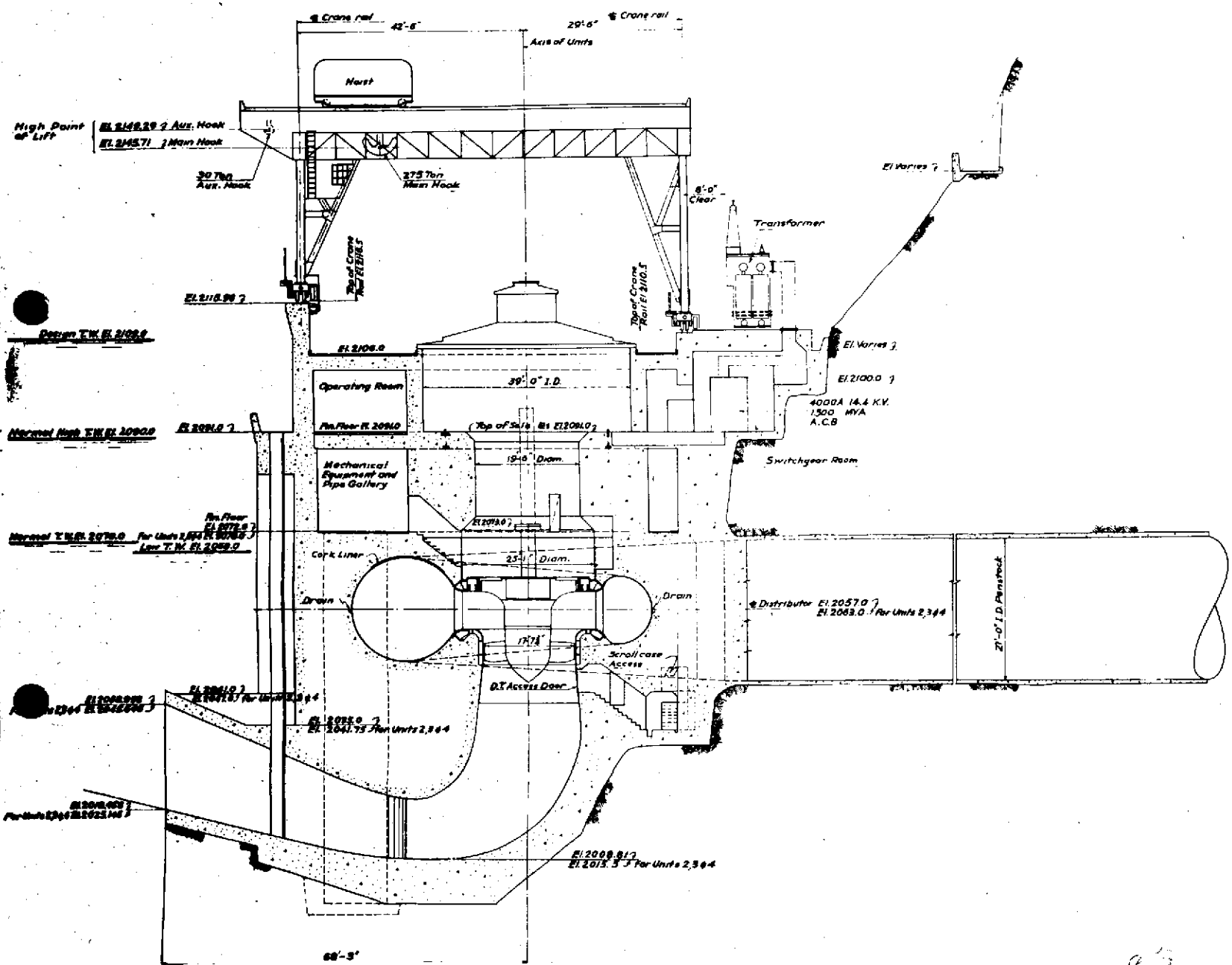


91783

RECEIVED
JUN 23 1952
Mark R Kelly

CASCADE GORGE H.E. DEVELOPMENT
POWER HOUSE PENSTOCKS
THE WASHINGTON WATER POWER
SCALE AS

APPLICATION FOR APPROVAL OF
OHIO STATE DEPARTMENT OF CONSERVATION
PERMIT NOS. 21783 & 21884
CLARK FORK RIVER



TYPICAL CROSS SECTION
UNIT No. 1 as shown
UNITS No. 2, 3 and 4 as shown and noted

SCALE 1/8" = 1'-0"

NOTES

GENERATOR
55,555 K.V.A. vertical W.W. generator 0.90 P.F.
3 phase, 60 cycles. 13,800 V. 120 R.P.M.
Umbrella, outdoor type.

TRANSFORMER
42,300 K.V.A. 1 phase 60 cycle 230-13.2 K.V. Power Transformer.

TURBINE
70,500 H.P. 120 R.P.M. at 90 ft. head

CRANE
4 Motor outdoor Gantry Crane
275 Ton Main Lift, 30 Ton Aux. Lift.

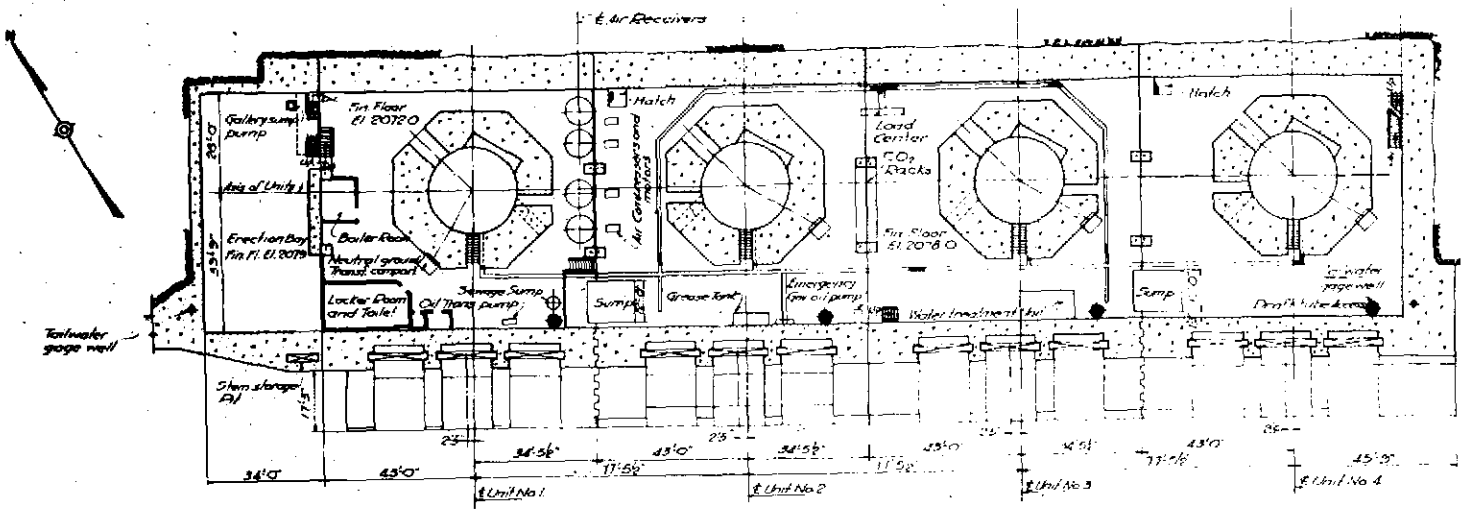
RECEIVED
MAR 30 1932

CABINET GORGE H.E. DEVELOPMENT
POWER HOUSE CROSS SECTION

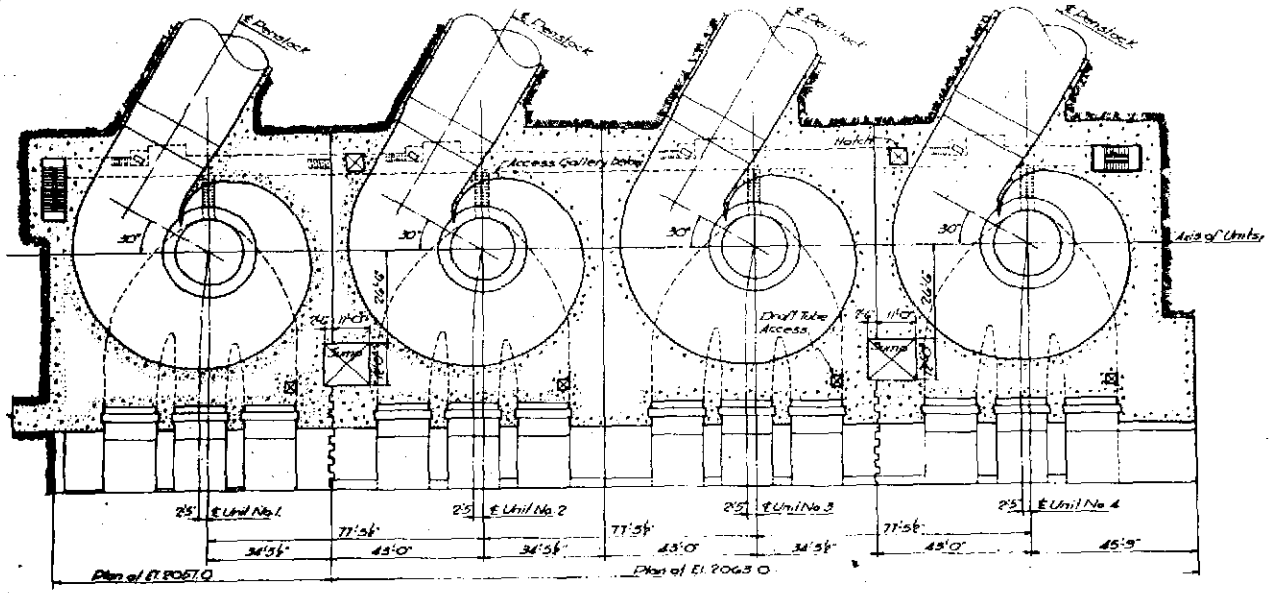
THE WASHINGTON WATER POWER CO.

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER

21783



PLAN OF PIPE GALLERY



PLAN AT E DISTRIBUTOR

SCALE - 1/16" = 1'-0"

RECEIVED
MAR 20 '62

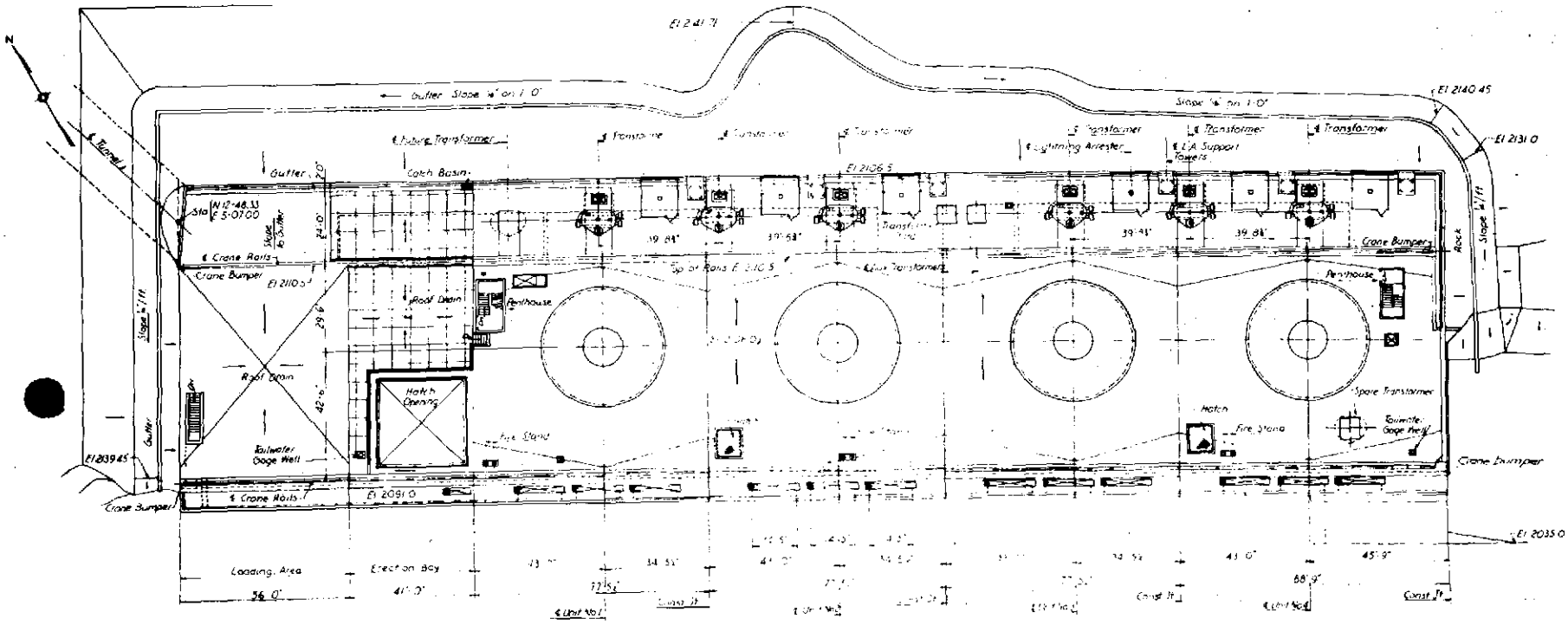
Mark R Kenoff
STATE CHIEF ENGINEER

21783

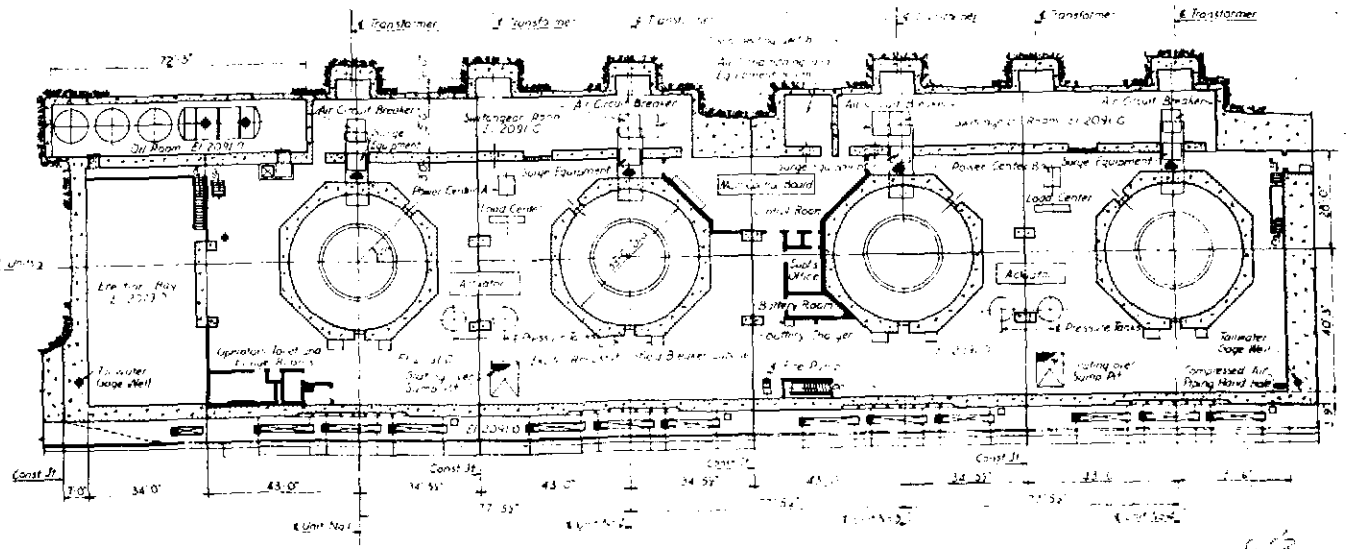
CABINET GORGE H.E. DEVELOPMENT
POWER HOUSE — PLAN OF PIPE GALLERY AND AT E DISTRIBUTOR
THE WASHINGTON WATER POWER CO
SCALE 1/16" = 1'-0"

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER

F-1



POWER HOUSE ROOF PLAN



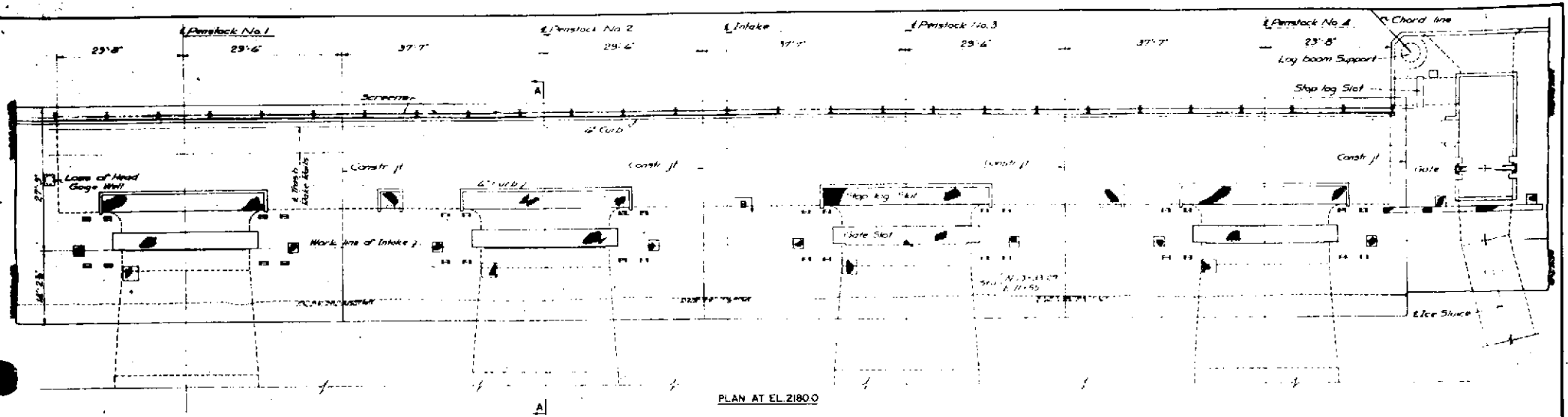
OPERATING FLOOR PLAN

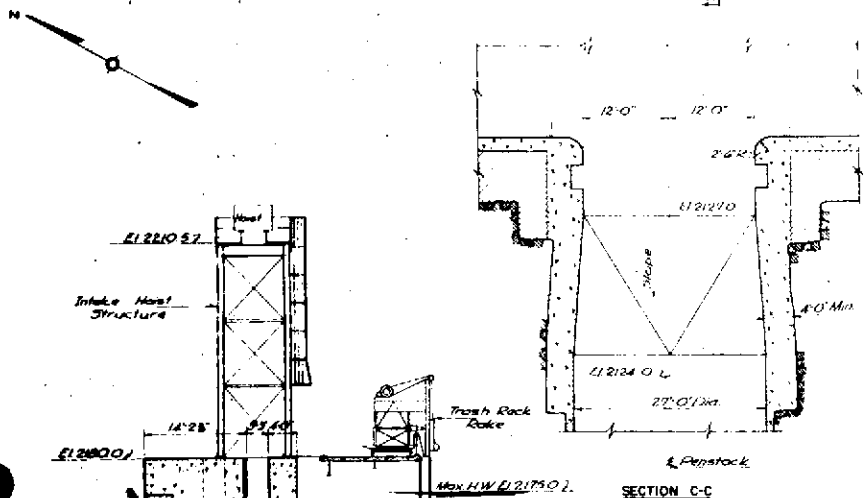
SCALE ¼" = 1'-0"

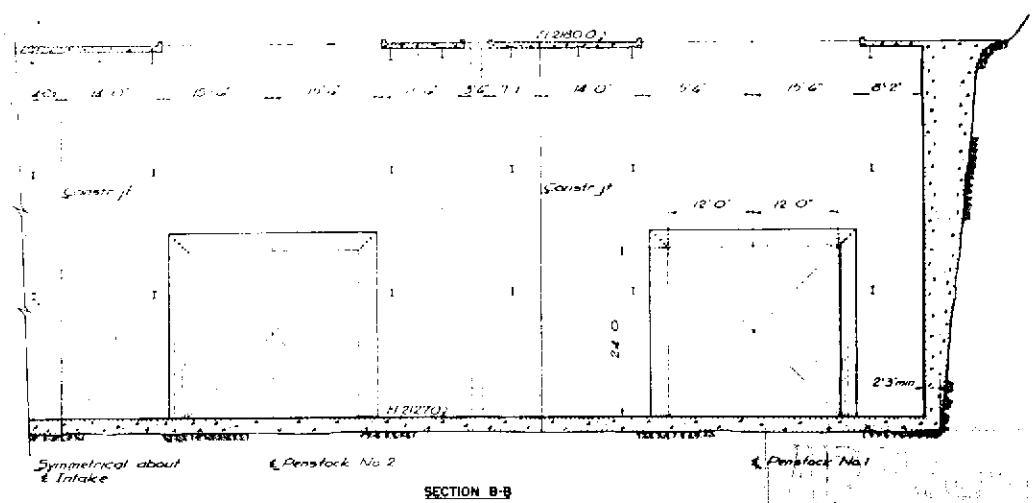
21783

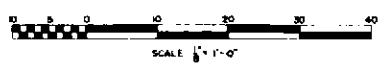
CABINET GORGE HE DEVELOPMENT
POWER HOUSE ROOF PLAN AND OPERATING FLOOR PL
THE WASHINGTON WATER POWER
SCALE ¼ = 1'-0"

APPLICATION FOR APPROVAL OF PLANS
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21858
CLARK FORK RIVER









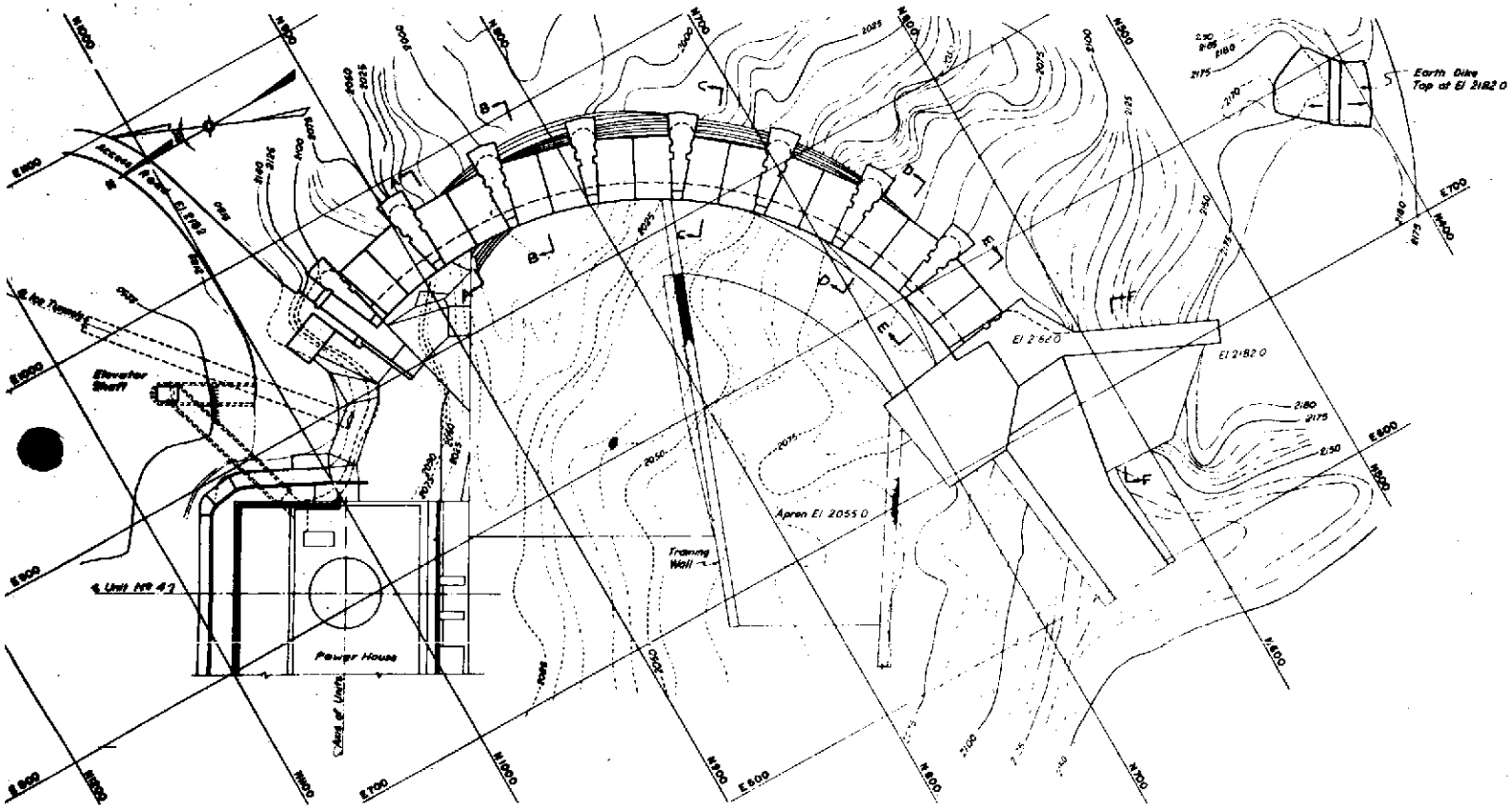
RECEIVED
MAR 20 1952

Mark R McNulty

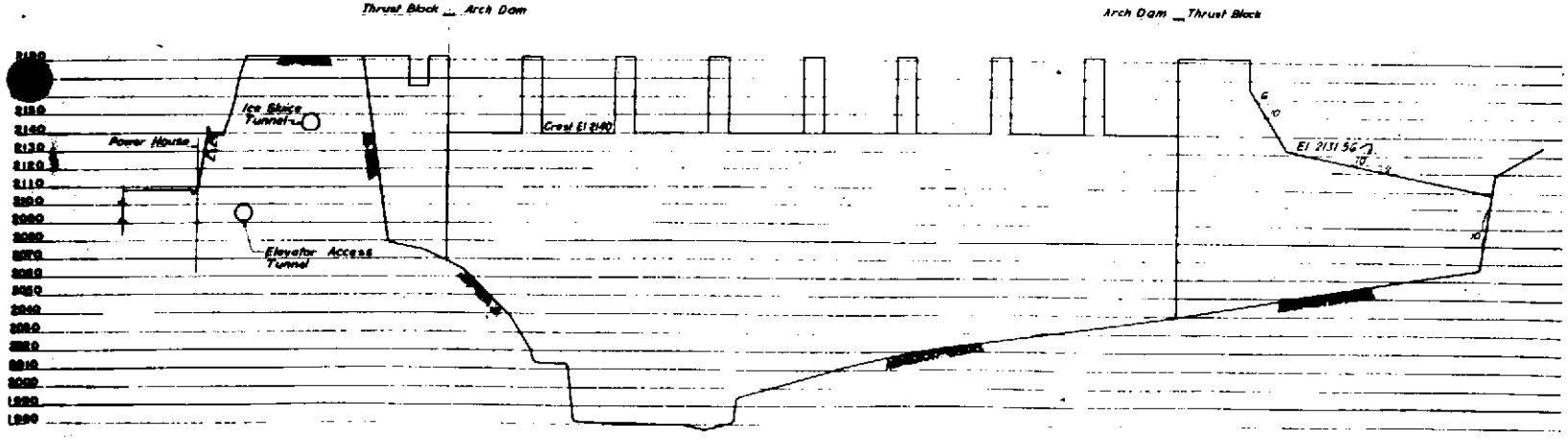
CABINET GORGE H.E. DEVELOPMENT
POWER HOUSE INTAKE - PLAN AND SECTIONS
THE WASHINGTON WATER POWER CO.
SCALE 1/8"=1'-0"

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER

F-106666



PLAN



DEVELOPED PROFILE ON BASE CIRCLE OF ARCH

SCALE : 1"=30'-0"

NOTES

These structures have been designed for pond level at El 2175.0

The analysis of this arch is based on method developed by W.Cain.

MAR 20 1952

Mark R Kulp

CARNEY GORGE H.E. DEVELOPMENT

DAM-PLAN AND PROFILE

THE WASHINGTON WATER POWER CO.

SCALE: 1"=30'-0"

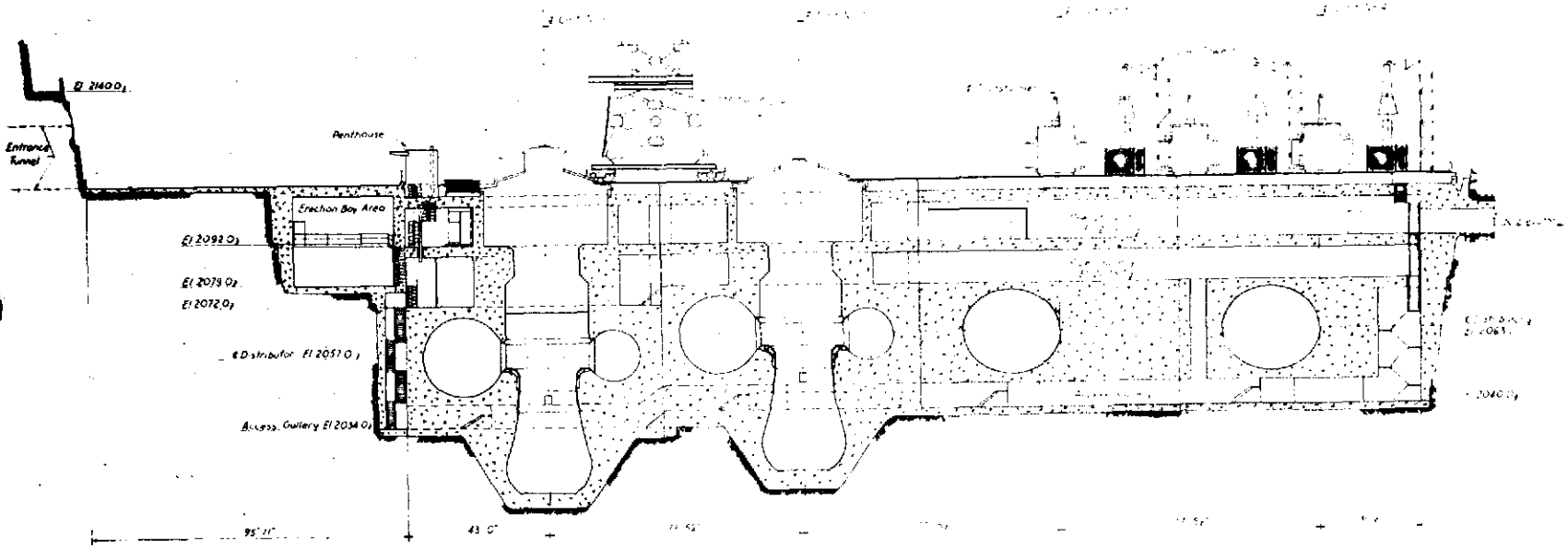
APPLICATION FOR APPROVAL OF DAM

STATE DEPARTMENT OF RECLAMATION

PERMIT NOS. 21783 & 21784

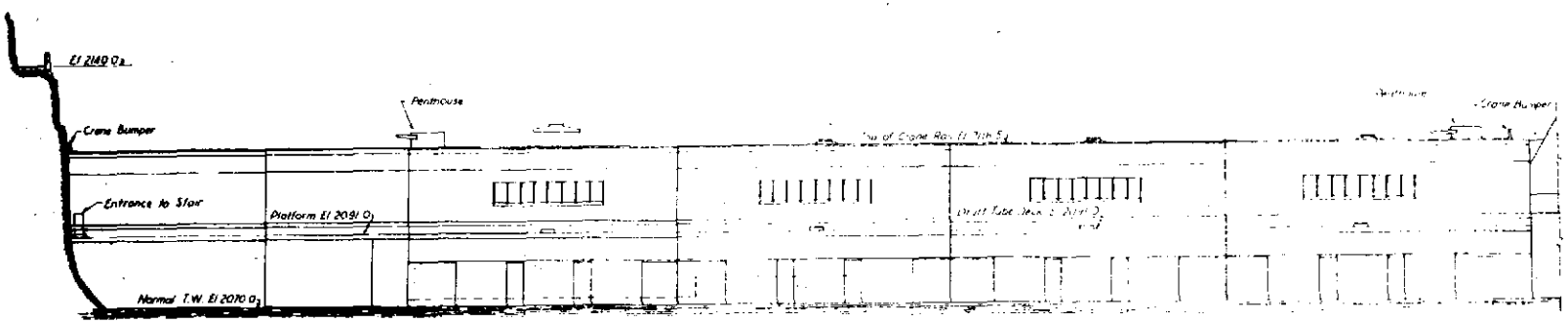
CLARK FORK RIVER

21783



LONGITUDINAL SECTION AT AXIS OF UNITS

LONGITUDINAL SECTION AT ACCESS GALLERY



DOWNSTREAM ELEVATION

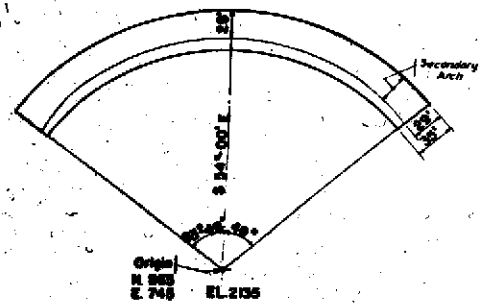
SCALE 1/8" = 1'-0"

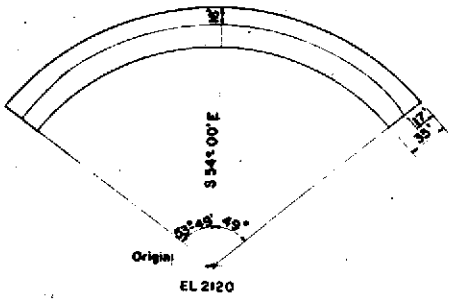
21783

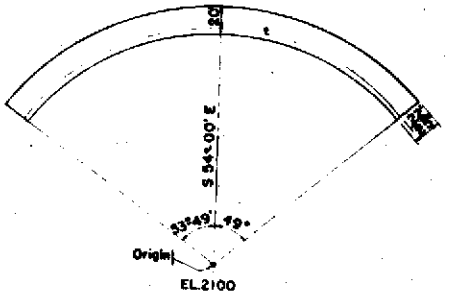
CABINET GORGE H.E. DEVELOPMENT
POWER HOUSE LONGITUDINAL SECTION AND DOWNSTREAM ELEVATION
THE WASHINGTON WATER POWER CO.
SCALE 1/8" = 1'-0"

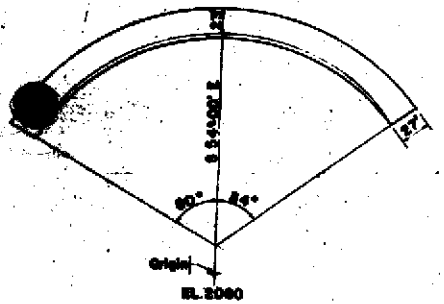
APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER

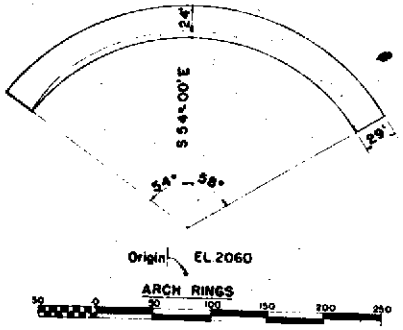
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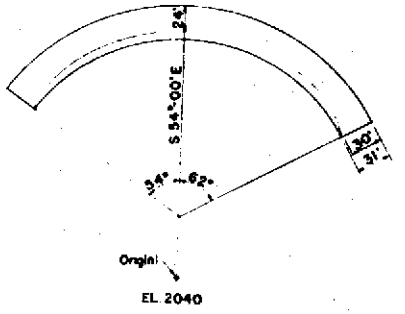








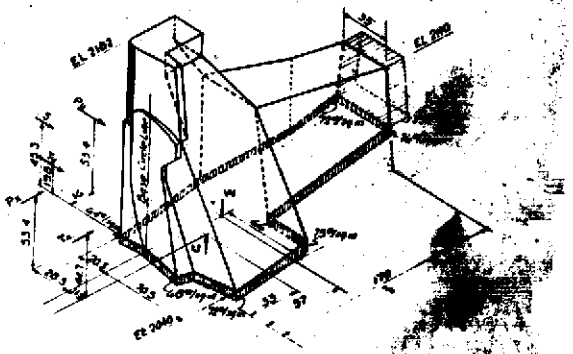




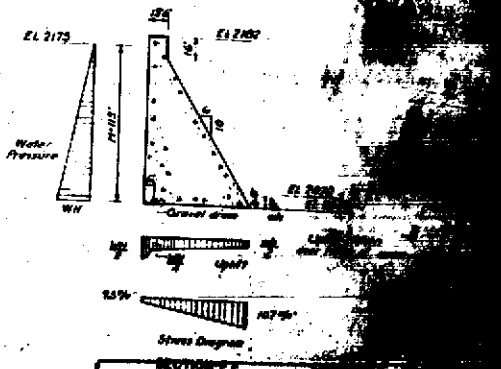
ARCH RINGS

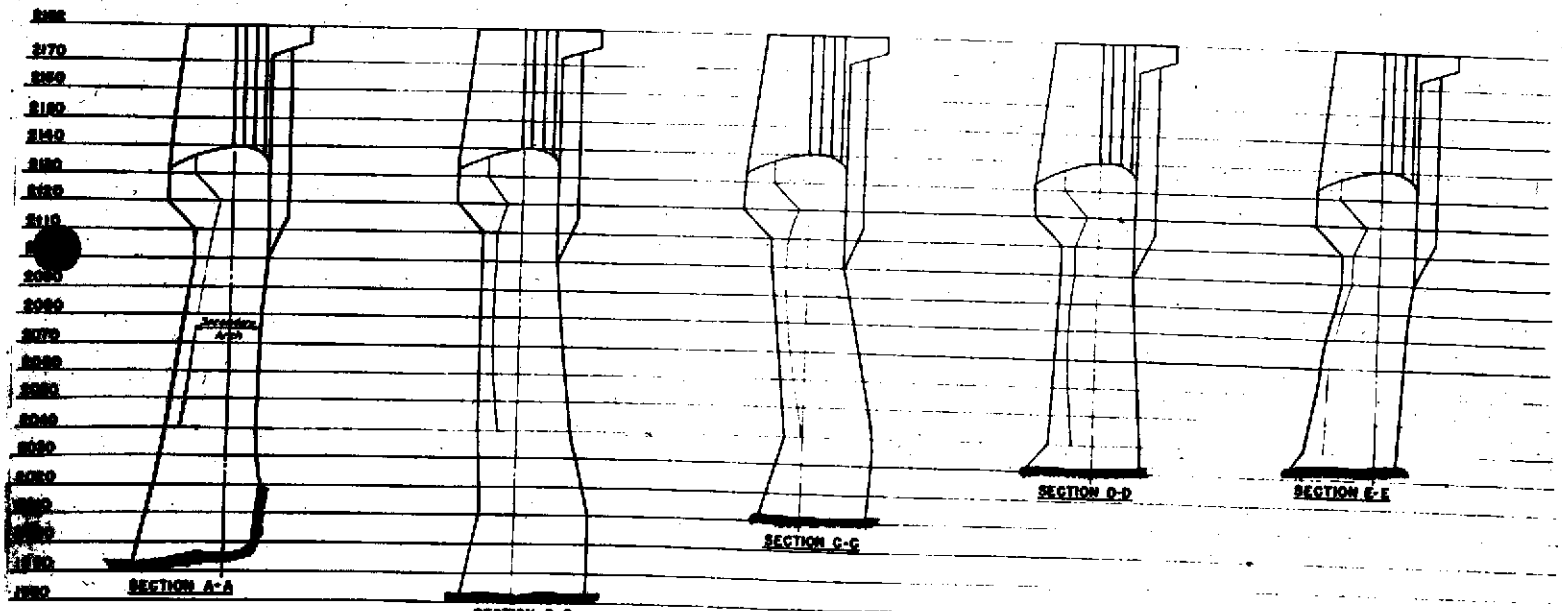
SCALE 1"=50'-0"

Tx = Longitudinal component of arch thrust = [illegible]
Ty = Transverse component of arch thrust = [illegible]
S = Arch shear = 5,800,000
Px = Longitudinal water load = [illegible]
Py = Transverse water load = [illegible]
U = Uplift = [illegible]
W = Wt. of block = 113,000,000



LEFT THRUST BLOCK





SECTION A-A

SECTION B-B

SECTION C-C

SECTION D-D

SECTION E-E

ARCH SECTIONS

SCALE 1"=20'-0"

APPROVED

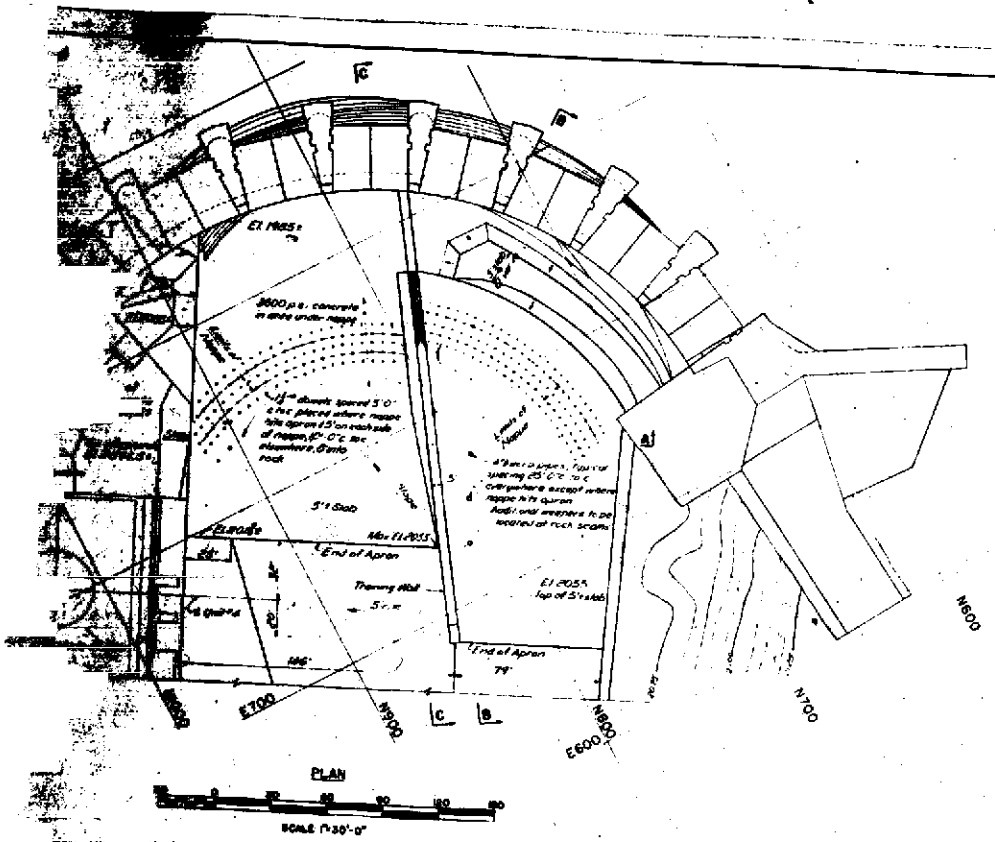
MAR 20

STATE RECLAMATION ENGINEER

THE WASHINGTON WATER P

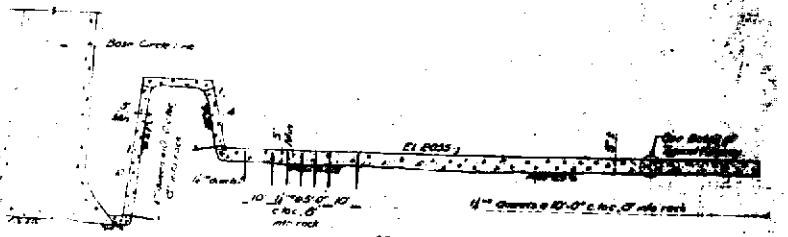
APPLICATION FOR A

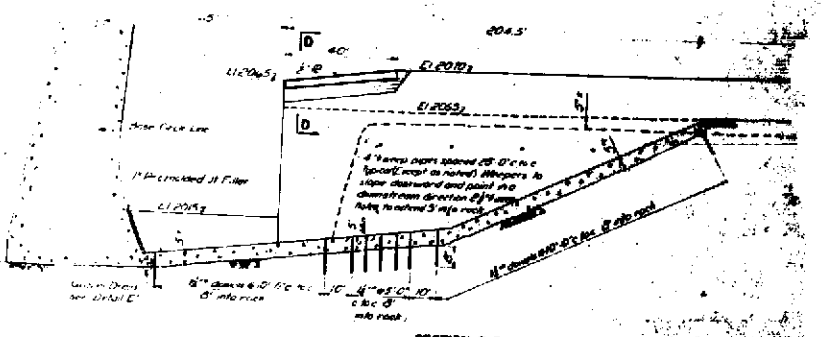
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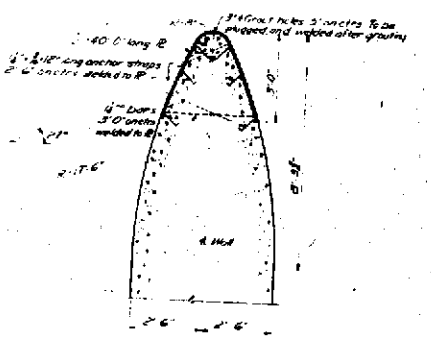


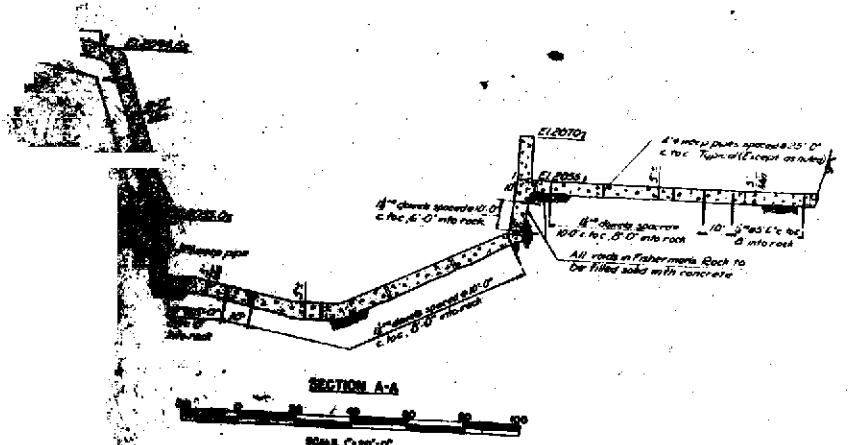
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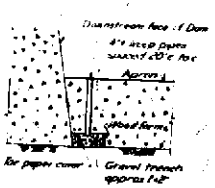
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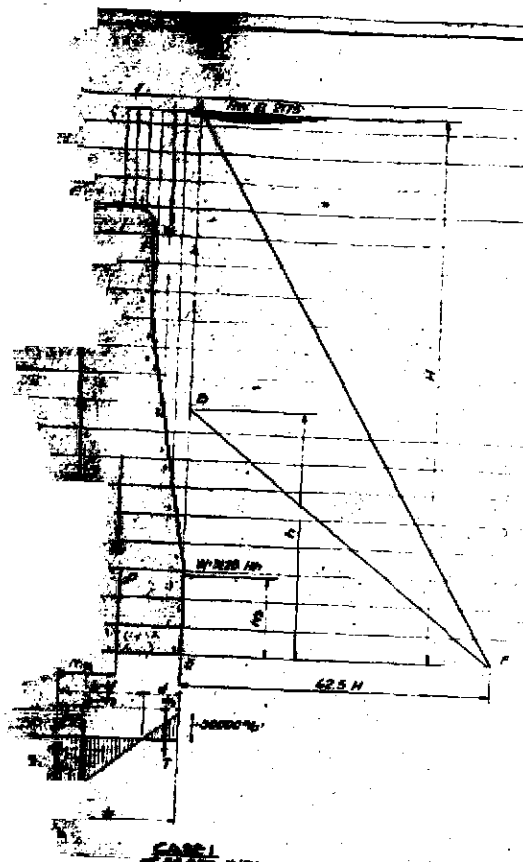


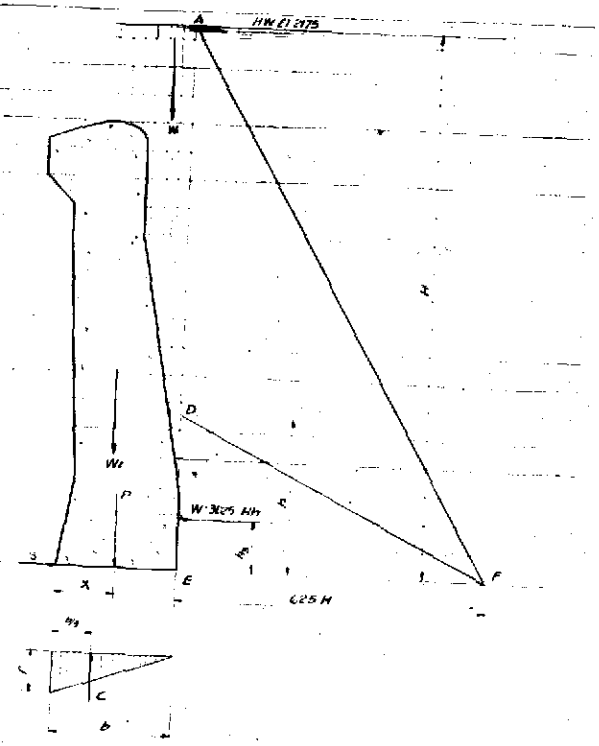




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CASE 1

[illegible] #/ft²

[illegible] of zero cantilever

[illegible] is applied by cantilever

[illegible] unit-width foot of section considered,

[illegible] pressures at upstream face of dam

[illegible] if resultant downstream or overhangs

[illegible]

[illegible] upstream edge to neutral axis

[illegible] downstream edge to P

[illegible]

[illegible] to base

P = [illegible]

C = [illegible]

[illegible] 15,000 #

[illegible]

[illegible] about downstream edge of

[illegible] upstream edge =

[illegible]

[illegible] = 1,140,800 ft-# ΣM = 15,830,000 ft-#

[illegible]

[illegible] per sq in at base = 87 #

CASE 2

For Zero Tension at Upstream Edge of Dam

$W_1 + W_2 = P$

(10) $P = C$

(11) $C = \frac{bf}{2}$ ∴ $f = \frac{2P}{b}$

(12) $\Sigma M = P_x - \frac{Cb}{3}$ Sub (10) in (12) then $\Sigma M = P_x - \frac{Pb}{3}$

Mw = ΣM of (13) $h = \sqrt{\frac{P_x - \frac{Pb}{3}}{.104 H}}$

For Maximum Section

$h = \sqrt{\frac{20,262,000 - \frac{967,000 \times 43}{3}}{.104 \times 195}} = 55.8'$

(11) $f = \frac{2 \times 967,000}{43} = 45,000$ #/ft²

NOTES - CASE 1 AND 2

A dam arched in plan and of less than gravity section will carry a part of the water pressure as a vertical cantilever before arch action takes place.

Case 1 shows the method employed to obtain an equivalent triangle (FDE) of water pressure under full water load per linear ft at the deepest section that will balance the resistance of the dam to overturning due to weights W + W1 and an assumed ultimate tensile stress in the concrete at the upstream edge of 30000 #/in² this remaining water pressure represented by triangle FAD being carried by arch action. The triangle of water pressure FDE is considered to be the greatest load that can be resisted by the section as a cantilever and it is found in order to conveniently compute the maximum shear 'S' and compression 'f' at the base of the dam.

Case 2 shows the method employed to obtain an equivalent triangle (FDE) of water pressure under the same assumptions as in Case 1 except that no tension is allowed in the concrete and a triangular distribution of pressure is assumed at the base, the result being that the height of cantilever action h under full water load is decreased to a minimum and the extent of arch action due to the remaining water pressure represented by triangle FAD reaches the maximum. This gives point 'D' which is the lowest elevation at which arch action alone exists and that sought for the investigation of the arch rings

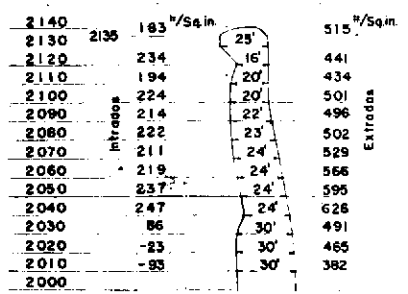
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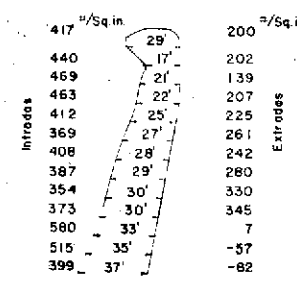
COL	ITEM	EL.2135	EL.2120	EL.2110	EL.2100	EL.2090	EL.2080	EL.2070	EL.2060	EL.2050	EL.2040
1	t_o = Thickness at Crown (ft.)	25.0	16.0	20.0	20.0	22.0	23.0	24.0	24.0	24.0	24.0
2	b = Thickness at Abt. (ft.)	29.0	17.0	21.0	22.0	25.0	27.0	28.0	29.0	30.0	30.0
3	$(t_o)^2$	625.0	256.0	400.0	400.0	484.0	529.0	576.0	576.0	576.0	576.0
4	$(b)^2$	841.0	289.0	441.0	484.0	625.0	729.0	784.0	841.0	900.0	900.0
5	R = Radius of Extrados (ft.)	232.5	232.5	232.5	232.5	222.0	211.5	206.0	200.5	195.0	189.5
6	r = R - $\frac{1}{2}t_o$ = Mean Radius (ft.)	220.0	224.5	222.5	222.5	211.0	200.0	194.0	188.5	183.0	177.5
7	$A = (r/t_o)^2$	7744.0000	196.87536	123.76563	123.76563	91.925537	75.614367	65.340278	61.681934	58.140625	56.698351
8	Q = Water Load in $^{\#}/_{\square'}$ on Ext.	5781.25	3437.5	4062.50	4687.50	5312.50	5937.50	6562.50	7187.50	7812.50	8437.50
9	$\beta_o = R$	134414.063	79921.875	94453.125	108984.375	117937.500	125578.125	131484.375	144109.375	152343.750	159890.625
10	$\beta_1 = R \div r$	29571.0938	17784.2969	21018.8203	24249.0234	24884.8125	25115.6250	26226.9750	27164.6172	27878.9063	28380.5469
11	2ϕ Central Angle	102°49'	101°49'	102°49'	102°49'	108°	114°	112°	112°	115°	116°
12	ϕ	51°24.50'	51°24.50'	51°24.50'	51°24.50'	54°	57°	56°	56°	57°30'	58°
13	COS ϕ = β_o in Radians	0.89726506	0.89726506	0.89726506	0.89726506	0.89247820	0.89483810	0.89713880	0.89713880	0.90356475	0.90229140
14	1.94ϕ	1.74065541	1.74065541	1.74065541	1.74065541	1.82840771	1.92998591	1.89612651	1.89612651	1.94659162	1.96384532
15	6ϕ	5.38534704	5.38534703	5.38534704	5.38534704	5.65486692	5.96902066	6.08643088	5.82430886	6.02138851	6.03737464
16	Sin 2ϕ	0.97500849	0.97500849	0.97500849	0.97500849	0.95105655	0.93554555	0.92718339	0.92718339	0.90603078	0.89587960
17	0.47 Sin 2ϕ	0.45822899	0.45822899	0.45822899	0.45822899	0.44699664	0.43993664	0.43577164	0.43577164	0.42596447	0.42128332
18	3 Sin 2ϕ	2.92525471	2.92525471	2.92525471	2.92525471	2.85531695	2.81065965	2.78155171	2.78155171	2.71809234	2.69635920
19	Sin ϕ	0.78161112	0.78161112	0.78161112	0.78161112	0.80951170	0.83567036	0.82903176	0.82903176	0.84339114	0.84508481
20	Sin ϕ / ϕ	0.87112294	0.87112294	0.87112294	0.87112294	0.85853935	0.84302722	0.84882203	0.84882203	0.84039564	0.83775710
21	12 $Sin^2\phi$ / ϕ	8.17058580	8.17058580	8.17058580	8.17058580	8.33345116	8.48422152	8.43364780	8.43364780	8.50538891	8.52543674
22	1-(Sin ϕ / ϕ)	0.12887656	0.12887656	0.12887656	0.12887656	0.14146467	0.15697780	0.15177973	0.15177973	0.15960840	0.16224903
23	Cos ϕ	0.62737659	0.62737659	0.62737659	0.62737659	0.58775853	0.54463990	0.55591929	0.55591929	0.53729996	0.53299193
24	Sin ϕ / ϕ - Cos ϕ	0.24735754	0.24735754	0.24735754	0.24735754	0.27260603	0.29836370	0.28902737	0.28902737	0.30309600	0.30783167
25	C_1	3.62426811	3.62426811	3.62426811	3.62426811	3.27827194	2.93612430	3.04419360	3.04419360	2.88417961	2.83360797
26	C_2	9.28127093	9.28127093	9.28127093	9.28127093	7.91271880	6.65611086	7.04181924	7.04181924	6.47425856	6.29937160
27	$K_o = (A+C_1)/(A+C_2)$	0.95476799	0.97255977	0.96746114	0.96746114	0.95596733	0.95476346	0.94471052	0.94183559	0.94445882	0.94318208
28	$K_1 = 1 - Cos\phi + K_o Cos\phi$	0.95939049	0.96688378	0.97346118	0.97346118	0.97213400	0.97537331	0.96911607	0.96741487	0.97016780	0.96989109
29	$P_o = Q.R.K_o$	1256.460	777.868	904.371	1049.505	1126.647	1198.999	1277.212	1357.273	1438.734	1508.060
30	$M_o = Q.R.r.(K_o - 1)(1 - Sin\phi/\phi)$	-2486.006	-1345.177	-1751.601	-1328.770	-1634.634	-1782.705	-2198.882	-2398.141	-2472.248	-2616.308
31	$P_1 = Q.R.K_1$	1869.448	1265.539.10	1519.481	1060.939	1147.918	1224.856	1310.124	1398.222	1471.956	1550.765
32	$M_1 = Q.R.r.(1 - K_1)(1 - Sin\phi/\phi - Cos\phi)$	4771.482	1217.655	2210.910	2550.957	3123.759	3388.564	4186.472	4566.673	4634.911	4963.665
33	$P_o / 144 t_o$	3.490	3.374	3.140	3.623	3.550	3.620	3.639	3.927	4.163	4.364
34	$6M_o / 144 t_o^2$	-1.657	-1.013	-1.200	-1.384	-1.407	-1.404	-1.590	-1.735	-1.768	-1.893
35	$R / 144 t$	3.088	3.270.9	3.04.0	3.349	3.187	3.150	3.249	3.338	3.421	3.590
36	$e = M_o / P_o$	3.700	1.550	2.404	2.404	2.725	2.767	3.195	3.275	3.177	3.201
37	a = Up Stream Add. at Abt.	0	0	0	0	0	0	0	0	0	0
38	b = Down Stream Add. at Abt.	4	1	1	2	3	4	4	5	6	6
39	$a+e-\frac{1}{2}(b-a)$	1.700	1.050	1.904	1.404	1.223	0.767	1.195	0.775	0.177	0.201
40	$6 R.a. / 144 t^2$	108.6	119.0	165.4	128.2	93.5	53.7	83.2	53.6	12.1	14.4
41	Se $\frac{P_o}{144 t_o} - \frac{6 M_o}{144 t_o^2}$	Se	515	441	434	501	496	502	529	566	626
42	Si	Si	183	234	194	224	214	222	211	219	237	247	491
43	Se $\frac{R}{144 t} + \frac{6 R a}{144 t^2}$	Se	200	902	139	207	225	261	242	280	330	345	626
44	Si	Si	417	440	469	463	412	369	408	387	354	373	280

COL	ITEM	EL.2030	EL.2020	EL.2010
1	t_o = Thickness at Crown (ft.)	30.0	30.0	30.0
2	R = Radius of Extrados (ft)	177.0	154.7	137.2
3	R_i = Radius of Intrados (ft)	142.0	124.7	107.2
4	r = Mean radius = $R - \frac{1}{2}t_o$	157.0	139.7	122.2
5	R/R_i	1.2112676	1.2405771	1.2798507
6	$2.30258509 \log_{10} R/R_i$	0.1916474	0.2155770	0.2467434
7	$r_n = t_o / 2.30258509 \log_{10} R/R_i$	156.521132	139.16143	121.583794
8	$R(2.30258509 \log_{10} R/R_i)$	32.946734	33.349782	33.853.959
9	$R_i(2.30258509 \log_{10} R/R_i)$	27.247722	26.882451	26.945.0936
10	r_n^2	24498.8648	19345.8989	14782.690
11	C = r - r_n	0.478648	0.538387	0.616206
12	$^r/_{r_n}$	1.0030594	1.0038703	1.0050681
13	$^{r_n}/_R$	0.9100065	0.8995566	0.8861792
14	$^{r_n}/_{R_i}$	1.102264	1.115396	1.1341778
15	2ϕ	101°00'	85°00'	72°00'
16	ϕ	50°30'	42°30'	36°00'
17	0.0174533 ϕ = ϕ in Radians	0.881391	0.741765	0.628328
18	$\frac{1}{2}$ sin 2ϕ	0.490813	0.498097	0.475528
19	$\phi + \frac{1}{2}$ sin 2ϕ	1.371205	1.239862	1.103647
20	$\phi - \frac{1}{2}$ sin 2ϕ	0.391587	0.243467	0.152791
21	cos 2ϕ	-0.190809	0.087155	0.309017
22	1-cos 2ϕ	1.190809	0.912844	0.690983
23	$\frac{1}{2}\phi$ (1-cos 2ϕ)	1.351655	1.230637	1.093733
24	$k^2 = t_o^2 / r$	75.00	75.00	75.00
25	$I = t_o^3 / 12$	2250.00	2250.00	2250.00
26	k^3/r_n^2	1.003067	1.003872	1.005073
27	$I + k^3/r_n^2$	1.003067	1.003872	1.005073
28	$2.88 {}^{k^3}/_{r_n} (\phi - \frac{1}{2}\sin 2\phi)$	0.003454	0.003778	0.002243
29	$(\phi + \frac{1}{2}\sin 2\phi)[1 + {}^{k^3}/_{r_n^2}]$	1.374406	1.244664	1.109447
30	Dn = (29)*(28) - (23)	0.002880	0.001675	0.001581
31	Pe = Water load in $^{\#}/_{\square'}$ on Ext.	9062.50	9687.50	10312.50
32	$P_e R$	1.603.750	1.498.656	1.414.875
33	$P_e R / Dn$	556.144	802.356	894.584
34	cos ϕ	0.634078	0.737277	0.809017
35	sin ϕ	0.771624	0.675590	0.587785
36	sin $\phi / \frac{1}{2}$	0.875461	0.750918	0.670957
37	1 - sin ϕ / ϕ	0.124538	0.089279	0.064511
38	2 sin ϕ	1.543249	1.351180	1.175570
39	$X = P_e R / D_n (2 \sin\phi) k^3/r_n^2$	755.660.90	1.080.556.30	1.056.872.94
40	$X r_n$	400.162	710.651	3.528.288.580
41	X cos ϕ	1.626.207	1.345.084.791	570.913.018
42	sin $\phi / \frac{1}{2}$ - cos ϕ	0.239383	0.461.735	0.126.471.96
43	$M_0 = -X r_n (1 - \sin\phi/\phi)$	-498.3560	-581.0909	-535.5056
44	$M_1 = X r_n (\sin\phi/\phi - \cos\phi)$	957.9233	1130.1608	1085.313.2
45	$P_0 = P_e R - X$	1303.090	1030.601	769.188
46	$P_1 = P_e R - X \cos\phi$	1.396.130	1.153.563	843.962
47	$Mg/_{\frac{1}{2}}$	-2214.9155	-2582.6264	-2460.0249
48	$\frac{1}{2}t_o + C$	15.478868	15.538587	15.616206
49	$\frac{1}{2}t_o - C$	14.521132	14.461413	14.383794
50	$^{Mo}/_{\frac{1}{2}} (\frac{1}{2}t_o + C)\ ^{r_n}/_R$	-31.199.0	-36.099.5	-34.043.7
51	$Mo/_{\frac{1}{2}} (\frac{1}{2}t_o - C)\ ^{r_n}/_{R_i}$	-35.452.1	-41.679.7	-40.132.3
52	$P_o / (R 2.30258509 \log_{10} R/R_i)$	39.527.3	30.902.8	29.048.9
53	$P_o / (R_i 2.30258509 \log_{10} R/R_i)$	47.819.2	38.337.3	36.811.5
54	Crown $\frac{(-(50)+(52))}{144}$ Se	+491	+465	+382
55	$\frac{(51)+(53))}{144}$ Si	+86	-23	-93
56	t_1 = Thickness at Abt (ft)	33	35	37
57	a = Upstream add. at Abt.	0	0	0
58	b = Downstream add at Abt.	3	5	7
59	$M_1 / P_1 = e$	6.861	9.797	12.858
60	$e_1 = e - \frac{1}{2}(b-a)$	5.361	7.297	9.358
61	$P_1 / 144 t_1$	293.8	228.9	158.4
62	$6 P_1 e_1 / 144 t_1^2$	264.4	284.4	240.4
63	Se $\frac{P_1}{144 t_1} - \frac{6 P_1 e_1}{144 t_1^2}$	Se	+7	-57	-82
64	Si	Si	+580	+515	+399

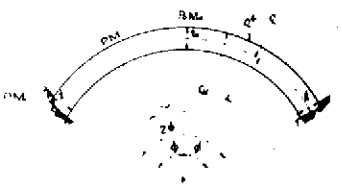
Se Stress in lbs. per sq. in extrados
Si Stress in lbs. per sq. in intrados
(+) Indicates compression
(-) Indicates tension



CROWN SECTION



ABUTMENT SECTION



TYPICAL DIAGRAM SHOWING NOTATION USED IN FORMULAS

NOTES

These computations are made under the assumption that the arches shall take the full water pressure and are based on the method developed by William Cain (Paper No. 1483, Transactions, ASCE 1922)

In accordance with Cain:

$P = pr - (pr - P_o)\cos\alpha$

$M = r(pr - P_o)\left[\frac{\sin^2\phi}{\phi} - \cos\alpha\right]$ where $pr = P_o R$

$pr - P_o = 2\sin\phi \left[\frac{\phi}{D_o} \frac{k^2}{r} p\right]$

$D_o = D + 2.88 \frac{k^3}{r^3} \phi\left(\phi - \frac{1}{2}\sin 2\phi\right)$

$D = \left(1 + \frac{k^3}{r^3}\right)\phi\left(\phi + \frac{1}{2}\sin 2\phi\right) - 2\sin^2\phi$

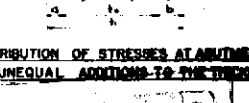
$k^2 = \frac{1}{12} t_o^2$

Constants C_1 and C_2 are derived from the above formulas

$C_1 = \frac{1.94\phi - 0.47\sin 2\phi - \sin\phi}{6\phi + 3\sin 2\phi - \frac{12\sin^2\phi}{\phi}}$

$C_2 = \frac{1.94\phi - 0.47\sin 2\phi}{6\phi + 3\sin 2\phi - \frac{12\sin^2\phi}{\phi}}$

Formulas for computing the thick arches at EL 2030 - 2010 were taken from Paper No. 1603 by B.F. Jakobsen, Transactions, ASCE 1927



REDISTRIBUTION OF STRESSES AT ABUTMENTS FOR UNEQUAL ADDITIONS TO THE THICKNESS

MAR 20 1952

Mark Kulp
CHIEF DESIGNING ENGINEER

CABINET GORGE H.E. DEVELOPMENT
DAM - WATER LOAD STRESSES IN DAM
THE WASHINGTON WATER POWER CO.

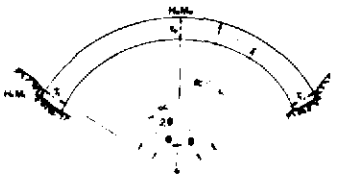
APPLICATION FOR APPROVAL OF DAMS
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21868
CLARK FORK RIVER

21783

THRUST AND MOMENT PER 1°F RISE OR FALL OF TEMPERATURE AT CROWN AND ABUTMENT IN POUNDS PER SQ. FT. BY W. CAIN'S FORMULAS

Col.	ITEM	EL. 2135	EL. 2120	EL. 2110	EL. 2100	EL. 2090	EL. 2080	EL. 2070	EL. 2060	EL. 2050	EL. 2040
1	t_c=Thickness at Crown	25.0	16.0	20.0	20.0	22.0	23.0	24.0	24.0	24.0	24.0
2	t_a=Thickness at Abutment	29.0	17.0	21.0	22.0	25.0	27.0	28.0	29.0	30.0	30.0
3	$(t_c)^2$	625.0	256.0	400.0	400.0	484.0	529.0	576.0	576.0	576.0	576.0
4	$(t_a)^2$	841.0	289.0	441.0	484.0	625.0	729.0	784.0	841.0	900.0	900.0
5	r=Mean Radius	220.00	224.50	222.50	221.00	220.00	219.00	218.50	218.00	217.50	217.50
6	r^2 of Crown	48400.00	50400.25	49506.25	49506.25	48521.00	48000.00	47636.00	47524.25	47334.00	47306.25
7	2ϕ= Central Angle	102°45'	102°45'	102°45'	102°45'	108°00'	114°00'	112°00'	112°00'	115°00'	116°00'
8	ϕ=½ Central Angle in Degrees	51°24'30"	51°24'30"	51°24'30"	51°24'30"	54°00'00"	57°00'00"	56°00'00"	56°00'00"	57°30'00"	58°00'00"
9	ϕ in radians=r 0.0174533	0.89724506	0.89724506	0.89724506	0.89724506	0.94247820	0.99483810	0.97738480	0.97738480	1.00356475	1.01229140
10	Sin 2ϕ	0.9750849	0.9750849	0.9750849	0.9750849	0.9510565	0.9135455	0.9271839	0.9271839	0.9063078	0.8987940
11	Cos 2ϕ	-0.2218321	-0.2218321	-0.2218321	-0.2218321	-0.3090170	-0.4067366	-0.3746066	-0.3746066	-0.4226183	-0.4383711
12	Sin ϕ	0.7816112	0.7816112	0.7816112	0.7816112	0.8090170	0.8386706	0.8290376	0.8290376	0.8433914	0.8480481
13	Cos ϕ	0.6237659	0.6237659	0.6237659	0.6237659	0.5877853	0.5446390	0.5591929	0.5591929	0.5372996	0.5299193
14	Cos ∝ Crown, ∝ = 0	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
15	Cos ϕ Abutment	0.6237659	0.6237659	0.6237659	0.6237659	0.5877853	0.5446390	0.5591929	0.5591929	0.5372996	0.5299193
16	$\frac{\sin\phi}{\phi}$	0.8711234	0.8711234	0.8711234	0.8711234	0.8583933	0.8430282	0.8482204	0.8482204	0.8403952	0.8377510
17	$\phi+\frac{1}{2}\sin 2\phi$	1.3847875	1.3847875	1.3847875	1.3847875	1.4180065	1.4516159	1.4409768	1.4409768	1.4567187	1.4616884
18	$R^2=\frac{t_c t_a}{2}$	52.083333	21.333333	33.333333	33.333333	40.333333	44.083333	48.000000	48.000000	48.000000	48.000000
19	$\frac{R^2}{r^2\phi}$	0.00107610	0.00042328	0.00067332	0.00067332	0.00090594	0.00110208	0.00127537	0.00135089	0.00143331	0.00152351
20	$1+\frac{R^2}{r^2\phi}$	1.00107610	1.00042328	1.00067332	1.00067332	1.00090594	1.00110208	1.00127537	1.00135089	1.00143331	1.00152351
21	$(\phi+\frac{R^2}{r^2\phi})(\phi+\frac{1}{2}\sin 2\phi)$	1.3862777	1.3853737	1.3857199	1.3857199	1.4192911	1.4532107	1.4426146	1.4429234	1.4588066	1.4639153
22	$\frac{1}{2\phi}(1-\cos 2\phi)$	1.3617556	1.3617596	1.3617596	1.3617596	1.3889096	1.4140357	1.4064129	1.4064129	1.4175650	1.4203062
23	$D_w=(1+\frac{R^2}{r^2\phi})(\phi+\frac{1}{2}\sin 2\phi)-(\cos^2\phi)\frac{t_c+t_a}{t_c}$	0.0245181	0.0236141	0.0239603	0.0239603	0.0303815	0.0391750	0.0364017	0.0365105	0.0412516	0.0430091
24	$2\sin\phi$	1.5632224	1.5632224	1.5632224	1.5632224	1.6180340	1.6715412	1.6580752	1.6580752	1.6867828	1.6960961
25	$2R\sin\phi/D_w$	63.757893.1	66.196863	65.242188.1	65.242188.1	53.257212.4	42.816625	45.549359.1	45.413653.6	40.906032.9	39.465759
26	$E\alpha\times T^\circ \quad T^\circ=F$	34.56	34.56	34.56	34.56	34.56	34.56	34.56	34.56	34.56	34.56
27	$\frac{1}{(\phi+(R^2/r\phi))t_a}$	0.0263025	0.0067725	0.0134663	0.0134663	0.0199307	0.0253478	0.0306089	0.0324214	0.0343994	0.0356542
28	$H_w=\frac{2R\sin\phi}{D_w}E\alpha T^\circ\frac{1}{(\phi+(R^2/r\phi))t_a}$ Crown	5.92789	1.54943	3.03634	3.03634	3.66838	3.71082	4.81641	5.38853	4.86257	4.95335
29	$(1-\sin\phi/\phi)r$ Crown	28.3529520	28.9327967	28.6750435	28.6750435	29.8790137	31.3955600	29.4452618	28.6104735	29.2016042	28.7899875
30	$M_w=H_w(1-\sin\phi/\phi)$Crown Mom.	168.07266	44829.36	87067.21	87067.21	109607.68	117753.15	141879.43	145585.12	141,918.1	142,5[illegible]
31	H_w/t_a	237.18	96.84	151.82	151.82	166.74	163.08	200.77	201.20	202.60	207.64
32	$6M_w/t_a^2$	1613.50	1050.69	1306.01	1306.01	1358.77	1335.64	1477.91	1516.51	1479.36	1494.16
33	H_w+6M_w/t_a Crown	3697.62	2966.48	1893.97	1893.97	2156.22	2042.84	2694.42	2845.47	2612.55	2640.76
34	$(\cos\phi-\sin\phi/\phi)$	-.2473575	-.2473575	-.2473575	-.2473575	-.2706080	-.2983832	-.2890274	-.2890274	-.3030960	-.3078317
35	$M=H_w r(\cos\phi-\sin\phi/\phi)$	-322587.98	-82042.60	-167111.23	-167111.23	-209458.41	-223836.44	-270174.75	-277231.53	-269699.14	-272,685.06
36	$M_w/H_w=e$	-87.248	-89.027	-88.233	-88.233	-97.141	-109.571	-100.272	-97.429	-103.232	-103.110
37	$e=e-e/2$	-89.242	-89.527	-88.733	-89.233	-98.641	-111.571	-102.272	-99.929	-106.232	-106.110
38	H_w/t_a	127.50	56.85	90.19	86.09	86.25	75.66	96.23	98.12	86.03	98.53
39	$6M_w/t_a^2$	-235.422	-179.639	-228.651	-209.511	-204.185	-187.590	-210.691	202.862	185.025	-184.958
40	S $H_w/t_a \pm 6M_w/t_a^2$ Sc	+.956	+.662	+.802	+.828	+.814	+.887	+.906	+.887	+.854	
41	$H_w/t_a \mp 6M_w/t_a^2$ Si	-1.285	-.797	-.1012	-.1012	-.1059	-.1041	-.1146	-.1200	-.1168	-.1182
42	S $H_w/t_a \pm 6M_w/t_a^2$ Sc	-17.23	-12.87	-16.50	-15.15	-14.78	-13.55	-15.31	-14.77	-13.45	-13.58
43	$H_w/t_a \mp 6M_w/t_a^2$ Si	+15.46	+12.08	+15.25	+13.95	+13.58	+12.50	+13.98	+13.41	+12.44	+12.36

NOTE: S_c and S_i are in psi for a 1°F fall of temp.



TYPICAL DIAGRAM SHOWING NOTATION USED IN FORMULAS

FORMULAS AND ASSUMPTIONS

In accordance with Cain:

$D_w=(\phi+\frac{\sin 2\phi}{2})(1+\frac{R^2}{r^2})-\frac{1-\cos 2\phi}{\phi}$

Arches fixed at abutments and symmetrical.
Poissons ratio = 0
Shear = 0
Cantilever effect = 0
L = Length of arch
E = Modulus of elasticity = 4 000 000 #/sq.in.
c = Coefficient of expansion, 1°F = 0.000006
Ec = 24.0 #/sq.in.
T° = Range of temperature in degrees Fahrenheit
Rise of temperature considered positive (+)
Fall of temperature considered negative (−)
(+) indicates compression
(−) indicates tension
Swelling is considered positive
Arch shortening is considered negative
Swelling coefficient = 0.0001

Arch shortening coefficient = $\frac{\text{Average unit compr.}}{E}$

Swelling = Equivalent temp. change = $\frac{.0001\,L}{cL}$

Arch shortening = Equiv. temp. change = $\frac{\text{Av. unit compr.}}{cE}$

Σ = Sum of equivalent temp. changes due to swelling and arch shortening

	WATER LOAD				TEMP FALL +E				WATER LOAD + TEMP FALL + E			
Elevation	Crown		Abutment		Crown		Abutment		Crown		Abutment	
	Ext.	Int.	Ext.	Int.	Ext.	Int.	Ext.	Int.	Ext.	Int.	Ext.	Int.
2135	+515	+183	+200	+417	+139	-186	-250	+224	+654	-3	-50	+641
2120	+441	+234	+202	+440	+86	-104	-167	+137	+527	+130	-35	+577
2110	+434	+194	+133	+469	+96	-121	-198	+183	+530	+73	-59	+652
2100	+501	+224	+207	+463	+88	-111	-167	+153	+589	+113	+40	+616
2090	+496	+214	+225	+413	+83	-106	-148	+136	+579	+108	-77	+548
2080	+502	+222	+261	+369	+73	-94	-122	-113	+575	+128	+139	+482
2070	+529	+211	+242	+408	+71	-93	-123	+112	+600	+118	+119	+520
2060	+566	+219	+280	+387	+63	-84	-103	-94	+629	+135	+177	+481
2050	+593	+237	+330	+354	+53	-70	-81	+73	+648	+167	+249	+427
2040	+626	+247	+345	+373	+45	-59	-68	+62	+671	+188	+277	+435

NOTE: Stresses are in psi

Equiv Temp Changes

Elevation	Temp Fall	Swelling	Arch Shortening	Temp. Fall +Σ
2135	-16.6	+16.6	-14.5	-14.5
2120	-15.6	+16.6	-14.0	-13
2110	-15.5	+16.6	-13.1	-12
2100	-12.5	+16.6	-15.1	-11
2090	-11.6	+16.6	-14.8	-10
2080	-10.5	+16.6	-15.1	-9
2070	-9.2	+16.6	15.4	-8
2060	-7.2	+16.6	-16.4	-7
2050	-5.2	+16.6	-17.4	-6
2040	-3.4	+16.6	-18.2	-5

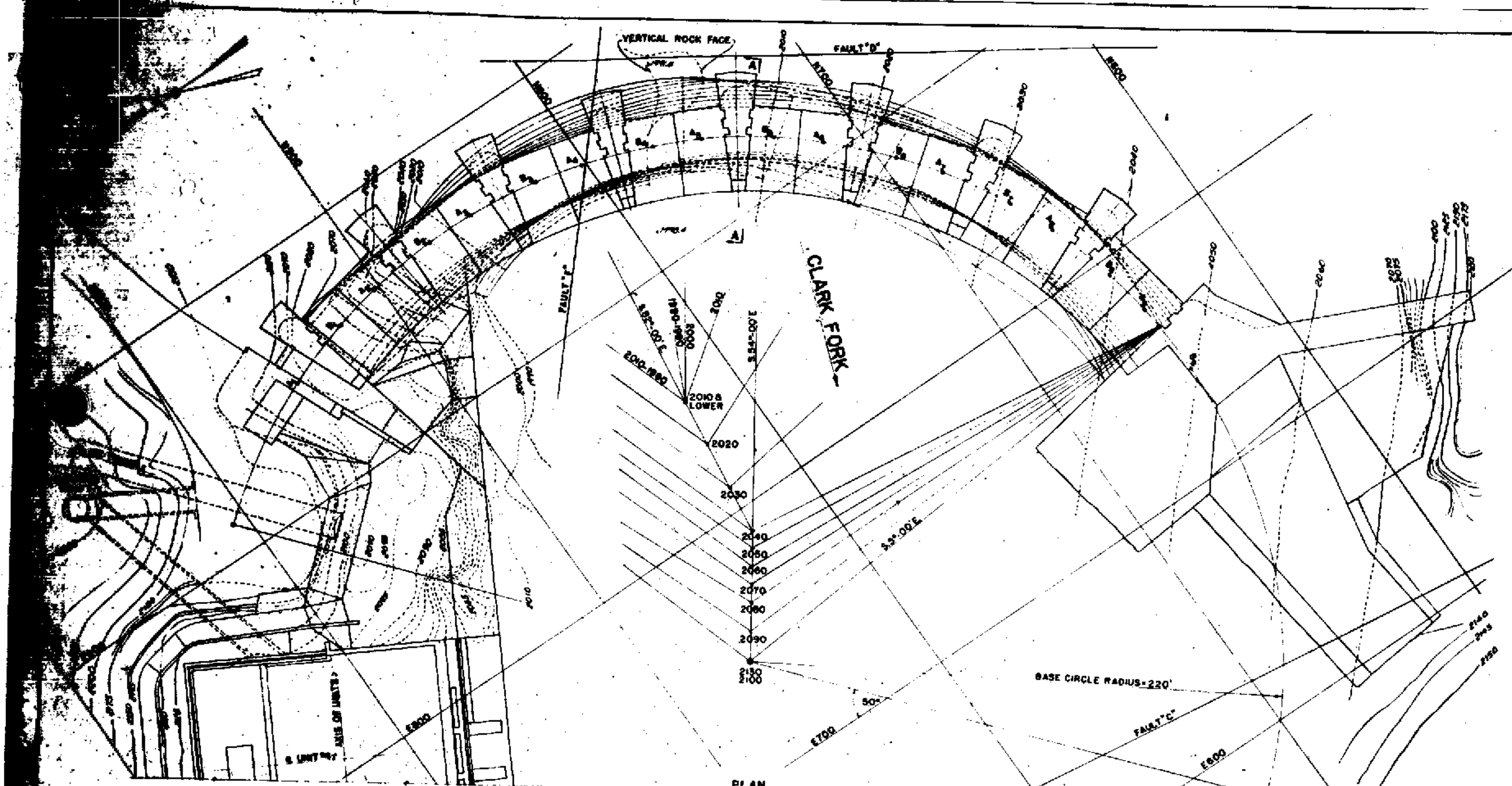
21783

APPROVED
MAR 20 1952
STATE RECLAMATION ENGINEER

CABINET GORGE H.E. DEVELOPMENT
DAM - TEMPERATURE AND COMBINED STRESSES IN DAM
THE WASHINGTON WATER POWER CO.
NO SCALE

APPLICATION FOR APPROVAL OF DAM
IDAHO STATE DEPARTMENT OF RECLAMATION
PERMIT NOS. 21783 & 21828
CLARK FORK RIVER
SHEET 7 OF 14 SHEETS

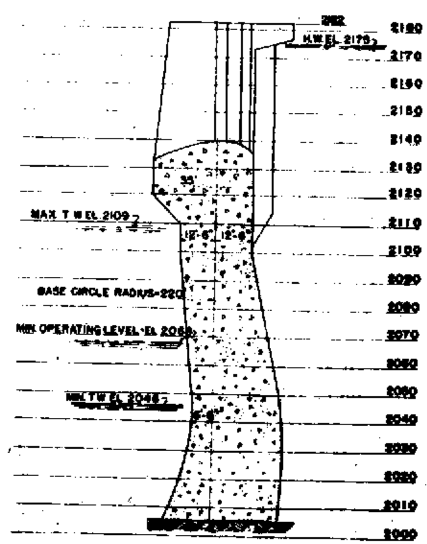
F-15



PLAN

SCALE 1"=20'-0"

ELEVATION (Feet)	CROWN THICKNESS in (Ft)	ABUTMENT THICKNESS (Ft) LEFT	ABUTMENT THICKNESS (Ft) RIGHT	R.L.	t/R	CENTRAL ANGLE	WATER HEAD (Ft)	ADD. TO ABT. EXT. (Ft) LEFT	ADD. TO ABT. EXT. (Ft) RIGHT	ADD. TO ABT. INT. (Ft) LEFT	ADD. TO ABT. INT. (Ft) RIGHT	Water Load Stresses (psi) CROWN EXT.	Water Load Stresses (psi) CROWN INT.	Water Load Stresses (psi) ABUTMENT EXT.	Water Load Stresses (psi) ABUTMENT INT.	Fall of Temp. Stresses (psi) CROWN EXT.	Fall of Temp. Stresses (psi) CROWN INT.	Fall of Temp. Stresses (psi) ABUTMENT EXT.	Fall of Temp. Stresses (psi) ABUTMENT INT.	Combined Stresses (psi) CROWN EXT.	Combined Stresses (psi) CROWN INT.	Combined Stresses (psi) ABUTMENT EXT.	Combined Stresses (psi) ABUTMENT INT.
[illegible]	16	35	35	219		102°-49'		—	—	—	—												
[illegible]	45	29	29	220	0.114	102°-49'	92.5	—	—	4	4	+515	+193	+200	+417	+139	-186	-250	+224	+654	-3	-50	+641
[illegible]	22	35	39	216		102°-49'		—	—	—	—												
[illegible]	16	17	17	224.5	.071	102°-49'	55	—	—	1	1	+441	+234	+202	+440	+86	-104	-167	+157	+527	+130	+35	+597
[illegible]	22	25	25	220		102°-49'		—	—	—	—												
[illegible]	20	21	21	222.5	.09	102°-49'	65	—	—	1	1	+434	+194	+139	+469	+96	-121	-198	+183	+530	+73	-59	+652
[illegible]	29	29	25	220		102°-49'		—	—	—	—												
[illegible]	22	22	22	222.5	.09	102°-49'	78	—	—	2	2	+501	+224	+207	+463	+88	-111	-167	+153	+569	+113	+40	+616
[illegible]	22	29	25	209		109°		—	—	—	—												
[illegible]	22	25	25	211	.104	109°	65	—	—	3	3	+496	+214	+225	+412	+83	-106	-148	+136	+579	+108	+77	+548
[illegible]	27	27	35.5	198		114°		—	83	—	—												
[illegible]	29	27	27	200	.119	114°	80	—	—	4	4	+502	+222	+261	+369	+73	-94	-122	+113	+575	+128	+139	+482
2070	29	28	35.5	192		112°		—	75	—	—												
[illegible]	24	29	29	194	.124	112°	105	—	—	4	4	+529	+211	+242	+408	+71	-93	-123	+112	+600	+118	+119	+520
[illegible]	23	29	34	186		112°		—	5	—	—												
[illegible]	24	32	29	188.5	.127	112°	115	—	—	5	5	+566	+219	+280	+387	+63	-84	-103	+94	+629	+135	+177	+481
[illegible]	22	30	34.5	180		118°		—	4.5	—	—												
[illegible]	22	29	30	183	.131	118°	125	—	—	6	6	+595	+237	+330	+354	+53	-70	-81	+73	+648	+167	+249	+427
[illegible]	22	35	34	174		118°		—	3	—	—												
[illegible]	24	33	30	177.5	.138	118°	135	—	—	6	6	+628	+247	+345	+373	+46	-59	-68	+62	+671	+188	+277	+435
[illegible]	22	40	34.5	168.5		101°		7	15	—	—												
[illegible]	46	370	38.5	1072		85°		2.5	15	—	—												
2010	37	40	37	1167		72°		3	—	—	—												
[illegible]	38	39	38	1177		60°		—	—	—	—												
[illegible]	38	41	41	1167		49°		—	—	—	—												
[illegible]	[illegible]	40	43	1167		40°		—	—	—	—												



SECTION A-A

21783

NOTES

These structures have been designed for pond level of Elevation 2175

The analysis of this arch is based on the method developed by William Cain.

E=4,000,000#/□"

c=.000006

(+) indicates compression

(-) indicates tension

Max. allowable comp (Combined Stresses) = 700psi

Max. allowable tension (Combined Stresses) = 125 psi

El 2140 15°F

El 2040 5°F

FALL OF TEMP.+Σ

Σ=Sum of equivalent temp. changes due to swelling and arch shortening

APPROVED

MAR 20 1952

Mark R Kulp

STATE RECLAMATION ENGINEER

CABINET GORGE H.E. DEVELOPMENT

DAM-ARCH DESIGN DATA AND STRESSES

THE WASHINGTON WATER POWER CO.

SCALE: 1"=20'-0"

APPLICATION FOR APPROVAL OF DAM

IDAHO STATE DEPARTMENT OF RECLAMATION

PERMIT NOS. 21783 & 21820

CLARK FORK RIVER

SHEET 1 OF [illegible]

ADDRESS ALL COMMUNICATIONS
TO THE SECRETARY

FEDERAL POWER COMMISSION
WASHINGTON 25

RECEIVED
FEB 7 1952
Department of Reclamation

21783

Project No. 2058
The Washington Water Power Company

FEB -4 1952

Department of Reclamation
State of Idaho
State House
Boise, Idaho

Gentlemen:

Enclosed for your information is one copy each of the Orders dated November 27, 1951, and January 8, 1952, constituting Amendment No. 1 of the license for Project No. 2058 of The Washington Water Power Company.

Very truly yours,

Leon M. Fuquay
Secretary

Enclosure No. 7741
Copy of Amendment No. 1 of license

21783

RECEIVED
JAN 14 1952
Department of Reclamation

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION

Before Commissioners: Thomas C. Buchanan, Chairman; Claude L. Draper, Nelson Lee Smith and Harrington Wimberly.

January 8, 1952

In the Matter of)
) Project No. 2058
The Washington Water Power Company)

ORDER MODIFYING ORDER AMENDING LICENSE (MAJOR)

Paragraph II of the Commission's order dated November 27, 1951 amended paragraph (C) (1) of the license issued to The Washington Water Power Company for Project No. 2058, known as the Cabinet Gorge Project, so as to specify December 31, 1952 as the time for completing construction of the project with ultimate installation of four generating units.

However, on December 18, 1951, the licensee requested that the time specified in the license for installation of the fourth generating unit be extended from December 31, 1952 to July 1, 1953 for the reason that the delivery date for the fourth unit is December 1952, and consequently the licensee cannot conform with the installation requirement by December 31, 1952.

The Commission orders:

Paragraph II of the above-mentioned Commission's November 27, 1951 order be and it is hereby modified to read as follows:

Paragraph II. Paragraph (C) (1) of the license is amended to read as follows:

(1) The Licensee shall commence the construction of the project on or before March 1, 1951, and thereafter with due diligence prosecute such construction, and shall complete the installation of three units on or before December 31, 1952, and the fourth unit on or before July 1, 1953.

By the Commission.

J. H. Gutride,
Acting Secretary.

Date of Issuance: January 10, 1952

21783

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION

Before Commissioners: Thomas C. Buchanan, Chairman; Claude L. Draper, Nelson Lee Smith and Harrington Wimberly.

January 8, 1952

In the Matter of)
) Project No. 2058
The Washington Water Power Company)

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By the Commission.

J. H. Gutride,
Acting Secretary.

Date of Issuance: January 10, 1952

21783

FEDERAL POWER COMMISSION

WASHINGTON 25, D. C.

DEC -3 1951

B. J. Lindsay, Secretary
The Washington Water Power Company
Post Office Box 1445
Spokane, Washington

RECEIVED
DEC 7 1951
Department of Reclamation

Re: The Washington Water Power Company
Project No. 2058-2

Dear Sir:

Enclosed are four copies of the order entered by the Commission on November 27, 1951, amending major license in the above entitled matter, which has been designated Amendment No. 1, Instrument No. 2.

Please execute the form of acceptance attached to this order and return three copies of the instrument within the time specified therein, together with three certified copies of resolution of your Board of Directors authorizing such acceptance.

Very truly yours,

Leon M. Fuquay

Secretary

Enclosure
Registered

Copy of order and letter sent to:

Department of Reclamation, State of Idaho, Boise, Idaho

21783

Effective 1/1/52
Outstanding 1/17/52

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION

Amendment No. 1
Instrument No. 2

Before Commissioners: Thomas C. Buchanan, Acting Chairman; Claude L. Draper, Nelson Lee Smith and Harrington Wimberly.

November 27, 1951

In the Matter of)
) Project No. 2058
The Washington Water Power Company)

ORDER AMENDING LICENSE (MAJOR)

Application was filed July 9, 1951 by The Washington Water Power Company, licensee for Project No. 2058, for amendment of its license for the project, known as the Cabinet Gorge Project, located on the Clark Fork River in Bonner County, Idaho, and Sanders County, Montana, and affecting public lands and lands of the United States within the Cabinet National Forest.

By the amendment, the licensee seeks to authorize the installation of a fourth generating unit consisting of a Kaplan movable vane type turbine of 70,500 horsepower capacity connected to a generator with a capacity of 50,000 kilowatts, a transformer, circuit breaker, switching structure, and appurtenant facilities. This fourth unit authorized by the license for the project as issued, was included in the ultimate development for the project which was to have been completed at such time as the Commission might direct after having found such addition was economical and in the public interest.

Exhibit L, Sheet 4 (FPC No. 2058-6) entitled "Cabinet Gorge Hydroelectric Development - Powerhouse Plans and Cross Sections" filed with the original application for license and approved by the Commission as part of the license, fully describes the fourth generating unit.

The Secretary of the Interior has interposed no objection to the application for amendment, and the Office of the Chief of Engineers, Department of the Army, has reported that the addition of the fourth unit will not affect the operation of any projects of the Corps.

The Commission finds:

(1) The license, amended as hereinafter provided, will not interfere or be inconsistent with the purposes of any withdrawal of public lands, nor with the purposes for which the Cabinet National Forest was created or acquired, and it will not alter any of the basic facts upon which the license was issued.

(2) Public notice of the filing of the application has been given as required by the Federal Power Act.

21783

The Commission orders:

(A) The license for Project No. 2058 be and it hereby is amended, effective as of the first day of the month in which the acceptance hereof is filed with the Commission, to include therein the installation of the fourth generating unit contemporaneously with the installation of the first three units; said amendment being:

Paragraph I. Paragraph (b) of the license is amended to read as follows:

(b) Principal structures, comprising a reinforced concrete dam with crest gates at the Cabinet Gorge site creating a reservoir approximately 20 miles long with area of about 2,700 acres and normal water surface at elevation 2,175 feet at the dam; intake works; four tunnel penstocks each approximately 480 feet long; a powerhouse approximately 300 feet downstream from the dam with provisions for four units each consisting of a turbine with capacity of 70,500 horsepower and a generator with capacity of about 50,000 kilowatts; transformers, circuit breakers, and switching structures; a 230-kilovolt transmission line connecting the plant with the applicant's transmission system at Spokane, Washington; and appurtenant facilities; the location, nature, and character of which are more specifically shown and described by the exhibit hereinbefore cited and by certain other exhibits which also formed part of the application for license and which are designated and described as follows:

Exhibit L - Drawings in 5 sheets signed The Washington Water Power Company by K. M. Robinson, President on November 6, 1950 comprising:

Sheet 1 (Dwg. No. F-106406) (FPC No. 2058-3) entitled "Cabinet Gorge H. E. Development General Plan";

Sheet 2 (Dwg. No. F-106407) (FPC No. 2058-4) entitled "Cabinet Gorge H. E. Development General Plan Sections";

Sheet 4 (Dwg. No. F-106409) (FPC No. 2058-6) entitled "Cabinet Gorge H. E. Development Power House Plans and Cross Sections";

Sheet 5 (Dwg. No. F-106410) (FPC No. 2058-7) entitled "Cabinet Gorge H. E. Development Powerhouse - Longitudional Section & Elevation";

Sheet 6 (Swg. No. F-106411) (FPC No. 2058-8) entitled "Cabinet Gorge H. E. Development one line wiring diagram";

21783

Exhibit M - Statement in two sheets entitled "General Description and Specifications of Equipment" signed The Washington Water Power Company by K. M. Robinson, President on November 6, 1950.

Paragraph II. Paragraph (c) (1) of the license is amended to read as follows:

(1) The Licensee shall commence construction of the project on or before March 1, 1951, shall thereafter with due diligence prosecute such construction, and shall complete the project with ultimate installation of four units on or before December 31, 1952.

(B) This order shall become final within 30 days from the date of its issuance unless application for rehearing shall be filed as provided by Section 313 (a) of the Act.

(C) This amendment of the license shall be accepted and returned to the Commission within 60 days from the date of the issuance of this order.

By the Commission.

Leon M. Fuquay,
Secretary.

Date of Issuance: December 3, 1951

21783

as modified by order dated January 8, 1952,
IN TESTIMONY of its agreement to the foregoing amendment,/The Washington Water Power Company this 16th day of January, 1952, has caused its corporate name to be signed hereto by H. L. Aller, of the Board, its Chairman /~~President~~, and its corporate seal to be affixed hereto and attested by D. W. Jack, its Assistant Secretary, pursuant to a resolution of its Board of Directors duly adopted on the 16th day of January, 1952, a certified copy of the record of which is attached hereto.

THE WASHINGTON WATER POWER COMPANY

By H. L. Aller
Chairman of the Board ~~President~~

Attest:

D. W. Jack
Assistant Secretary

(Executed in quadruplicate)

21783

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION

Before Commissioners: Thomas C. Buchanan, Acting Chairman; Claude L. Draper, Nelson Lee Smith and Harrington Wimberly.

November 27, 1951

In the Matter of)
) Project No. 2058
The Washington Water Power Company)

ORDER AMENDING LICENSE (MAJOR)

Application was filed July 9, 1951 by The Washington Water Power Company, licensee for Project No. 2058, for amendment of its license for the project, known as the Cabinet Gorge Project, located on the Clark Fork River in Bonner County, Idaho, and Sanders County, Montana, and affecting public lands and lands of the United States within the Cabinet National Forest.

By the amendment, the licensee seeks to authorize the installation of a fourth generating unit consisting of a Kaplan movable vane type turbine of 70,500 horsepower capacity connected to a generator with a capacity of 50,000 kilowatts, a transformer, circuit breaker, switching structure, and appurtenant facilities. This fourth unit authorized by the license for the project as issued, was included in the ultimate development for the project which was to have been completed at such time as the Commission might direct after having found such addition was economical and in the public interest.

Exhibit L, Sheet 4 (FPC No. 2058-6) entitled "Cabinet Gorge Hydroelectric Development - Powerhouse Plans and Cross Sections" filed with the original application for license and approved by the Commission as part of the license, fully describes the fourth generating unit.

The Secretary of the Interior has interposed no objection to the application for amendment, and the Office of the Chief of Engineers, Department of the Army, has reported that the addition of the fourth unit will not affect the operation of any projects of the Corps.

The Commission finds:

(1) The license, amended as hereinafter provided, will not interfere or be inconsistent with the purposes of any withdrawal of public lands, nor with the purposes for which the Cabinet National Forest was created or acquired, and it will not alter any of the basic facts upon which the license was issued.

(2) Public notice of the filing of the application has been given as required by the Federal Power Act.

21783

The Commission orders:

(A) The license for Project No. 2058 be and it hereby is amended, effective as of the first day of the month in which the acceptance hereof is filed with the Commission, to include therein the installation of the fourth generating unit contemporaneously with the installation of the first three units; said amendment being:

Paragraph I. Paragraph (b) of the license is amended to read as follows:

(b) Principal structures, comprising a reinforced concrete dam with crest gates at the Cabinet Gorge site creating a reservoir approximately 20 miles long with area of about 2,700 acres and normal water surface at elevation 2,175 feet at the dam; intake works; four tunnel penstocks each approximately 480 feet long; a powerhouse approximately 300 feet downstream from the dam with provisions for four units each consisting of a turbine with capacity of 70,500 horsepower and a generator with capacity of about 50,000 kilowatts; transformers, circuit breakers, and switching structures; a 230-kilovolt transmission line connecting the plant with the applicant's transmission system at Spokane, Washington; and appurtenant facilities; the location, nature, and character of which are more specifically shown and described by the exhibit hereinbefore cited and by certain other exhibits which also formed part of the application for license and which are designated and described as follows:

Exhibit L - Drawings in 5 sheets signed The Washington Water Power Company by K. M. Robinson, President on November 6, 1950 comprising:

Sheet 1 (Dwg. No. F-106406) (FPC No. 2058-3) entitled "Cabinet Gorge H. E. Development General Plan";

Sheet 2 (Dwg. No. F-106407) (FPC No. 2058-4) entitled "Cabinet Gorge H. E. Development General Plan Sections";

Sheet 4 (Dwg. No. F-106409) (FPC No. 2058-6) entitled "Cabinet Gorge H. E. Development Power House Plans and Cross Sections";

Sheet 5 (Dwg. No. F-106410) (FPC No. 2058-7) entitled "Cabinet Gorge H. E. Development Powerhouse - Longitudional Section & Elevation";

Sheet 6 (Swg. No. F-106411) (FPC No. 2058-8) entitled "Cabinet Gorge H. E. Development one line wiring diagram";

2178

Exhibit M - Statement in two sheets entitled "General Description and Specifications of Equipment" signed The Washington Water Power Company by K. M. Robinson, President on November 6, 1950.

Paragraph II. Paragraph (c) (1) of the license is amended to read as follows:

(1) The Licensee shall commence construction of the project on or before March 1, 1951, shall thereafter with due diligence prosecute such construction, and shall complete the project with ultimate installation of four units on or before December 31, 1952.

(B) This order shall become final within 30 days from the date of its issuance unless application for rehearing shall be filed as provided by Section 313 (a) of the Act.

(C) This amendment of the license shall be accepted and returned to the Commission within 60 days from the date of the issuance of this order.

By the Commission.

Leon M. Fuquay,
Secretary.

Date of Issuance: December 3, 1951

21783

IN TESTIMONY of its agreement to the foregoing amendment, The Washington Water Power Company this ___ day of _____, 1951, has caused its corporate name to be signed hereto by _____, its _____ President, and its corporate seal to be affixed hereto and attested by _____, its _____ Secretary, pursuant to a resolution of its Board of Directors duly adopted on the _____ day of _____, 195__, a certified copy of the record of which is attached hereto.

THE WASHINGTON WATER POWER COMPANY

By _____
President

Attest:

_____
Secretary

(Executed in quadruplicate)

21783

21783

March 30, 1951

Mr. Leon M. Fuquay, Secretary
Federal Power Commission
Washington 25, D. C.

Re: Project No. 2058
The Washington Water Power Co.

Dear Mr. Fuquay:

We acknowledge receipt of your letter of March 19, 1951, enclosing copy of license issued to the Washington Water Power Company for the Cabinet Gorge hydroelectric development on the Clark Fork River.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

A:bh

21783

FEDERAL POWER COMMISSION
WASHINGTON 25

Project No. 2058
The Washington Water Power Company

MAR 19 1951

Department of Reclamation
State House
Boise, Idaho

Gentlemen:

Enclosed for your information is a copy of the license issued to The Washington Water Power Company for the Cabinet Gorge hydroelectric development on the Clark Fork River in Bonner County, Idaho, and Sanders County, Montana.

Very truly yours,

Leon M. Fuquay

Leon M. Fuquay
Secretary

Enclosure No. 72041
Copy of license

RECEIVED
MAR 23 1951
Department of Reclamation

21783

Effective date of license, March 1, 1951

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION

Before Commissioners: Mon C. Wallgren, Chairman; Thomas C. Buchanan, Claude L. Draper, Nelson Le; Smith and Harrington Wimberly.

January 9, 1951

In the Matter of)
) Project No. 2058
The Washington Water Power Company)

ORDER DISMISSING APPLICATION FOR PRELIMINARY PERMIT AND ISSUING LICENSE (MAJOR)

Application was filed November 9, 1950 by The Washington Water Power Company of Spokane, Washington, for license under the Federal Power Act for the proposed Cabinet Gorge hydroelectric development, designated as Project No. 2058, to be located on the Clark Fork River about 9 miles upstream from Pend Oreille Lake, in Bonner County, Idaho, and Sanders County, Montana, and affecting public lands and lands of the United States within the Cabinet National Forest. The project transmission lines would be located in Bonner and Kootenai Counties, Idaho, and Spokane County, Washington.

Inasmuch as the above-mentioned application for license supersedes an application filed by the same applicant on September 11, 1950 for preliminary permit for the same proposed project, the latter application should be dismissed as hereinafter provided.

The proposed project would consist of:

(a) All lands constituting the project area and enclosed by the project boundary or the limits of which are otherwise defined and/or interest in such lands necessary or appropriate for the purpose of the project, whether such lands or interest therein are owned or held by the applicant or by the United States; the general location of such project area and project boundary being tentatively shown and described by a certain exhibit which formed part of the application for license and which is designated and described as follows:

Exhibit J - Sheet 1 of 1 (Dwg. No. F106405) (FPC No. 2058-2) entitled "Cabinet Gorge H.E. Development General Map" signed The Washington Water Power Co. by K. M. Robinson, President on November 6, 1950.

(b) Principal structures, comprising a reinforced concrete dam with crest gates at the Cabinet Gorge site creating a reservoir approximately 20 miles long with area of about 2,700 acres and

21783

normal water surface at elevation 2,175 feet at the dam; intake works; four tunnel penstocks each approximately 480 feet long; a powerhouse approximately 300 feet downstream from the dam with provisions for four units (three of which would be installed initially) each consisting of a turbine with capacity of 70,500 horsepower and a generator with capacity of about 50,000 kilowatts; transformers, circuit breakers, and switching structures; a 230-kilovolt transmission line connecting the plant with the applicant's transmission system at Spokane, Washington; and appurtenant facilities; the location, nature, and character of which are more specifically shown and described by the exhibit hereinbefore cited and by certain other exhibits which also formed part of the application for license and which are designated and described as follows:

Exhibit L - Drawings in 5 sheets signed The Washington Water Power Company by K. M. Robinson, President on November 6, 1950 comprising:

Sheet 1 (Dwg. No. F-106406) (FPC No. 2058-3) entitled "Cabinet Gorge H.E. Development General Plan";

Sheet 2 (Dwg. No. F-106407) (FPC No. 2058-4) entitled "Cabinet Gorge H.E. Development General Plan Sections";

Sheet 4 (Dwg. No. F-106409) (FPC No. 2058-6) entitled "Cabinet Gorge H.E. Development Power House Plans and Cross Sections";

Sheet 5 (Dwg. No. F-106410) (FPC No. 2058-7) entitled "Cabinet Gorge H.E. Development Powerhouse - Longitudional Section & Elevation";

Sheet 6 (Dwg. No. F-106411) (FPC No. 2058-8) entitled "Cabinet Gorge H.E. Development on line wiring diagram";

Exhibit M - Statement in two sheets entitled "General Description and Specifications of Equipment" signed The Washington Water Power Company by K. M. Robinson, President on November 6, 1950.

(c) All other structures, fixtures, equipment or facilities used or useful in the construction, operation and maintenance of the project and located on the project area, including such portable property as may be used or useful in connection with the project or any part thereof, whether located on or off the project area, if and to the extent that the inclusion of such property as a part of the project is approved or acquiesced in by the Commission; also, all riparian or other rights, the use or possession of which is necessary or appropriate in the maintenance and operation of the project.

21782

The Chief of Engineers, Department of the Army, the Secretary of the Interior, and the Chief, Forest Service, acting for the Secretary of Agriculture, have reported favorably on the application as hereinafter provided.

In the Matter of Project No. 1869, The Montana Power Company, the Commission found that the Clark Fork River is a navigable water of the United States at least from Pend Oreille Lake in the State of Idaho to the mouth of the Jocko River in the State of Montana.

The Commission finds:

(1) Dismissal of the above-mentioned application for preliminary permit for the proposed project is appropriate and desirable as hereinafter provided.

(2) The applicant is a corporation organized under the laws of the State of Washington, is qualified to and is doing business in and under the laws of the States of Washington and Idaho, and, if necessary, should qualify to do business in the State of Montana.

(3) No conflicting application is before the Commission. Public notice has been given as required by the Act.

(4) The project does not affect any Government dam, nor will the issuance of a license therefor as hereinafter provided affect the development of any water resources for public purposes which should presently be undertaken by the United States itself.

(5) The issuance of a license for the project as hereinafter provided will not interfere or be inconsistent with the purposes of any reservation or withdrawal of public lands of the United States, or with the purposes for which the Cabinet National Forest was created or acquired.

(6) Under present circumstances and conditions and upon the terms and conditions hereinafter imposed, the project is best adapted to a comprehensive plan for the improvement and utilization of water-power development, and for other beneficial public uses, including recreational purposes.

(7) The installed horsepower capacity of the project hereinafter authorized is 282,000 horsepower, and the energy generated thereby will be used for public utility purposes.

(8) The proposed 230-kv transmission line extending from the project approximately 80 miles southwesterly to Spokane, Washington, is a primary line as the term is defined in Section 3(11) of the Act, and should, if constructed, be included in the license for the project.

21782

(9) In accordance with Section 10(d) of the Act, the rate of return upon the net investment in the project, and the proportion of surplus earnings to be paid into and held in amortization reserves, are reasonable as hereinafter specified.

(10) The amount of annual charges to be paid under the license for the purpose of reimbursing the United States for the costs of administration of Part I of the Act, and for recompensing it for the use, occupancy, and enjoyment of its lands, exclusive of those to be occupied by any transmission line rights-of-way, is reasonable as hereinafter fixed and specified.

(11) The above-described and designated exhibits filed as part of the application for license conform to the Commission's rules and regulations and should be approved as part of the license for the project.

(12) Exhibit K, detail map of project area, in conformity with the Commission's rules and regulations, should be filed by applicant as hereinafter provided.

The Commission orders:

(A) The aforesaid application for preliminary permit for proposed Project No. 2058 is hereby dismissed.

(B) This license issued to The Washington Water Power Company for a period of 50 years for the construction, operation and maintenance of Project No. 2058 upon navigable waters and lands of the United States, subject to the terms and conditions of the Federal Power Act (hereinafter referred to as the Act), which is hereby incorporated by reference as a part of this license, and subject to such rules, and regulations as the Commission has issued or prescribed under the provisions of the Act.

(C) This license shall also be subject to the standard terms and conditions set forth in Form L-6 (September 22, 1950), entitled "Standard Terms and Conditions of License for Unconstructed Major Project Affecting Navigable Waters and Lands of the United States", which standard terms and conditions are incorporated herein by reference and made a part hereof; and subject to the following special conditions:

(1) The licensee shall commence construction of the project on or before March 1, 1951, shall thereafter with due diligence prosecute such construction, and shall complete the project with installation of three units on or before December 31, 1952, and shall at such time as the Commission may direct and to the extent it is economically sound and in the public interest to do so, after notice and opportunity for hearing, complete the project to its ultimate development.

21783

(2) The licensee shall prior to flooding clear all lands in the bottoms and margins of reservoirs up to highwater level, shall clear and keep clear to an adequate width lands of the United States along open conduits, and shall dispose of all temporary structures, unused timber, brush, refuse, or inflammable material resulting from the clearing of the lands or from the construction and maintenance of the project works. In addition, all trees along the margins of reservoirs which may die during operation of the project shall be removed. The clearing of the lands and the disposal of the material shall be done with due diligence and to the satisfaction of the authorized representative of the Commission.

(3) The licensee shall within one year from the date of acceptance of this license file with the Commission Exhibits F and K, Detail Map of Project Area including transmission line, in conformity with the Commission's rules and regulations.

(4) The Commission reserves the right to adjust the normal reservoir elevation of the Cabinet Gorge project at such time as the proposed Noxon Rapids project located upstream is constructed, to make the most economical use of water resources of the Clark Fork River after notice and opportunity for hearing.

(5) The Commission reserves the right to impose such reasonable rules and conditions in the interest of conservation of fish and wildlife as may be hereafter prescribed by the Commission.

(6) The licensee shall reimburse the United States for engineering work performed by the Bureau of Reclamation and the Corps of Engineers in connection with the Cabinet Gorge development and utilized by the licensee in design and construction of this project as determined by the Commission.

(7) The licensee shall pay to the United States the following annual charges:

(i) For the purpose of reimbursing the United States for the costs of administration of Part I of the Act, one (1) cent per horsepower on the authorized installed capacity (282,000 horsepower), plus two and one-half ($2\frac{1}{2}$) cents per 1,000 kilowatt-hours of gross energy generated by the project during the calendar year for which the charge is made;

(ii) For the purpose of recompensing the United States for the use, occupancy, and enjoyment of its lands, exclusive of those used for transmission line rights-of way, $2,571.62; and

21 832

(iii) For the purpose of recompensing the United States for the use, occupancy, and enjoyment of its lands for transmission line rights-of-way only, an amount to be hereafter determined.

(D) The exhibits referred to in paragraphs (a) and (b) above are approved as part of this license.

(E) This order shall become final 30 days from the date of its issuance unless application for rehearing shall be filed within the 30-day period provided by Section 313(a) of the Act.

(F) The license shall be accepted and returned to the Commission within 60 days from date of issuance of this order.

By the Commission.

Leon M. Fuquay,
Secretary.

Date of Issuance: January 10, 1950

21783

IN TESTIMONY OF ACCEPTANCE of all the provisions, terms and conditions of the license, The Washington Water Power Company, this 1st day of March, 1951, has caused its corporate name to be signed hereto by A. A. Aller, its Chairman of the Board of Directors President, and its corporate seal to be affixed hereto and attested by W. A. Jack, its Assistant Secretary, pursuant to a resolution of its Board of Directors duly adopted on the 19th day of February, 1951, a certified copy of the record of which is attached hereto.

THE WASHINGTON WATER POWER COMPANY

By A. A. Aller
President
Chairman of the Board of Directors

Attest:

W. A. Jack
Assistant Secretary

(Executed in quadruplicate)

21783

NATIONAL SURETY CORPORATION

NEW YORK

VINCENT CULLEN
PRESIDENT

KNOW ALL MEN BY THESE PRESENTS, That we, The Washington Water Power Company of Spokane, Washington, as principal, and National Surety Corporation, a corporation organized and existing under the laws of the State of New York, and authorized to do business in the State of Idaho, as surety, are held and firmly bound unto the State of Idaho, in the full and just sum of One Thousand & no/100 ($1000.00) Dollars, lawful money of the United States, to the payment of which sum, well and truly to be made, said principal and surety bind themselves, their heirs, administrators, executors and assigns, jointly and severally, under the terms and conditions hereinafter set forth.

The terms of this obligation are such that, Whereas the above named principal on the 7th day of Sept. 19 50 filed in the office of the Commissioner of Reclamation in Boise, Idaho, a certain application for permit to appropriate the public waters of the State of Idaho, the said application being thereupon numbered No. 29403 in accordance with which said application the Commissioners of Reclamation granted and issued to the said principal herein a certain permit Numbered No. 21783, a full, true and complete copy of which application No. 29403 and Permit No. 21783, is of record in the office of the Commissioner of Reclamation in Book 78 of Permits at Page 21783

NOW, if the above bounden principal shall faithfully carry to completion the said works of diversion as specified in said application No. 29403 and Permit No. 21783, in the manner and form prescribed therein and within the time therein allowed, then the above obligation to be void, otherwise to remain in full force and effect.

IN WITNESS WHEREOF the said Principal and surety have hereunto set their hands and seals, this 15th day of January, 1951.

21783

NATIONAL SURETY CORPORATION

NEW YORK

VINCENT CULLEN
PRESIDENT

WASHINGTON WATER POWER COMPANY

By _____
SECRETARY

By _____

NATIONAL SURETY CORPORATION

By _____
Attorney in Fact

By _____
Attorney in Fact

Countersigned by

_____
Resident Agent, Idaho

RECEIVED
JAN 20 1951
Department of Reclamation
21783

*F. 21521-25M-8 38

January 12, 1951

Re: Permits Nos. 21828 and 21783

Jones & Mitchell Co.
Hutton Building
Spokane 8, Washington

Gentlemen:

In reply to your letter of January 10, 1951, in regard to form of bonds in connection with Permits Nos. 21828 and 21783 of the Washington Water Power Company:

We enclose a form which was formerly used for personal bond, and this general form may be followed for the Surety Bonds required under these Permits.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

A:bh
Enc.

21783

L. W. PILKEY A. S. BROWN

JONES & MITCHELL CO.

INSURANCE AND BONDS

PHONES; MAIN 4268 AND 4518

HUTTON BUILDING

SPOKANE 8, WASHINGTON

Jan. 10, 1951

Dept. of Reclamation
Boise, Idaho

Attention Mark R. Kulp

Dear Sirs: Re: WashingtonWater Power Co.

Will you kindly forward us the proper forms of bonds for execution in connection with Permit #21828, and #21783, issued to the above captioned company.

The Water Power Co. advise these bonds should be on file the later part of January so we would appreciate you forwarding these at your early convenience.

Yours very truly,

JONES & MITCHELL CO.

G. B. Thompson

RECEIVED
JAN 12 1951
Department of Reclamation

21783

December 6, 1950

Senator Henry C. Dworshak
C/o Senate Postoffice
Washington, D. C.

Dear Henry:

The Bonner County Commissioners were quite concerned over the loss of tax base by reason of farming operations being reduced by the Albeni Falls Dam backwaters. We are attempting to negotiate a compact among the Columbia Basin States, in which such problem will be considered.

In the meantime, the Washington Water Power Company has applied for license from the Federal Power Commission to develop the Cabinet Gorge Power Site also within Bonner County. This, if approved, will more than compensate in tax base for the loss caused by Albeni Falls.

Governor Robins and I approve the development of Cabinet Gorge by the Washington Water Power Company without public funds.

The Opaline Irrigation District has been negotiating with the Production and Marketing Association for a loan of $100,000.00, and may want an endorsement from you as to the desirability of such a development. No special appropriation of public funds is involved and I do not think any action at the National level is required until specific request of some character or other may be made.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

MRK:bh

21783

December 6, 1950

Re: Permit No. 21783

Mr. B. J. Lindsay, Secretary
The Washington Water Power Company
P. O. Box 1445
Spokane 6, Washington

Dear Mr. Lindsay:

In reply to your letter of December 4, 1950, separate bonds will be required in connection with the two Permits of the Washington Water Power Company, each in the amount of $1,000.00.

Very truly yours,

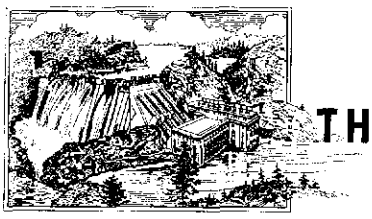
MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

A:bh

21783

FORM-311 S



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 6, WASHINGTON

B. J. LINDSAY, SECRETARY

December 4, 1950

RECEIVED
DEC 5 19[illegible]
[illegible] of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Kulp:

We desire to at this time acknowledge receipt of your letter of November 30, which enclosed Permit No. 21783 issued under the first filing made by us to appropriate water from Clark Fork River.

We are today forwarding to you under separate letter the Affidavit of Publication for the second filing.

We shall arrange to procure the $1000 bond and transmit it to your office before the 28th of January, 1951. It would be desirable if we knew at this time, however whether there is to be an additional bond to cover the second filing and if so, for what amount and should it be in the form of a separate bond or combined with the first one.

Therefore, we shall await your reply before contacting the insurance firm that will handle said bond or bonds.

Yours very truly,

BJL:lc

B. J. LINDSAY

21783

November 30, 1950

Re: Permit No. 21783

Mr. B. J. Lindsay, Secretary
The Washington Water Power Company
Box 1445
Spokane, Washington

Dear Mr. Lindsay:

We enclose Permit No. 21783 issued under your first filing to appropriate water from Clark Fork River.

You will note that we have allowed the maximum time for making the statutory proofs of completion of works and beneficial use.

Your attention is directed to the requirement that a Bond in the amount of $1000 be filed with this Department on or before January 28, 1951.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

A:bh
Enc.

21783

IDAHO

MONTANA

Cabinet Gorge Dam & Power House

CABINET NATIONAL FOREST

Project Boundary

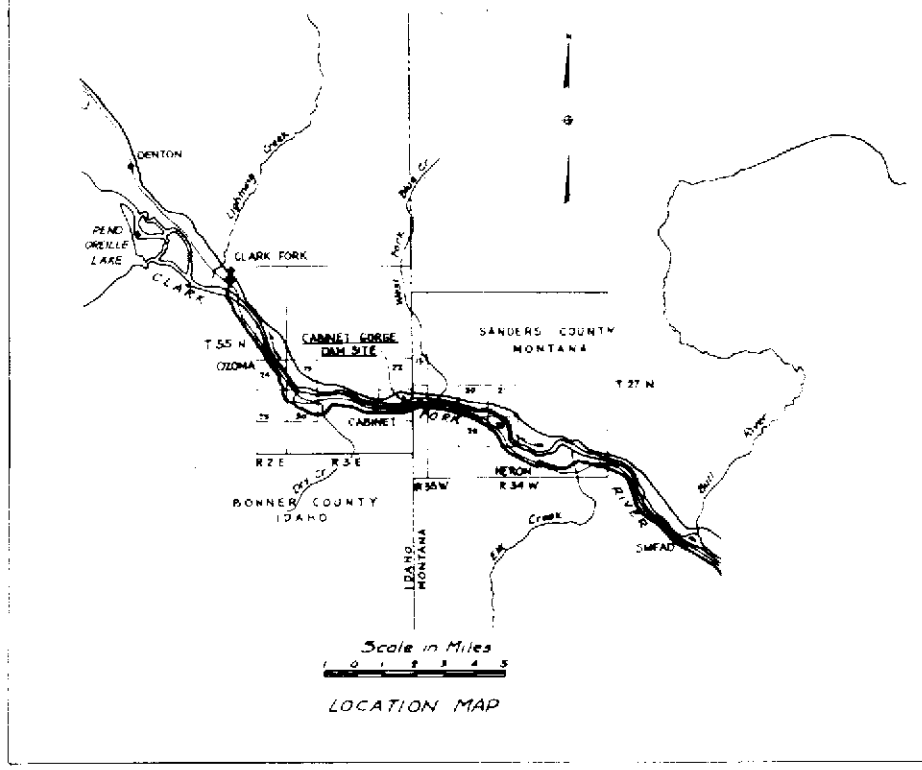
Reservoir Water Line El 2175.0

CLARK FORK RIVER

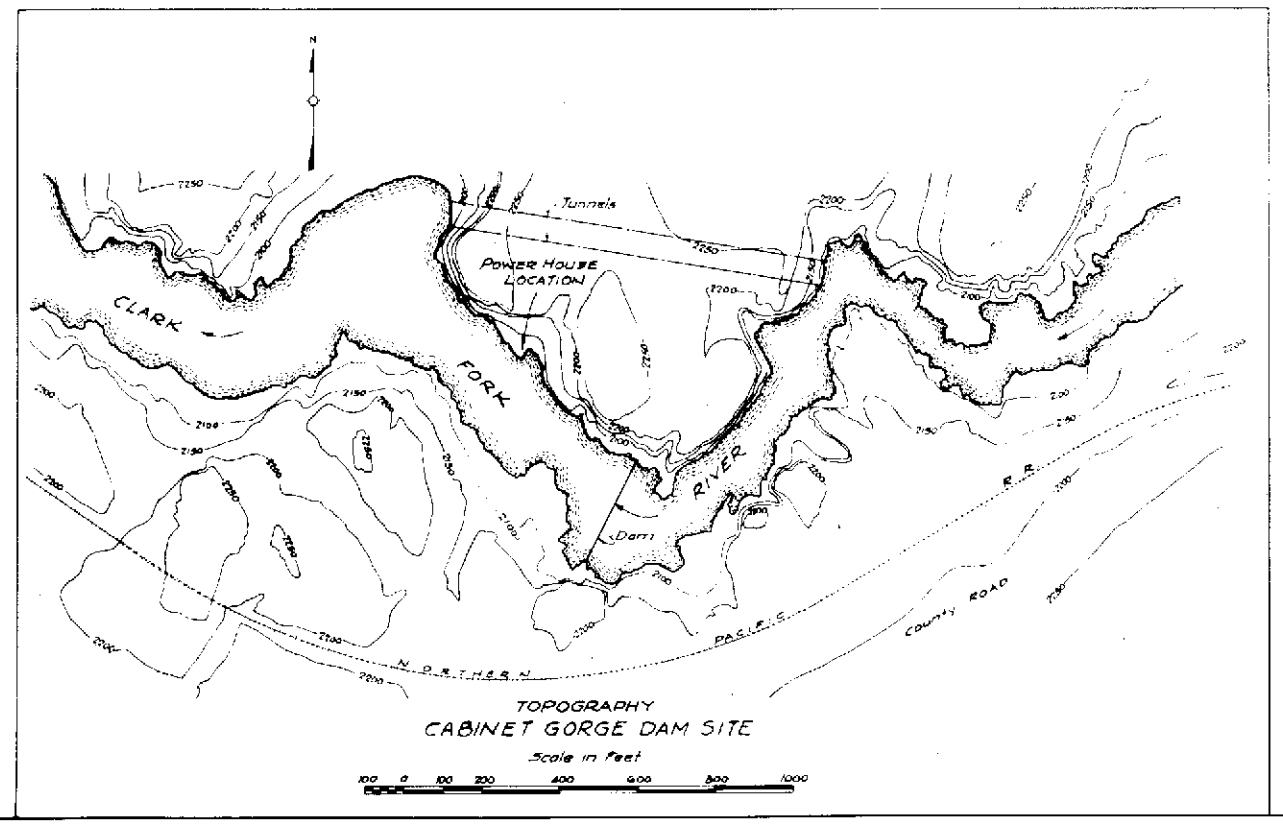
CABINET NATIONAL FOREST (Project Boundary)

Scale in Miles

1/2" = 1 Mile



LOCATION MAP



TOPOGRAPHY
CABINET GORGE DAM SITE
Scale in Feet
100 0 100 200 400 600 800 1000

NOTES -
Symbol ☐ denotes U S Government Lands
Reservoir Area = 1200 Acres ±

EXHIBIT H-i

This drawing is a part of the application for preliminary permit for Cabinet Gorge H E Development made by the undersigned this day of 1950
THE WASHINGTON WATER POWER Co
By _____

21783

PROJECT NO. -IDAHO
CABINET GORGE H.E. DEVELOPMENT
GENERAL MAP
THE WASHINGTON WATER POWER CO.
SCALE AS SHOWN

Map No. 21783
Approved
1950

F-104650

ADDRESS ALL COMMUNICATIONS
TO THE SECRETARY

FEDERAL POWER COMMISSION
WASHINGTON 25

NOV 20 1950

Department of Reclamation
State of Idaho
Boise, Idaho

Re: The Washington Water Power Company
Project No. 2058

Gentlemen:

Enclosed is a copy of the Notice of Application for License in the above entitled matter.

Very truly yours,

J. H. Gutrecht

Acting Secretary.

Enclosure
Registered

RECEIVED
NOV 24 1950
Department of Reclamation

21783

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION

In the Matter of)
) Project No. 2058
The Washington Water Power Company)

November 20, 1950

NOTICE OF APPLICATION FOR LICENSE

Public notice is hereby given that The Washington Water Power Company, of Spokane, Washington, has filed application under the Federal Power Act (16 U.S.C. 791a-825r) for license for proposed water-power Project No. 2058 to be located on Clark Fork River in Bonner County, Idaho, and Sanders County, Montana, exclusive of a transmission line which would extend from the plant to Spokane, Washington. The proposed project would consist of a reinforced-concrete arch dam with crest gates at the Cabinet Gorge site in Bonner County, Idaho, creating a reservoir approximately 20 miles long with area of about 1,200 acres and normal water surface at elevation 2,175 feet at the dam; intake works; four pressure tunnels each approximately 480 feet long; a powerhouse approximately 300 feet down-stream from the dam with provision for four units (three of which would be installed initially) each consisting of a turbine with capacity of about 70,500 horsepower and a generator with capacity of about 50,000 kilowatts; transformers, circuit breakers, and switching structures; a 230-kilovolt transmission line connecting the plant with the transmission system of the applicant at Spokane, Washington; and appurtenant facilities. This application was preceded by application for preliminary permit for the same project.

Any protest against the approval of this application or request for hearing thereon, with the reasons for such protest or request and the name and address of the party or parties so protesting or requesting, should be submitted before December 7, 1950, to the Federal Power Commission, Washington 25, D. C.

J. H. Gutride,
Acting Secretary.

2173

OLIN D. JOHNSTON, S. C., CHAIRMAN
KENNETH McKELLAR, TENN. — WILLIAM LANGER, N. DAK.
RUSSELL B. LONG, LA. — RALPH E. FLANDERS, VT.
MATTHEW M. NEELY, W. VA. — EDWARD J. THYE, MINN.
J. ALLEN FREAR, JR., DEL. — ZALES N. ECTON, MONT.
HUBERT H. HUMPHREY, MINN. — HENRY C. DWORSHAK, IDAHO
EDWARD L. LEAHY, R. I. — HARRY DARBY, KANS.

J. AUSTIN LATIMER, CHIEF CLERK

United States Senate

COMMITTEE ON POST OFFICE
AND CIVIL SERVICE

Burley, Idaho,
Nov. 22, 1950.

Mr. Mark R. Kulp,
State Reclamation Engineer,
Boise, Idaho.

Dear Mark:

I had planned to visit with you at the reclamation meeting at Spokane, but missed you.

Recently I received from the County Commissioners of Bonner County a letter urging that action be taken to provide some benefits for Northern Idaho from the Albeni Dam. Reference is made to the advisability of negotiating an interstate compact to protect rights of local tax units.. Will you kindly keep me advised as to developments, so I may take necessary steps in Washington?

I have been speculating on the Opaline Irrigation District since we made that survey. What is expected, and is any action necessary at the national level? I should like to help push this development.

I am planning to leave Saturday for the capital.

With kindest regards, I am

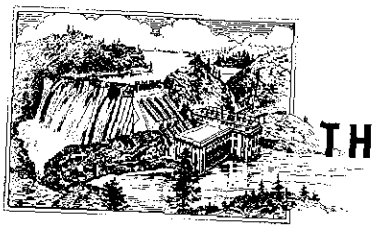
Sincerely yours,

Henry C. Dworshak

21783

RECEIVED
NOV 24 1950
Department of Reclamation

FORM-311 S



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 6, WASHINGTON

B. J. LINDSAY, SECRETARY

November 20, 1950

RECEIVED
NOV 22 1950
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Dear Mr. Kulp:

Your letter of November 18 arrived this morning and we now enclose herewith the Affidavit of Publication by The Sandpoint News-Bulletin. This covers the application to appropriate 25,000 second feet of water from Clark Fork River.

We are pleased to receive your report that no protests have been filed and shall also be glad to receive in the ordinary course of business the formal permit to be issued therefor.

Yours very truly,

B. J. LINDSAY

BJL:lc
Enc.

21783

Affidavit of Publication

STATE OF IDAHO, }
County of Bonner, } ss.

L. E. Pietsch being first duly sworn on oath deposes and says that he is Publisher of The Sandpoint News-Bulletin, a weekly newspaper printed and published at Sandpoint, Bonner County, Idaho; that the said Sandpoint News-Bulletin has been continuously and uninterruptedly published in said Bonner County during a period of 18 months or 78 weeks prior to the first publication of the hereto attached notice for publication in the case of Notice of Application to Appropriate the Public Waters of the State of Idaho in Accordance with the Provisions of Section 43-2-3, Idaho Code.

as it was published in the regular and entire issue of the said paper for a period of Three consecutive weeks, commencing on the 19th day of October, 1950, and ending on the 2nd day of November, 1950, and that said notice was published in said newspaper, and not in supplemental form.

L. E. Pietsch

Subscribed and sworn to before me this 4th day of November, 1950.

Notary Public for Idaho,
Residing at Sandpoint, Idaho.

STATE OF IDAHO
Department of Reclamation

NOTICE OF APPLICATION TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF IDAHO IN ACCORDANCE WITH THE PROVISIONS OF SECTION 42-203, IDAHO CODE.

NOTICE IS HEREBY GIVEN That on the 7th day of September, 1950, The Washington Water Power Company, of Spokane, Washington, made application to appropriate Twenty-five Thousand (25,000) cubic feet per second of the waters of Clark Fork River, a tributary of Columbia River, for the development of hydroelectric power and energy.

That the point of diversion of said waters is described as being approximately Twelve Hundred (1,200) feet East of the center of Section 27, Township 55 North, Range 3 East, B. M., and in lots 2 and 7 of said Section.

That the point of use of said water is the same as the point of diversion.

That any protests against the approval of this application must be filed in the Department of Reclamation, at Boise, Idaho, within forty (40) days from the date of this notice, and such protest shall state the name and address of the protestant, and shall clearly set forth his objections to the approval of said application.

Dated this 6th day of October, 1950.

MARK R. KULP,
State Reclamation Engineer

SERVICE OF THE FOREGOING, By copy, is hereby acknowledged, this 10th day of October, 1950.

WASHINGTON WATER POWER COMPANY,
By B. J. Lindsay,
Its Secretary.

o19-26-n2 21783

10310-B

21783

November 18, 1950

Re: Application No. 29403

Mr. B. J. Lindsay, Secretary
Washington Water Power Company
Box 1445
Spokane 6, Washington

Dear Mr. Lindsay:

No protests have been received in connection with the application of the Washington Water Power Company to appropriate 25,000 second feet of water from Clark Fork River.

Therefore, upon receipt of the Affidavit of Publication which the Sandpoint News-Bulletin was instructed to send you, the application will be approved and Permit issued.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

A:bh

21783

DEPARTMENT OF FISH & GAME

STATE OF IDAHO

Boise, Idaho
518 Front Street
October 31, 1950

RECEIVED
NOV 3 1950
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
Idaho Reclamation Department
Statehouse
Boise, Idaho

Dear Mr. Kulp:

Reference is made to your letter of October 12 advising this Department of the fact that Washington Water Power Company has applied for a permit to develop hydro-electric power at Cabinet Gorge on the Clark Fork River just below the Idaho-Montana State line.

We are giving this matter serious consideration in view of the fact that there will be a substantial loss of natural reproduction of game fish which use the Clark Fork River for spawning purposes. As both federal and state lands will be involved, if and when this dam is constructed, we are taking the matter up with the Fish and Wildlife Service.

Yours very truly,

James C. Simpson

James C. Simpson,
Fish Culturist

JCS:ls

21783

✓

App 29403

October 30, 1950

Federal Power Commission
Washington, D. C.

Attention: Mr. Leon M. Fuquay, Secretary

In the Matter of the Washington Power
Project, No. 2058

Gentlemen:

On October 12, 1950, we wrote your Commission indicating our approval of the development of the Cabinet Gorge project on the Clark Fork River by the Washington Water Power Company.

The Washington Water Power Company have been diligently investigating the foundation conditions at the site and have taken steps toward the financing and proper design of the project with the objective of being able to produce much needed electrical energy by the fall of 1952.

Early approval by your Commission and clearance through the Department of the Interior are desirable so that construction can be started at an early date and make power available for the 1952-53 winter season.

We believe that earliest initial and complete development of the site can be accomplished by the Washington Water Power Company and early approval is respectfully urged.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

MRK:bh

Duplicate original to
Secretary of Interior,
Washington, D. C.

Sent to Langhorn
1-11 to Emerson

21783

FEDERAL [redacted]WER COMMISSION
Washington, D. C. Oct. 16, 1950

Subject: Project No. 2058
Washington Water Power Company

Dear Sir:

Receipt is hereby acknowledged of your letter dated October 12 relative to the above-entitled matter.

Very truly yours,

Leon M. Fuquay

Secretary.

3-13118-45

21783

F. P. C. Form No. 82

FEDERAL POWER COMMISSION

WASHINGTON

OFFICIAL BUSINESS

WASHINGTON, D.C. OCT 16 2 PM 1950

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

SAVE THE EASY WAY
BUY U.S. BONDS ON
PAYROLL SAVINGS

Mr. Mark R. Kulp
State Reclamation Engineer
Department of Reclamation of Idaho
Boise, Idaho

21783

DEPARTMENT OF FISH AND GAME

BOISE - - - IDAHO

518 Front Street
October 17, 1950

TO Mr. Mark R. Kulp
State Reclamation Engineer
Department of Reclamation
Boise, Idaho

Dear Mr. Kulp:

Your letter of October 12 addressed to Mr. Murray regarding an application for permit to develop hydro-electric energy at Cabinet Gorge on the Clark Fork River by the Washington Water Power Company has been received.

It shall be brought to the attention of Mr. James Simpson, Fish Culturist, upon his return to the office sometime during the end of this week and he will, no doubt, contact you regarding this matter.

Yours very truly,

Louise Snodgrass.

Louise Snodgrass, Fisheries Steno.
DEPARTMENT OF FISH AND GAME

ls

21783

BY

App. 29408

October 12, 1950

Mr. T. B. Murray, Director,
State Fish & Game Department,
No. 518 Front St.
Boise, Idaho

Dear Mr. Murray:

The Washington Water Power Company has applied for a permit to develop hydro-electric energy at Cabinet Gorge on the Clark Fork River just below the Montana-Idaho line.

The dam will block the river with about 100 feet difference between pool level and tail water which is near the Pend Oreille Lake level.

The State has endorsed the project, as it will create a new tax base to take the place of the loss due to the Albeni Falls project, and under the belief that there was no very serious fish problem involved.

The dam will block upstream migration from Pend Oreille Lake, and we would like your appraisal of the situation.

Very truly yours,

MARK R. KULP

State Reclamation Engineer

21783

Federal Power Commission
Washington, D. C.

Attention: Mr. Leon M. Fuquay, Secretary

In the Matter of the Washington Power Project, No. 2058.

Gentlemen:

On October 12, 1950, the State of Idaho, through Mr. Mark R. Kulp, State Reclamation Engineer, and myself as Governor of the State of Idaho, wrote the Commission in regard to the above subject matter, and advised that the State of Idaho had no protest against the approval of the application, nor would the State of Idaho make any request for a hearing on said application.

At the same time we indicated that the State of Idaho was in favor of the development of the project at Cabinet Gorge on Clark's Fork River by Washington Water Power Company. As Governor of the State of Idaho, I respectfully urge the early approval of said project by the Federal Power Commission and the Department of Interior, as well as the earliest possible processing of such approval, so that the project may be undertaken promptly, with the objective of having the power available in the early fall of 1952. On behalf of the State of Idaho, and as its Governor, I have every confidence in the ability of the applicant, Washington Water Power Company, to expeditiously finance and construct said project and place the same in operation.

Very respectfully,

Duplicate original to
Secretary of Interior,
Washington, D. C

21783

app 2940 3

October 12, 1950

Federal Power Commission
Washington, D. C.

Gentlemen:

In the Matter of the Washington Water Power Company Project No. 2058.

We have your public notice that the Washington Water Power Company, of Spokane, Washington, has filed applicatiom for preliminary permit for Water Power Project No. 2058 on the Clark Fork River in the States of Idaho and Montana.

We have no protest against the approval of the application and no request for a hearing.

The Washington Water Power Company is qualified by Idaho statutes to do business in the State of Idaho, and have complied with the laws of the State of Idaho in making application for permit to appropriate the public waters of the State for power production.

The Washington Water Power Company is a well managed utility and a large tax payer in the State of Idaho, and has a competent staff for the design and construction of the project.

We are favorable to the project as it will be financed by private capital and provide a tax base which will more than equal the tax base lost to Bonner County and the State of Idaho by the construction of the Albeni Falls Project in the Pend Oreille River in the same county.

We have confidence in the ability of the applicant to finance, construct and operate the project in a very satisfactory manner.

Very truly yours,

MARK R. KULP

State Reclamation Engineer

This letter correctly reflects the attitude of the State of Idaho with respect to this development, and as Governor I join in urging its favorable consideration.

Sincerely,

C. A. ROBINS

Governor.

2178 3

October 12, 1950

Federal Power Commission
Washington, D. C.

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State Reclamation Engineer

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Governor.

COPY

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State Reclamation Engineer

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Governor.

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21783

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MARK R. KULP

State Reclamation Engineer

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C. A. ROBINS

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COPY

21783

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MARK R. KULP

State Reclamation Engineer

This letter correctly reflects the attitude of the State of Idaho with respect to this development, and as Governor I join in urging its favorable consideration.

Sincerely,

C. A. ROBINS

Governor.

COPY

21783

MEMORANDUM

OFFICE OF THE GOVERNOR

DATE October 12, 1950

FROM: Governor

TO: Mr. Mark R. Kulp State Reclamation Engineer Building

SUBJECT: Regarding Washington Water Power Company Project No. 2058.

May I suggest that you prepare and sign this letter and at the bottom type the following:

"This letter correctly reflects the attitude of the State of Idaho with respect to this development and as Governor I join in urging its favorable consideration.

Sincerely,
C. A. ROBINS
Governor".

I will sign and it seems to me this will properly cover the matter.

C A Robins

GOVERNOR

Encl.

2783

INTER-DEPARTMENT MEMO--1

DATE Oct. 12, 1950

FROM State Reclamation Engineer

TO Governor C. A. Robins

SUBJECT Washington Water Power Company Project on Clark Fork River.

Attached is a notice from the Federal Power Commission and a copy of a letter that I have prepared.

The Washington Water Power Company would appreciate endorsement by the State of Idaho, preferably through a letter from you to the Federal Power Commission. A letter from you would make the letter from me unnecessary; and in any event the prepared letter would not be sent without your approval.

21783

MARK R. KULP SIGNATURE

V

October 12, 1950

Re: Application No. 29403

Washington Water Power Company,
P. O. Box # 1445
Spokane, Washington

Attention: Mr. B. J. Lindsay

Gentlemen:

We are today sending to the News-Bulletin, of Sandpoint, Idaho, copy of notice of your application for permit to appropriate 25,000 second feet of water from Clark Fork River, with instructions to publish it once a week for three consecutive weeks, commencing with their next issue.

We have also instructed them to send you the affidavit of publication, together with statement of publication costs.

Should there be no protests, the permit will be approved, upon receipt from you of the affidavit of publication. Should there be any protests, you will be duly notified before final action is taken.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

A Chief Clerk

21783

October 12, 1950

Re: Application No. 29403

The News-Bulletin
Sandpoint, Idaho

Gentlemen:

We enclose herewith notice for publication once a week for three consecutive weeks, commencing with your next issue.

The cost of publication is to be paid by the Washington Water Power Company, P. O. Box 1445, Spokane, Washington, to whom please send affidavit of publication when completed.

Please acknowledge receipt of this notice, and furnish this department with a copy of your first issue containing same.

Very truly yours,

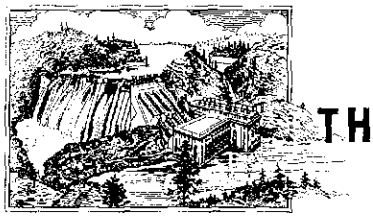
MARK R. KULP
State Reclamation Engineer
By

Chief Clerk

A Encls.

21783

FORM-311 S



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 6, WASHINGTON

B. J. LINDSAY, SECRETARY

October 10, 195

Mr. Mark R. Kulp
State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

RECEIVED
OCT 12 1950
Department of Reclamation

Dear Mr. Kulp:

Your letter of October 6 has been duly received and we have placed the official Departmental Receipt No. 22725 for the $6,254.75 filing fee in our file for that purpose.

We have also executed the receipt of the notice which you will use for publication purposes and have kept one copy for our files and are returning one to you as requested in your letter. We have also filled out the request for publication in duplicate. We are informed that the name of the paper used in said notice is the newspaper used for official notices in that county. When the publication is made we would like to receive from the publishers an Affidavit of Publication of said notice and no doubt you will need a similar Affidavit for your records.

In your letter you asked for a statement as to present power production from your plants in Idaho in comparison with power uses of your Idaho customers. We have now received these figures from the office of Mr. E. H. Collins, Engineering Consultant, and can report that the net generation for the twelve months' ending July 31, 1950 is 148,160,390 kwh. Also we are advised that the input to the State of Idaho for the same period and which input covers the net generation, plus the transmission line input is 659,048,777. The sales of power in the State of Idaho for the same period is a smaller figure due to transmission losses and similar reasons and represents a total of 582,424,674.

We also enclose two photostat copies of the general map which was included in the filing of the preliminary application to the Federal Power Commission.

We trust this fully answers the questions in your letter. We remain

Yours very truly,

B. J. LINDSAY

BJL:lc
Enc.
cc: Mr. Collins
Mr. Becker

21783

Form No. 11

NOTICE TO ACCOMPANY THIS LETTER MUST BE MADE IN DUPLICATE

(Date) October 10, 1950

(P. O.) P. O. Drawer 1445, Spokane, Washington

TO THE STATE RECLAMATION ENGINEER:

Boise, Idaho.

Dear Sir:

You are hereby authorized to have the attached notice published at my expense in the Sandpoint News Bulletin of Sandpoint, Idaho published in the county in which the works are situated.

THE WASHINGTON WATER POWER CO.

E. J. Lindsay SECRETARY

(In case of canals or other works designed to divert and carry more than 50 cubic feet of water per second, the following certificate must be signed by a well-known and competent engineer.)

I hereby certify that the facts set forth in the attached notice are true.

E. H. Hollins

Engineer.

21783

Form No. 11

NOTICE TO ACCOMPANY THIS LETTER MUST BE MADE IN DUPLICATE

(Date).....October.10,.1950.....

P. O. Drawer 1445, Spokane, Washington
(P.O.).....

TO THE STATE RECLAMATION ENGINEER:

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.....M. J. Lindsay..... SECRETARY

(In case of canals or other works designed to divert and carry more than 50 cubic feet of water per second, the following certificate must be signed by a well-known and competent engineer.)

I hereby certify that the facts set forth in the attached notice are true.

.....E. H. Collins.....
Engineer.

21783

STATE OF IDAHO

DEPARTMENT OF RECLAMATION

NOTICE OF APPLICATION TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF IDAHO IN ACCORDANCE WITH THE PROVISIONS OF SECTION 42-203, IDAHO CODE.

NOTICE IS HEREBY GIVEN That on the 7th day of September, 1950, The Washington Water Power Company, of Spokane, Washington, made application to appropriate Twenty-five Thousand (25,000) cubic feet per second of the waters of Clark Fork River, a tributary of Columbia River, for the development of hydroelectric power and energy.

That the point of diversion of said waters is described as being approximately Twelve Hundred (1,200) feet East of the center of Section 27, Township 55 North, Range 3 East, B.M., and in Lots 2 and 7 of said Section.

That the point of use of said water is the same as the point of diversion.

That any protests against the approval of this application must be filed in the Department of Reclamation, at Boise, Idaho, within forty (40) days from the date of this notice, and such protest shall state the name and address of the protestant, and shall clearly set forth his objections to the approval of said application.

Dated this day of October, 1950

Mark R Kulp

MARK R. KULP
State Reclamation Engineer

SERVICE OF THE FOREGOING, By copy, is hereby acknowledged, this 10th day of October, 1950.

WASHINGTON WATER POWER COMPANY

By B. J. Lindsay

Its Secretary

Date of first publication:
Date of last publication:
Last date for protest: November 15, 1950

21783

STATE OF IDAHO

DEPARTMENT OF RECLAMATION

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Dated this 6th day of October, 1950

Mark R Kulp

MARK R. KULP
State Reclamation Engineer

SERVICE OF THE FOREGOING, By copy, is hereby acknowledged, this 10th day of October, 1950.

WASHINGTON WATER POWER COMPANY

By D. J. Lindsay.

Its SECRETARY

Date of first publication:
Date of last publication:
Last date for protest: November 15, 1950

21783

October 6, 1950

Re: Application No. 29403

Washington Water Power Company,
Box # 1445
Spokane, Washington

Gentlemen:

We have received your application for permit to appropriate 25,000 cubic feet per second of the waters of Clark Fork River, which application has been designated as No. 29403, and we enclose Departmental Receipt No. 22725 for the $6,254.75 filing fee.

We enclose duplicate copies of the notice which we have prepared for publication, and which we shall complete by filling in the dates as soon as we receive the location maps. Please acknowledge service on the original and retain the copy for your own files. The original notice, together with Form 11, which is your authorization for us to have the notice published at your expense in the designated county newspaper, are to be returned to this Department.

The map accompanying your application to the Federal Power Commission for preliminary permit, dated September, 1950, will be satisfactory, either in print from the original tracing, or photostatic copies of Exhibit H-1-Drawing F-104650. We will require two copies, one of which will be returned with the permit.

We would like a statement as to present power production from your plants in Idaho in comparison with power used of your Idaho customers.

Very truly yours,

MARK R. KULP

Encls.

State Reclamation Engineer

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ADDRESS ALL COMMUNICATIONS
TO THE SECRETARY

FEDERAL POWER COMMISSION
WASHINGTON 25

SEP 29 1950

Department of Reclamation
State of Idaho
Boise, Idaho

Re: The Washington Water Power Company
Project No. 2058

Gentlemen:

Enclosed is a copy of the Notice of Application for Preliminary Permit in the above entitled matter.

Very truly yours,

Leon M. Fuquay
Secretary.

Enclosure
Registered

RECEIVED
OCT 4 1950
Department of Reclamation

21 X 3

UNITED STATES OF AMERICA

FEDERAL POWER COMMISSION

In the Matter of	)	
	)	Project No. 2058
The Washington Water Power Company	)	

September 28, 1950

NOTICE OF APPLICATION FOR PRELIMINARY PERMIT

Public notice is hereby given that The Washington Water Power Company, of Spokane, Washington, has filed application under the Federal Power Act,(16 U.S C. 791a-825r) for preliminary permit for proposed water-power Project No. 2058 to be located on Clark Fork River in the States of Idaho and Montana exclusive of a transmission line which would extend from the plant into the State of Washington. The preliminary permit, if issued, shall be for the sole purpose of maintaining priority of application for a license under the terms of the Federal Power Act for the proposed project.

Any protest against the approval of this application or request for hearing thereon, with the reasons for such protest or request and the name and address of the party or parties so protesting or requesting, should be submitted before November 9, 1950, to the Federal Power Commission.

Leon M. Fuquay,
Secretary.

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Form L-6
September 24, 1935

FEDERAL POWER COMMISSION

TERMS AND CONDITIONS OF LICENSE
FOR UNCONSTRUCTED MAJOR PROJECT AFFECTING
NAVIGABLE WATERS AND LANDS OF THE UNITED STATES

Article 1. The entire project, as described in the order of the Commission, shall be subject to all the provisions, terms, and conditions of the license.

Article 2. No substantial change shall be made in the maps, plans, specifications, and statements described and designated as exhibits and approved by the Commission in its order as a part of the license until such change shall have been approved by the Commission: Provided, however, that if the Licensee or the Commission deems it necessary or desirable that said approved exhibits, or any of them, be changed, there shall be submitted to the Commission for approval amended, supplemental, or additional exhibit or exhibits covering the proposed changes which, upon approval by the Commission, shall become a part of the license and shall supersede, in whole or in part, such exhibit or exhibits theretofore made a part of the license as may be specified by the Commission.

Article 3. Said project works shall be constructed in substantial conformity with the approved exhibits referred to in Article 2 herein or as changed in accordance with the provisions of said article. Except when emergency shall require for the protection of navigation, life, health, or property, no substantial alteration or addition not in conformity with the approved plans shall be made to any dam or other project works under the

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license without the prior approval of the Commission; and any emergency alteration or addition so made shall thereafter be subject to such modification and change as the Commission may direct. Minor changes in the project works or divergence from such approved exhibits may be made if such changes will not result in decrease in efficiency, in material increase in cost, or in impairment of the general scheme of development; but any of such minor changes made without the prior approval of the Commission, which in its judgment have produced or will produce any of such results, shall be subject to such alteration as the Commission may direct. The Licensee shall comply with such rules and regulations of general or special applicability as the Commission may from time to time prescribe for the protection of life, health, or property.

Article 4. The construction, operation, and maintenance of the project and any work incident to additions or alterations, whether or not conducted upon lands of the United States, shall be subject to the inspection and supervision of the Regional Engineer, Federal Power Commission, in the region wherein the project is located, or of such other officer or agent as the Commission may designate, who shall be the authorized representative of the Commission for such purposes. The Licensee shall furnish to said representative such information as he may require concerning the construction, operation, and maintenance of the project, and of any alteration thereof, and shall notify him of the date upon which work will begin, and as far in advance thereof as said representative may reasonably specify, and shall notify him promptly in writing of any suspension of work for a period of more than one week, and of its

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resumption and completion. The Licensee shall allow him and other officers or employees of the United States, showing proper credentials, free and unrestricted access to, through, and across the project lands and project works in the performance of their official duties.

Article 5. Upon the completion of the project, or at such other time as the Commission may direct, the Licensee shall submit to the Commission for approval revised maps, plans, specifications, and statements insofar as necessary to show any divergence from or variations in the project area and project boundary as finally located or in the project works as actually constructed when compared with the area and boundary shown and the works described in the license or in the maps, plans, specifications, and statements approved by the Commission, together with a statement in writing setting forth the reasons which in the opinion of the Licensee necessitated or justified variations in or divergence from the approved maps, plans, specifications, and statements. Such revised maps, plans, specifications, and statements shall, if and when approved by the Commission, be made a part of the license under the provisions of Article 2 hereof.

Article 6. For the purpose of determining the stage and flow of the stream or streams from which water is to be diverted for the operation of the project works, the amount of water held in and withdrawn from storage, and the effective head on the turbines, the Licensee shall install and thereafter maintain such gages and stream-gaging stations as the Commission may deem necessary and best adapted to the requirements; and shall provide for the required readings of such gages and for the adequate

rating of such stations. The Licensee shall also install and maintain standard meters adequate for the determination of the amount of electric energy generated by said project works. The number, character, and location of gages, meters, or other measuring devices, and the method of operation thereof, shall at all times be satisfactory to the Commission and may be altered from time to time if necessary to secure adequate determinations, but such alteration shall not be made except with the approval of the Commission or upon the specific direction of the Commission. The installation of gages, the ratings of said stream or streams, and the determination of the flow thereof, shall be under the supervision of, or in cooperation with, the District Engineer of the United States Geological Survey having charge of stream-gaging operations in the region of said project, and the Licensee shall advance to the United States Geological Survey the amount of funds estimated to be necessary for such supervision or cooperation for such periods as may be mutually agreed upon. The Licensee shall keep accurate and sufficient record of the foregoing determinations to the satisfaction of the Commission, and shall make return of such records annually at such time and in such form as the Commission may prescribe.

Article 7. So far as is consistent with proper operation of the project, the Licensee shall allow the public free access, to a reasonable extent, to project waters and adjacent lands owned by the Licensee for the purpose of full public utilization of such lands and waters for navigation and recreational purposes, including fishing and hunting, and shall allow for such purposes the construction of access roads, wharves, landings, and

other facilities on its lands the occupancy of which may, in appropriate circumstances, be subject to payment of rent to the Licensee in a reasonable amount: Provided, that the Licensee may reserve from public access, such portions of the project waters, adjacent lands, and project facilities as may be necessary for the protection of life, health, and property and Provided further, that the Licensee's consent to the construction of access roads, wharves, landings, and other facilities shall not, without its express agreement, place upon the Licensee any obligation to construct or maintain such facilities.

Article 8. In the construction and maintenance of the project, the location and standards of roads and trails, and other land uses, including the location and condition of quarries, borrow pits, spoil disposal areas, and sanitary facilities, shall be subject to the approval of the department or agency of the United States having supervision over the lands involved.

Article 9. Insofar as any material is dredged or excavated in the prosecution of any work authorized under the license, or in the maintenance of the project, such material shall be removed and deposited so it will not interfere with navigation, and will be to the satisfaction of the District Engineer, Department of the Army, in charge of the locality.

Article 10. In the construction and maintenance of the project works, the Licensee shall place and maintain suitable structures and devices to reduce to a reasonable degree the liability of contact between its transmission lines, and telegraph, telephone, and other signal wires or power transmission lines constructed prior to its transmission lines and not

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owned by the Licensee, and shall also place and maintain suitable structures and devices to reduce to a reasonable degree the liability of any structures or wires falling and obstructing traffic and endangering life on highways, streets, or railroads.

Article 11. The Licensee shall make provision, or shall bear the reasonable cost, as determined by the agency of the United States affected, of making provision for avoiding inductive interference between any project transmission line or other project facility constructed, operated, or maintained under the license, and any radio installation, telephone line, or other communication facility installed or constructed before or after construction of such project transmission line or other project facility and owned, operated, or used by such agency of the United States in administering the lands under its jurisdiction. None of the provisions of this article is intended to relieve the Licensee from any responsibility or requirement which may be imposed by other lawful authority for avoiding or eliminating inductive interference.

Article 12. The Licensee shall clear such portions of transmission line rights-of-way across lands of the United States as are designated by the officer of the United States in charge of the lands; shall keep the areas so designated clear of new growth, all refuse, and inflammable material to the satisfaction of such officer; shall trim all branches of trees in contact with or liable to contact the transmission line; shall cut and remove all dead or leaning trees which might fall in contact with the transmission line; and shall take such other precautions against fire as may be required by such officer. No fires for the burning of waste

material shall be set except with the prior written consent of the officer of the United States in charge of the lands as to time and place.

Article 13. Timber on lands of the United States cut, used, or destroyed in the construction and maintenance of the project works or in the clearing of said lands shall be paid for in accordance with the requirements of and at the current stumpage rates applicable to the sale of similar timber by the agency of the United States having jurisdiction over said lands; and all slash and debris resulting from the cutting or destruction of such timber shall be disposed of as the officer of such agency may direct.

Article 14. The Licensee shall do everything reasonably within its power and shall require its employees, contractors, and employees of contractors to do everything reasonably within their power, both independently and upon request of officers of the agency of the United States concerned, to prevent, make advanced preparations for suppression, and suppress fires on or near lands occupied under the license.

Article 15. Whenever the United States shall desire to construct, complete, or improve navigation facilities in connection with the project, the Licensee shall convey to the United States, free of cost, such of its lands and its rights-of-way and such right of passage through its dams or other structures, and permit such control of pools as may be required to complete and maintain such navigation facilities.

Article 16. The Licensee shall furnish free of cost to the United States power for the operation and maintenance of navigation facilities at the voltage and frequency required by such facilities and at a point

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adjacent thereto, whether said facilities are constructed by the Licensee or by the United States.

Article 17. The operation of any navigation facilities, which may be constructed as a part of or in connection with any dam or diversion structure constituting a part of the project works, shall at all times be controlled by such reasonable rules and regulations in the interest of navigation, including the control of the level of the pool caused by such dam or diversion structure, as may be made from time to time by the Secretary of the Army. Such rules and regulations may include the construction, maintenance, and operation by the Licensee, at its own expense, of such lights and signals as may be directed by the Secretary of the Army.

Article 18. The United States specifically retains and safeguards the right to use water in such amount, to be determined by the Secretary of the Army, as may be necessary for the purposes of navigation on the navigable waterway affected; and the operations of the Licensee, so far as they affect the use, storage and discharge from storage of waters affected by the license, shall at all times be controlled by such reasonable rules and regulations as the Secretary of the Army may prescribe in the interest of navigation, and as the Commission may prescribe for the protection of life, health, and property, and in the interest of the fullest practicable conservation and utilization of such waters for power purposes and for other beneficial public uses, including recreational purposes; and the Licensee shall release water from the project reservoir at such rate in cubic feet per second, or such volume in acre-feet per specified period of time, as the Secretary of the Army may prescribe in the interest of

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navigation, or as the Commission may prescribe for the other purposes hereinbefore mentioned.

Article 19. The Licensee shall interpose no objection to, and shall in no way prevent, the use by the agency of the United States having jurisdiction over the lands of the United States affected, or by persons or corporations occupying lands of the United States under permit, of water for fire suppression from any stream, conduit or body of water, natural or artificial, used by the Licensee in the operation of the project works covered by the license, or to the use by said parties of water for sanitary and domestic purposes from any stream or body of water, natural or artificial, used by the Licensee in the operation of the project works covered by the license.

Article 20. The Licensee shall be liable for injury to, or destruction of, any buildings, bridges, roads, trails, lands, or other property of the United States, occasioned by the construction, maintenance, or operation of the project works or of the works appurtenant or accessory thereto under the license. Arrangements to meet such liability, either by compensation for such injury or destruction, or by reconstruction or repair of damaged property, or otherwise, shall be made with the appropriate department or agency of the United States.

Article 21. The Licensee shall allow any agency of the United States, without charge, to construct or permit to be constructed on, through, and across the project lands, conduits, chutes, ditches, railroads, roads, trails, telephone lines, and other means of transportation and communication not inconsistent with the enjoyment of said lands by the Licensee for

the purposes stated in the license. This article shall not be construed as conferring upon the Licensee any right of use, occupancy, or enjoyment of the lands of the United States other than for the construction, operation, and maintenance of the project as stated in the license.

Article 22. There is reserved to the appropriate department or agency of the United States, or of the State or county involved, the right to take over, maintain, and supervise the use of any project road after construction of the project works is completed.

Article 23. The actual legitimate original cost of the original project, and of any addition thereto or betterment thereof, shall be determined by the Commission in accordance with the Act and the Commission's rules and regulations thereunder.

Article 24. After the first twenty (20) years of operation of the project under the license, six (6) percent per annum shall be the specified rate of return on the net investment in the project for determining surplus earnings of the project for the establishment and maintenance of amortization reserves, pursuant to Section 10 (d) of the Act; one-half of the project surplus earnings, if any, accumulated after the first twenty years of operation under the license, in excess of six (6) percent per annum on the net investment, shall be set aside in a project amortization reserve account as of the end of each fiscal year, provided that, if and to the extent that there is a deficiency of project earnings below six (6) percent per annum for any fiscal year or years after the first twenty years of operation under the license, the amount of such deficiency shall be deducted from the amount of any surplus earnings accumulated thereafter until absorbed, and

one-half of the remaining surplus earnings, if any, thus cumulatively computed, shall be set aside in the project amortization reserve account; and the amounts thus established in the project amortization reserve account shall be maintained therein until further order of the Commission.

Article 25. No lease of the project or part thereof whereby the lessee is granted the exclusive occupancy, possession, or use of project works for purposes of generating, transmitting, or distributing power shall be made without the prior written approval of the Commission; and the Commission may, if in its judgment the situation warrants, require that all the conditions of the license, of the Act, and of the rules and regulations of the Commission shall be applicable to such lease and to such property so leased to the same extent as if the lessee were the Licensee: Provided, that the provisions of this article shall not apply to parts of the project or project works which may be used by another jointly with the Licensee under a contract or agreement whereby the Licensee retains the occupancy, possession, and control of the property so used and receives adequate consideration for such joint use, or to leases of land while not required for purposes of generating, transmitting, or distributing power, or to buildings or other property not built or used for said purposes, or to minor parts of the project or project works, the leasing of which will not interfere with the usefulness or efficient operation of the project by the Licensee for such purposes.

Article 26. The Licensee, its successors and assigns will, during the period of the license, retain the possession of all project property covered by the license as issued or as later amended, including the project area,

the project works, and all franchises, easements, water rights, and rights of occupancy and use; and that none of such properties necessary or useful to the project and to the development, transmission, and distribution of power therefrom will be voluntarily sold, transferred, abandoned, or otherwise disposed of without the approval of the Commission; Provided, that a mortgage or trust deed or judicial sales made thereunder, or tax sales, shall not be deemed voluntary transfers within the meaning of this article. In the event the project is taken over by the United States upon the termination of the license, as provided in Section 14 of the Act, or is transferred to a new licensee under the provisions of Section 15 of the Act, the Licensee, its successors and assigns will be responsible for and will make good any defect of title to or of right of user in any of such project property which is necessary or appropriate or valuable and serviceable in the maintenance and operation of the project, and will pay and discharge, or will assume responsibility for payment and discharge, of all liens or incumbrances upon the project or project property created by the Licensee or created or incurred after the issuance of the license; Provided, that the provisions of this article are not intended to prevent the abandonment or the retirement from service of structures, equipment, or other project works in connection with replacements thereof when they become obsolete, inadequate, or inefficient for further service due to wear and tear, or to require the Licensee, for the purpose of transferring the project to the United States or to a new licensee, to acquire any different title to or right of user in any of such project property than was necessary to acquire for its own purposes as Licensee.

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Article 27. The terms and conditions expressly set forth in the license shall not be construed as impairing any terms and conditions of the Federal Power Act which are not expressly set forth herein.

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BEFORE THE FEDERAL POWER COMMISSION

APPLICATION FOR PRELIMINARY PERMIT

FOR

HYDRO-ELECTRIC DEVELOPMENT

AT

CABINET GORGE, IDAHO

ON

CLARK FORK RIVER

BY

THE WASHINGTON WATER POWER COMPANY

SPOKANE, WASHINGTON

SEPTEMBER, 1950

BEFORE THE

FEDERAL POWER COMMISSION

APPLICATION FOR PRELIMINARY PERMIT

1. The Washington Water Power Company, a corporation organized under the laws of the State of Washington, and having its office and principal place of business at Spokane in the State of Washington, being desirous of obtaining a license under the Federal Power Act, hereby makes application to the Federal Power Commission for a preliminary permit for twenty-four (24) months, for the project described herein. This application is made in order that the applicant may secure and maintain priority for a license under the Federal Power Act while securing data and performing the acts necessary to perfect an application for such license.

2. The name, title and post-office address of the person to whom correspondence in regard to this application should be addressed are as follows:

B J Lindsay, Secretary
The Washington Water Power Company
P O Box 1445
Spokane, Washington

The Commission is also respectfully requested to mail copies of all correspondence in regard to this application to:

M O Leighton
1518 K Street, N. W.
Washington 5, D. C.

who is the applicant's accredited representative in Washington, D. C.

3. The applicant is a corporation and is organized under the following laws: Organized under the laws of the State of Washington; qualified and doing business in, and under the laws of the States of Washington and Idaho, and will qualify to do business in the State of Montana as soon as necessary.

4. The measure of control or ownership exercised by or over the applicant in any other organization, is as follows: All voting stock (common stock) of the Company is owned by American Power & Light Company, 2 Rector Street, New York, New York.

5. The applicant is engaged in operation as an electric public utility in the following area: Eastern Washington and Northern Idaho. See map, Exhibit J, filed herewith.

6. The location of the project applied for is as follows:

(a) In the States of Idaho and Montana

(b) Power plant in the County of Bonner, Idaho and backwater in Sanders County, Montana

(c) On the following named stream, Clark Fork River, carrying commerce to the following extent:

No knowledge of any present commerce.

(d) In the region of the following cities and towns:

About 25 miles southeast of Sandpoint, Idaho, and 35 miles northeast of Coeur d'Alene, Idaho, and approximately 9 miles upstream (southeast) from Lake Pend Oreille.

7. Lands of the United States which will be affected are located in the Public Domain in Bonner County, Idaho and in Cabinet

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10. The location (see map, Exhibit J), a brief description, and capacity of all power plants owned or operated by the applicant, the markets supplied thereby, and the relation thereof to the project applied for are briefly described as follows:

Power Plants	Approximate Location	Installed Capacity-K.	Source of Water
Monroe Street	Spokane Co., Washington	7 200	Spokane River
Post Falls	Kootenai Co., Idaho	11 250	Spokane River
Little Falls	Lincoln & Stevens Cos., Washington	32 000	Spokane River
Long Lake	Lincoln & Stevens Cos., Washington	70 000	Spokane River
Upper Falls	Spokane Co., Wash.	10 000	Spokane River
Chelan	Chelan Co., Wash.	48 000	Chelan River
Nine Mile	Spokane Co., Wash.	12 000	Spokane River
Lewiston	Nez Perce Co., Idaho	10 000	Clearwater River
Grangeville	Idaho Co., Idaho	1 000	South Fork of Clearwater River
Myers Falls	Stevens Co., Wash.	1 200	Colville River
Dalkena	Pend Oreille Co., Washington	560	Calispel Creek
Total Installed Capacity		203 210	

11. The following exhibits are submitted herewith, and are hereby made a part of this application:

National Forest in Sanders County, Montana, according to present information available.

8. The proposed scheme of development for the project is as follows:

The dam is to be of concrete construction with top at elevation 2180. The reservoir will be approximately 20 miles long with its normal water surface at elevation 2175.

The powerhouse is to be a reinforced concrete structure with provision for the installation of 267 000 HP capacity and provision for additional capacity as warranted by future upstream reservoir development.

It is estimated that 90 000 kw will be available 90% of the time during the months of October through March which is the critical low-flow or "dry" period for the North West Power Pool of which applicant is a member.

The generating plant will be connected to the transmission system of the applicant initially through a 230 kv transmission line terminating at Spokane, Washington.

9. The proposed use or market for the power to be developed is as follows:

> For residential, farm, commercial, industrial, municipal, public utility and interchange uses and purposes on and through the interconnected system of applicant. See map, Exhibit J, filed herewith.

Verification

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

K M ROBINSON, being first duly sworn, deposes and says:

That he is the President of The Washington Water Power Company, the applicant for a preliminary permit; that he has read the foregoing application and knows the contents thereof; that the same are true to the best of his knowledge and belief.

/s/ K M Robinson

Subscribed and sworn to before me this 11th day of September, 1950.

/s/ Lawrence O. Lewis
Notary Public

(NOTARIAL SEAL)

Qualified in New York County
Certificate filed with the County Clerk
Commission Expires March 30, 1952

EXHIBIT A

Articles of Incorporation, with amendments to date.

Certificate of Organization with By-laws as amended to date.

Certificate of Good Standing - Idaho.

The above four documents are filed herewith.

This statement is a part of the application for preliminary permit made by the undersigned this 11th day of September, 1950.

THE WASHINGTON WATER POWER COMPANY

By D M Robinson
President

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COPY

S T A T E O F I D A H O

DEPARTMENT OF STATE.

C E R T I F I C A T E

I, J. D. (CY) PRICE, Secretary of State of the State of Idaho, hereby certify that I am the legal custodian of the records of said State pertaining to all corporation, both foreign and domestic, which have qualified to do business under the general laws of the State of Idaho and pertaining to the present status and the right of such corporations to transact business in the State of Idaho.

I FURTHER CERTIFY That the records of this office show that

THE WASHINGTON WATER POWER COMPANY

incorporated under the laws of the State of Washington, qualified to do business in this State on March 18, 1902, with principal place of business located at Coeur D'Alene, Idaho.

I FURTHER CERTIFY That this corporation has been in continuous good standing from the date of qualification, that the annual license tax for the fiscal year ending June 30, 1951, has been paid, and that its permit to do business in this State has not been forfeited or cancelled at the date hereof.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise, the Capital of Idaho, this first day of September, in the year of our Lord one thousand nine hundred fifty and of the Independence of the United States of America the One Hundred Seventy-fifth.

SEAL

/s/ J. D. (CY) PRICE

Secretary of State.

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RESOLUTION OF BOARD OF DIRECTORS AUTHORIZING FILING OF APPLICATION

"RESOLVED that the officers of this Company be and they are hereby authorized and directed to proceed with the completion of detailed engineering surveys, plans and designs, and to take any and all such action and further steps, on behalf of this Company, as in their opinion may be necessary or desirable to construct, equip and complete a hydroelectric power generation station of up to approximately 200,000 kilowatts capacity, at the Cabinet Gorge site located on the Clark' Fork of the Columbia River in Bonner County, Idaho, together with the necessary switching equipment and transmission lines to connect said station with the Company's interconnected primary transmission system, with full power to act in the premises, including the making of any loans or temporary borrowings as they may deem necessary, together with preliminary arrangements for the permanent financing of said installations, and including the acquisition of such lands, easements and other rights as they may deem necessary or desirable for said purposes, and including the entering into and execution by said officers, on behalf of this Company, of such construction contracts and other agreements,

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and the making and filing of such applications for permits, licenses, and other authorizations as may be required, or as may by them be deemed necessary or desirable in the premises."

STATE OF NEW YORK)
County of New York)ss

I, D. W. JACK, Assistant Secretary of The Washington Water Power Company, do hereby certify that the above and foregoing is a true, full and correct copy of a resolution unanimously passed and adopted by the Board of Directors of said Company at a special meeting of said Board held on the 11th day of September, 1950, of which meeting due notice was given, and that a quorum was present and voting throughout said meeting and at the time of the passage and adoption of said resolution; that the said resolution has never been modified or rescinded, and the same is in full force and effect as of the date of this certificate.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of said Company this 11th day of September, 1950.

(CORPORATE SEAL)

Assistant Secretary

This statement is a part of the application for preliminary permit made by the undersigned this 11th day of September, 1950.

THE WASHINGTON WATER POWER COMPANY

By _____
President

EXHIBIT C

STATEMENT OF PROJECT DATA AVAILABLE

River flow data available for the study of the power site have been obtained from the Water Supply Papers of the USGS and the reports of various Government agencies.

Preliminary diamond drilling information has been secured from Government agency reports.

This statement is a part of the application for preliminary permit made by the undersigned this 11th day of September, 1950.

THE WASHINGTON WATER POWER COMPANY

By _____
President

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EXHIBIT E

STATEMENT PERTAINING TO WATER RIGHTS

Applicant, on September 7, 1950, filed with the Department of Reclamation of the State of Idaho its Application No. 29403 to appropriate 25,000 cubic feet per second of the waters of Clark Fork River for hydroelectric generation at the proposed project.

Applicant intends to obtain approval of plans for the proposed dam by the Department of Reclamation of the State of Idaho as provided for under Idaho statutes.

This statement is a part of the application for preliminary permit made by the undersigned this 11th day of September, 1950.

THE WASHINGTON WATER POWER COMPANY

By _____
President

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EXHIBIT F

STATEMENT OF OWNERSHIP OF LANDS

Present information indicates that the ownership of the lands to be included within the proposed project boundary is as shown on the tabulation below. It is intended to obtain suitable easements or flooding rights for all lands in private ownership.

Section	Township	Range	Description	Ownership
Idaho				
27	55 N	35 W	N 1/2 S 1/2	Private
			S 1/2 N 1/2	Private
			NE1/4 NE1/4	Private
26	55 N	3 E	Lots 1 & 2	U S
Montana				
24	27 N	35 W	N 1/2 S 1/2	Private
			S 1/2 N 1/2	Private
19	27 N	34 W	N 1/2 S 1/2	Private
			S 1/2 N 1/2	Private
20	27 N	34 W	S 1/2 S 1/2	Private
			N 1/2 S 1/2	Private
21	27 N	34 W	S 1/2 SW1/4	Private
			SW1/4 SE1/4	Private
28	27 N	34 W	N 1/2 NW1/4	Private
			NW1/4 NE 1/4	Private
			SW1/4 NE1/4	Private
			N 1/2 SE1/4	Private
			S 1/2 SE1/4	Private
27	27 N	34 W	S 1/2 SW1/4	Private
34	27 N	34 W	N 1/2 N 1/2	Private
26	27 N	34 W	SE1/4 SW1/4	Private
			S 1/2 SE1/4	Private
25	27 N	34 W	S 1/2 S 1/2	U S

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Section	Township	Range	Description		Ownership
35	27 N	34 W	N 1/2	N 1/2	Private
			S 1/2	N 1/2	Private
36	27 N	34 W	N 1/2	N 1/2	Private
			S 1/2	N 1/2	Private
30	27 N	33 W	S 1/2	SW1/4	26.28 ac Private Balance US
Montana					
31	27 N	33 W	N 1/2	N 1/2	)North of River-US
			S 1/2	N 1/2	)
			NE1/4	SE1/4	)South of River
			SE1/4	SE1/4	) Private
32	27 N	33 W	SW1/4	NW1/4	Private
			NW1/4	SW1/4	Private
			SW1/4	SW1/4	Private
			SE1/4	SW1/4	Private
5	26 N	33 W	N 1/2	NW1/4	U S
			SW1/4	NW1/4	U S
			SE1/4	NW1/4	Private
			SW1/4	NE1/4	Private
			N 1/2	SW1/4	U S
			N 1/2	SE1/4	Private
			S 1/2	SE1/4	U S
			SW1/4	SW1/4	U S
4	26 N	33 W	SW1/4	SW1/4	U S
8	26 N	33 W	NE1/4	NE1/4	Private
9	26 N	33 W	N 1/2	NW1/4	Private
			S 1/2	NW1/4	Private
			S 1/2	NE1/4	Private
			NE1/4	SW1/4	Private
			N 1/2	SE1/4	Private
			S 1/2	SE1/4	Private
10	26 N	33 W	SW1/4	NW1/4	Private
			N 1/2	SW1/4	Private
			S 1/2	SW1/4	Private
			SW1/4	SE1/4	Private
15	26 N	33 W	N 1/2	NW1/4	Private
			N 1/2	NE1/4	Private
			S 1/2	NE1/4	Private
			NE1/4	SE1/4	Private

21783

Section	Township	Range	Description		Ownership
Montana					
14	26 N	33 W	S 1/2	NW1/4	Private
			SW1/4	NE1/4	Private
			N 1/2	SW1/4	U S (Island)
			S 1/2	SW 1/4	Private
			N 1/2	SE1/4	Private
			S 1/2	SE1/4	Private
23	26 N	33 W	NE1/4	NE1/4	Private
13	26 N	33 W	N 1/2	SW1/4	U S
			S 1/2	SW1/4	U S
			N 1/2	SE1/4	U S
			S 1/2	SE1/4	U S
24	26 N	33 W	N 1/2	NW1/4	Private
			SE1/4	NW1/4	Private
			N 1/2	NE1/4	Private
			S 1/2	NE1/4	Private
18	26 N	32 W	S 1/2	SW1/4	U S
19	26 N	32 W	N 1/2	NW1/4	U S
			S 1/2	NW1/4	U S
			NW1/4	NE1/4	U S
			S 1/2	NE1/4	U S
			N 1/2	SW1/4	Private
			N 1/2	SE1/4	Private
			SE1/4	SE1/4	Private
20	26 N	32 W	SW1/4	NW1/4	U S
			NW1/4	SW1/4	U S
			S 1/2	SW1/4	U S
29	26 N	32 W	N 1/2	NW1/4	U S
			SE1/4	NW1/4	U S
			SW1/4	NE1/4	Private
			N 1/2	SE1/4	Private
			S 1/2	SE1/4	Private
Montana					
32	26 N	32 W	NE1/4	NE1/4	U S
			SE1/4	NE1/4	US
			NE1/4	SE1/4	U S
33	26 N	32 W	NW1/4	NW1/4	U S
			SW1/4	NW1/4	U S
			NW1/4	SW1/4	U S
			S 1/2	SW1/4	U S

3182

Section	Township	Range	Description	Ownership
Montana				
4	25 N	32 W	E 1/2 NW1/4	U S
			NE1/4 SW1/4	U S
			W 1/2 NE1/4	U S
			SE1/4 NE1/4	U S
			N 1/2 SE1/4	U S
			S 1/2 SE1/4	U S

This statement is a part of the application for preliminary permit made by the undersigned this 11th day of September, 1950.

THE WASHINGTON WATER POWER COMPANY

By W M Morrison

STATEMENT OF APPLICANT'S FINANCIAL STATUS

Applicant has the necessary financial ability and cash available in its treasury to finance all work contemplated under preliminary permit, including preliminary construction work. Cost of the project will be financed, in whole or in part, by the issuance of securities, following applications for such purpose to regulatory authorities as required by law. Copy of applicant's Balance Sheet as of July 31, 1950 is filed herewith as a part of this Exhibit G.

This statement is a part of the application for preliminary permit made by the undersigned this 11th day of September, 1950.

THE WASHINGTON WATER POWER COMPANY

By _____
President

Exhibit H-I

GENERAL MAP OF PROPOSED PROJECT

This exhibit is filed herewith under separate cover.

Exhibit A - Articles of Incorporation, with amendments to date.
By-laws, as amended to date.
Certificate of Organization.
Certificate of Good Standing - Idaho.

Exhibit B - Certified copy of resolution of Board of Directors authorizing filing of application.

Exhibit C - Statement of Project Data Available.

Exhibit D - Statement of Proposed Work under Preliminary Permit.

Exhibit E - Statement Pertaining to Water Rights.

Exhibit F - Statement of Ownership of Project Lands.

Exhibit G - Statement of Applicant's Financial Status.

Exhibit H-I - General Map of Proposed Project.

Exhibit J - General System Map.

IN WITNESS WHEREOF, the applicant has caused its name to be hereunto signed by K M Robinson, its President, and its corporate seal to be hereto affixed by D V Jack, its Assistant Secretary, thereunto duly authorized, this 11th day of September, 1950.

THE WASHINGTON WATER POWER COMPANY

By K M Robinson
President

(CORPORATE SEAL)

ATTEST: D V Jack
Assistant Secretary

EXHIBIT D

STATEMENT OF PROPOSED WORK UNDER PRELIMINARY PERMIT

Under the preliminary permit it is proposed to complete all survey investigation necessary to develop construction plans for the site, including such backwater information as will be required to determine lands to be flooded. All survey data will be recorded on maps. Any further necessary diamond drill exploration work will be completed. Stream measurement records will be checked, and plans and specifications determined upon for construction purposes.

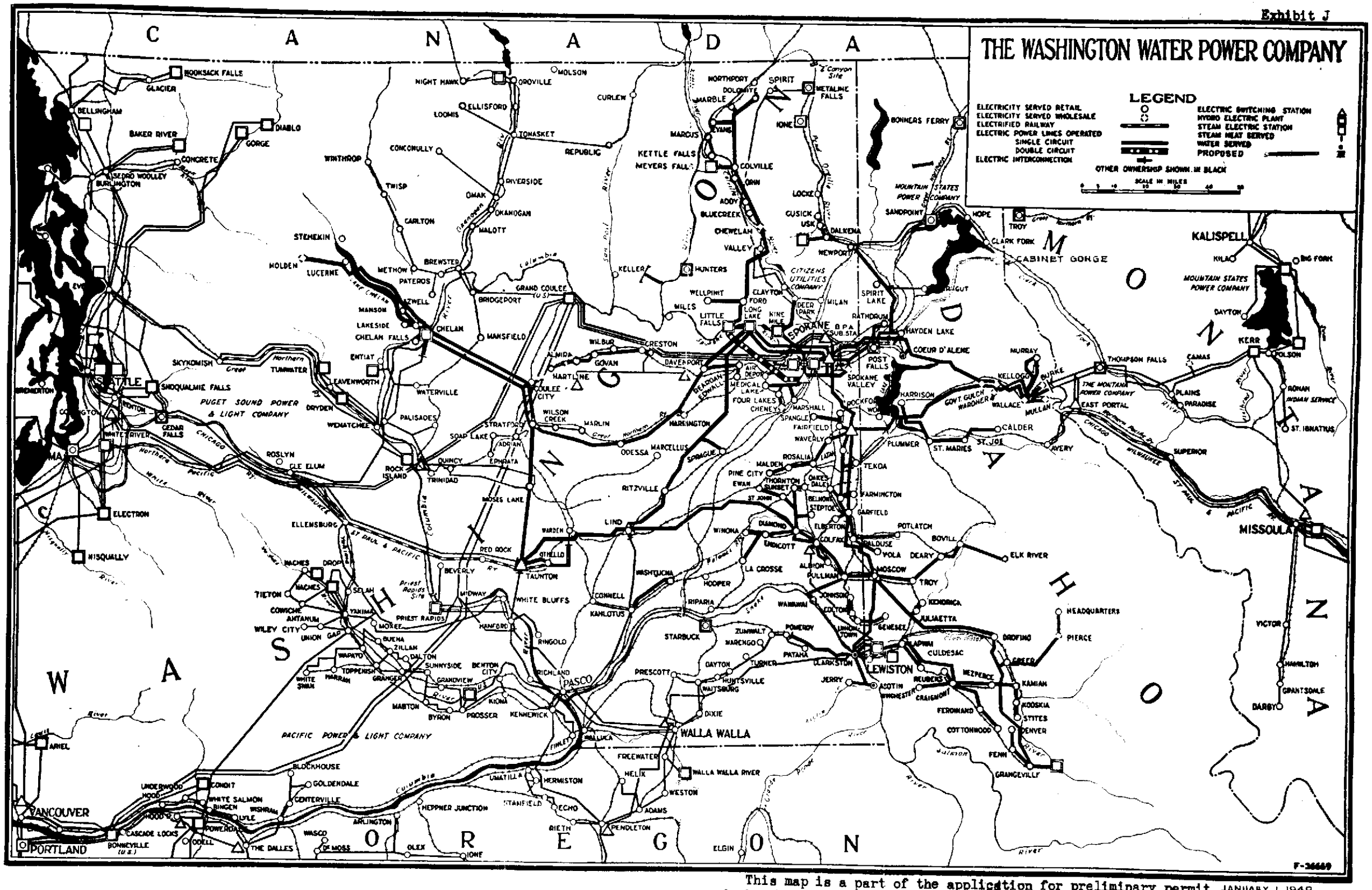
The work contemplated under preliminary permit is estimated to cost $75,000.

This statement is a part of the application for preliminary permit made by the undersigned this 11th day of September, 1950.

THE WASHINGTON WATER POWER COMPANY

By _____
President

Exhibit J

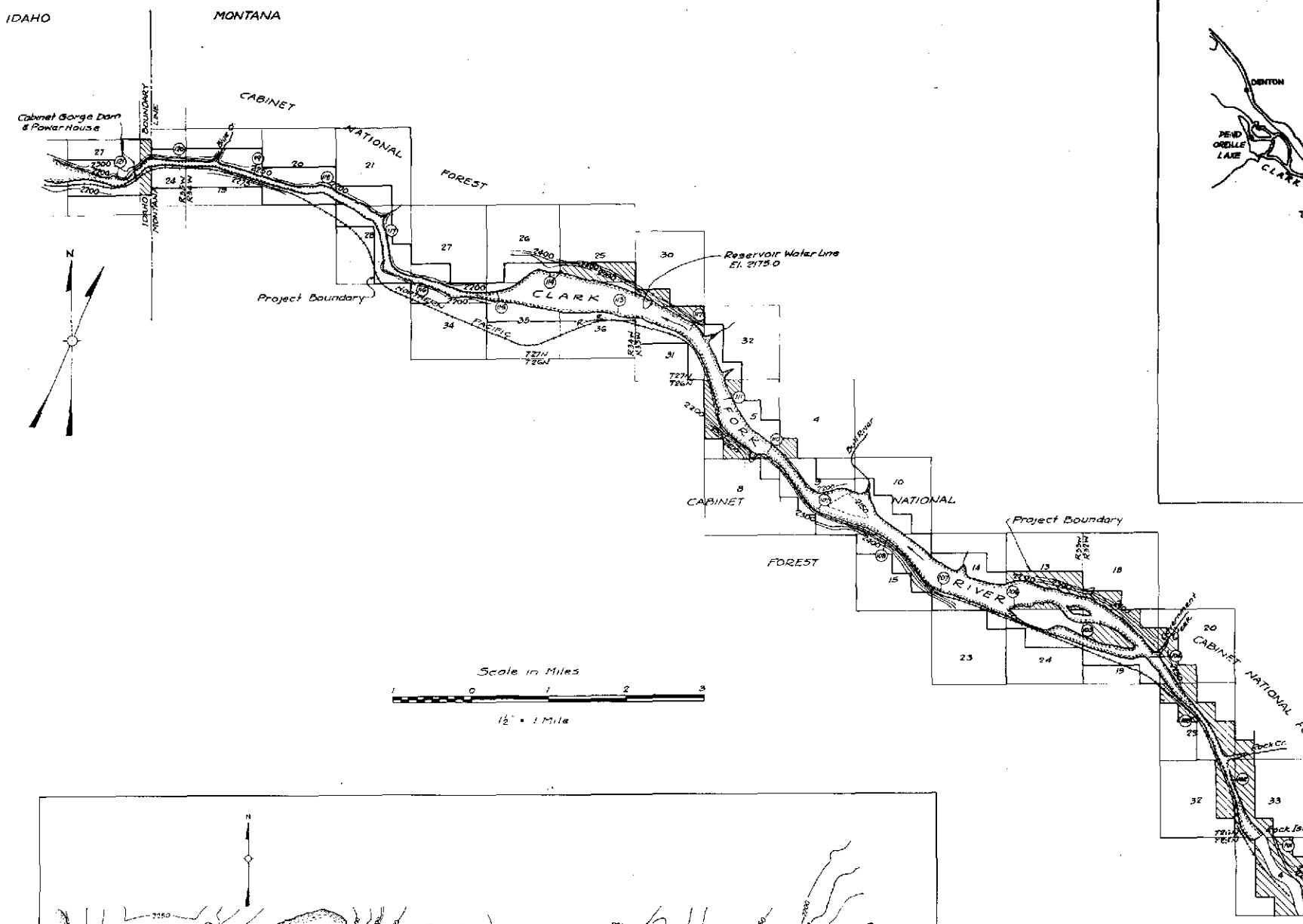


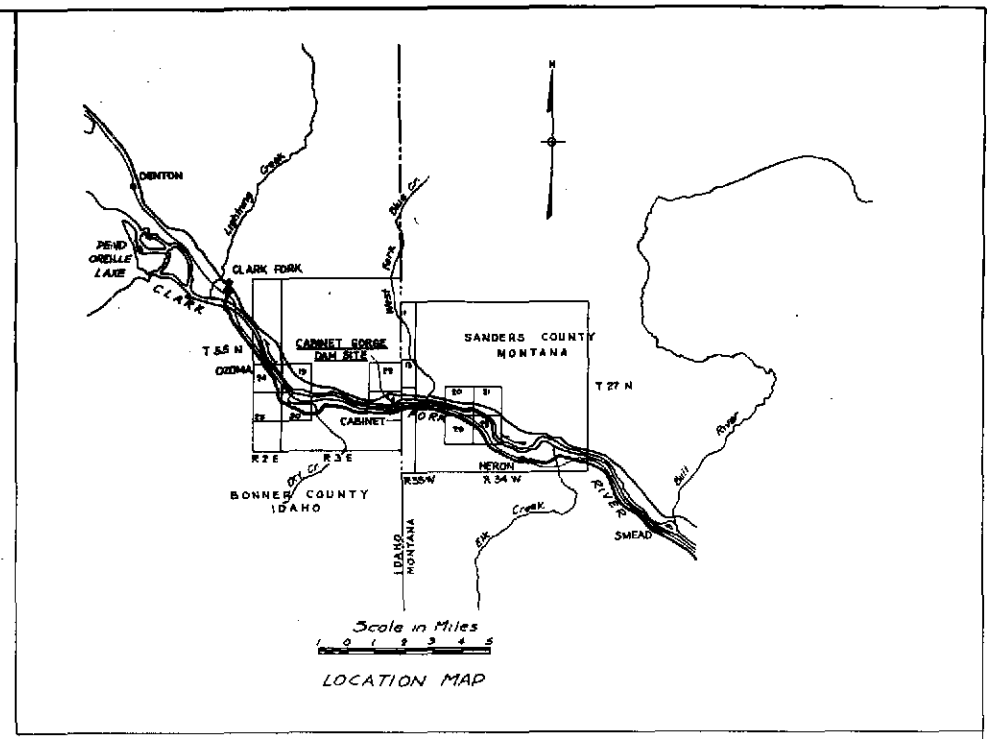
This map is a part of the application for preliminary permit made by the undersigned this 11th day of September, 1950.

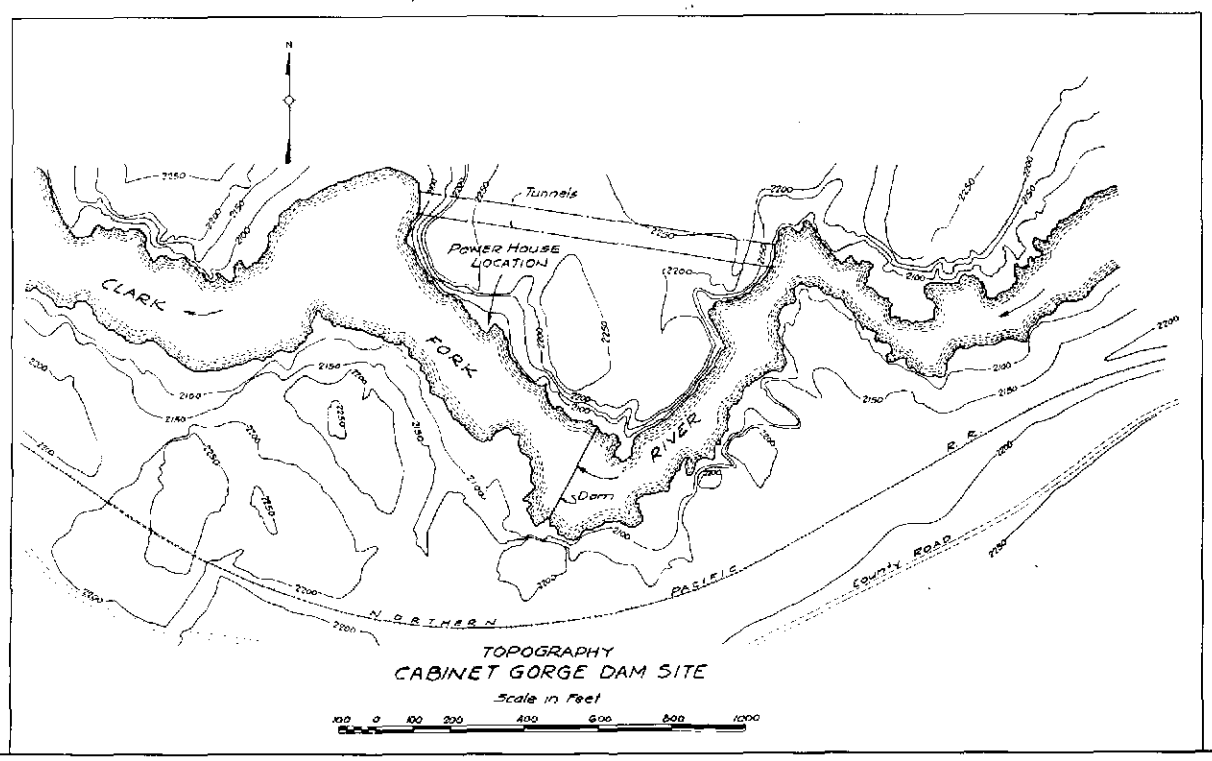
JANUARY 1, 1949

THE WASHINGTON WATER POWER COMPANY

By T M Robinson







NOTES:-
Symbol ▨ denotes U.S. Government Lands
Reservoir Area = 1200 Acres ±

EXHIBIT H-1

This drawing is a part of the application for preliminary permit for Cabinet Gorge H.E. Development made by the undersigned this day of 1950.

THE WASHINGTON WATER POWER Co

By [redacted]

PROJECT NO. -IDAHO

CABINET GORGE H.E. DEVELOPMENT

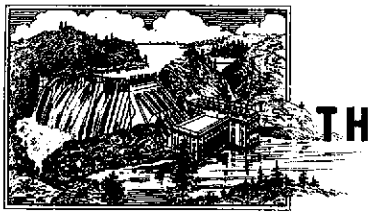
GENERAL MAP

THE WASHINGTON WATER POWER CO.

SCALE AS SHOWN

F-104650

FORM-311 S



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 6, WASHINGTON

B. J. LINDSAY, SECRETARY

September 28, 1950

Appl. No. 2940

RECEIVED
SEP 29 1950
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
Department of Reclamation
Boise, Idaho

Dear Mr. Kulp:

In line with a suggestion made by Mr. E. H. Collins, Engineering Consultant of our Company, we are enclosing herewith a complete photostat copy of the application of The Washington Water Power Company to the Federal Power Commission for a Preliminary Permit for Hydroelectric Development at Cabinet Gorge on the Clark Fork River in the States of Idaho and Montana.

We hope to make as much progress as possible before winter sets in and in addition we feel that this power development is urgently needed and that it will tie in with the general welfare and be in accord with the President's preparedness program.

Yours very truly,

B. J. LINDSAY

BJL:lc
enc.

21783

September 7, 1950

Received from Mr. Arne Archambo, application of the Washington Water Power Company, for permit to appropriate 25,000 cubic feet per second from Clark Fork River, with check for the filing fee of $6,254.75 attched.

Said application has been numbered 29403, with filing date of 1:15 P.M. September 7, 1950.

MARK R. KULP
State Reclamation Engineer

By

Chief Clerk

21783

THE WASHINGTON WATER POWER COMPANY

NOTES TO FINANCIAL STATEMENTS,
JULY 31, 1950

1. Utility plant is stated on the basis of a reclassification required by systems of accounts prescribed by regulatory authorities and includes as of July 31, 1950, utility plant acquisition adjustments - electric of $3,181,919.16 which is being amortized by charges to income each year at rates aggregating not less than one-fifteenth thereof with concurrent credits to reserve for amortization of utility plant acquisition adjustments.

   Condemnation proceedings are pending against the Company relating to certain of its properties in Chelan and Pend Oreille Counties in the State of Washington. The ultimate effect of these proceedings is not presently determinable.

2. The Company has followed generally the retirement reserve method of providing for retirements of property, and while its property retirement provisions do not purport to conform to depreciation allowable for income tax purposes or to be calculated on the basis of specific age-life formulae, the Company, on the basis of present operating conditions and probable useful lives of such properties, believes that current provisions and the accumulated reserve at July 31, 1950, are adequate for the purpose of providing (over the useful lives of depreciable properties) for the retirements of the properties at the expiration of their respective lives.

3. Pending determination by the Bureau of Internal Revenue of the amount of deduction allowable (which may be substantial) for loss sustained by the Company in the liquidation of its investments in Spokane United Railways, no deduction for such loss has been included in the computation of the Federal income tax liability in the Company's accounts and therefore provision for Federal taxes on income for prior years may prove to be substantially in excess of requirements.

4. On June 27, 1939, a declaration filed by the Company with the Securities and Exchange Commission, pursuant to Section 7 of the Public Utility Holding Company Act of 1935, regarding issue and sale of bonds, became effective by order of the Commission. The order provided, among other things, "that, except as this Commission may ... permit, so long as any of the Declarant's First Mortgage Bonds, 3-1/2% Series due 1964, are outstanding, Declarant shall not ... declare or pay any dividends (other than dividends payable solely in shares of stock) or make any other distribution on any shares of its preferred and common stock, nor shall any shares of such stock be purchased, retired, or otherwise acquired, by Declarant ... unless the amount expended by Declarant ... for

(Continued) - 1.

2178

maintenance and repairs plus provisions for retirements during the period from July 1, 1939 to the date of the proposed payment of such dividend or making of such distribution or acquisition, plus the net income since July 1, 1939 transferred to the earned surplus of Declarant, over and above the amounts of all such dividends, distributions, and acquisitions, shall equal thirteen and one-half per cent of the gross operating revenues of Declarant ... during such period, after the deduction therefrom of an amount equal to the cost to Declarant of electric energy or gas purchased or resold, and rentals paid for electric or gas generating, transmission, or distribution properties, and water properties, leased by Declarant, and payments by Declarant for the use of similar properties operated and maintained by others during such period".

THE WASHINGTON WATER POWER COMPANY
(Incorporated in Washington)

BALANCE SHEET

July 31, 1950

ASSETS

UTILITY PLANT		$78,544,983.56
INVESTMENTS:		
Other physical property	$ 404,460.46	
Miscellaneous securities	16,581.66	
Non-current receivables	202,584.04	
TOTAL INVESTMENTS		623,626.16
CURRENT AND ACCRUED ASSETS:		
Cash in banks	$1,111,873.06	
Special deposits	2,717.05	
Working funds	64,280.81	
United States Government Securities	149,850.00	
Accounts receivable:		
Customers	1,049,616.35	
Other	266,997.12	
Materials and supplies	840,159.36	
Prepayments	46,621.70	
Other current and accrued assets	22,717.12	
TOTAL CURRENT AND ACCRUED ASSETS		3,554,832.57
DEFERRED DEBITS:		
Retirement work in progress	$ 154,706.33	
Interchange power account	16,206.00	
Other	401,242.55	
TOTAL DEFERRED DEBITS		572,154.88
CAPITAL STOCK DISCOUNT AND EXPENSE:		
Discount	$ 120,000.00	
Expense	85,569.40	
TOTAL CAPITAL STOCK DISCOUNT AND EXPENSE		205,569.40
CONTINGENT ASSETS (see contra)		250,000.00
TOTAL		$83,751,166.57

The accompanying Notes to Financial Statements should be considered in conjunction with the above statement.

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THE WASHINGTON WATER POWER COMPANY
(Incorporated in Washington)

BALANCE SHEET

July 31, 1950

LIABILITIES

CAPITAL STOCK:		
$6.50 preferred, cumulative, $100 par; pari passu with $6 preferred; authorized, 351 shares, convertible into $6 preferred; outstanding, none.		
$6 preferred, cumulative, no par (entitled upon liquidation to $100 a share); pari passu with $6.50 preferred; authorized, 131,247 shares; outstanding, 35,000 shares	$ 3,496,850.00	
Common, no par; authorized, 5,000,000 shares; outstanding, 2,541,800 shares	25,418,000.00	
TOTAL CAPITAL STOCK		$28,914,850.00
LONG-TERM DEBT - First mortgage bonds, 3½% series, due 1964		19,080,000.00
CURRENT AND ACCRUED LIABILITIES:		
Notes payable - Bank	$ 3,200,000.00	
Accounts payable:		
Associated companies	9,700.00	
Other	1,061,445.09	
Matured interest (cash in special deposits)	1,825.00	
Customers' deposits	16,895.88	
Taxes accrued	4,524,498.08	
Interest accrued	119,170.35	
Other current and accrued liabilities	66,163.50	
TOTAL CURRENT AND ACCRUED LIABILITIES		8,999,697.90
DEFERRED CREDITS:		
Interchange power account	$ 700,538.56	
Unamortized premium on debt	247,313.44	
Customers' advances for construction	104,813.16	
Other	62,550.43	
TOTAL DEFERRED CREDITS		1,115,215.59
RESERVES:		
Property retirement	$14,658,145.02	
Amortization of utility plant acquisition adjustments	1,401,048.66	
Uncollectible accounts	39,412.48	
Inventory adjustment	15,742.00	
Injuries and damages	75,002.94	
Other	3,192.51	
TOTAL RESERVES		16,192,543.61
CONTRIBUTIONS IN AID OF CONSTRUCTION		663,135.99
CONTINGENT LIABILITIES (see contra)		250,000.00
CAPITAL SURPLUS		64,072.00
EARNED SURPLUS (including $1,269,745.78 to which Note 4 applies)		8,471,651.48
TOTAL		$83,751,166.57

The accompanying Notes to Financial Statements should be considered in conjunction with the above statement.

21783

AFFIDAVIT TO ESTABLISH QUALIFICATIONS TO DO BUSINESS
UNDER THE LAWS OF IDAHO

STATE OF WASHINGTON)
: ss.
County of Spokane)

I, W. F. McNaughton of Coeur d'Alene, County of Kootenai, State of Idaho, being first duly sworn, deposes and says:

That I am the Statutory Agent of The Washington Water Power Company, a Washington Corporation; that as such, I am in charge of the registered office of the said corporation, as provided by Section (30-143 Idaho Code) located at Coeur d'Alene, Idaho, the company is a legal corporation qualified to do business in the State of Idaho under the laws of the State of Idaho.

W F McNaughton

Subscribed and sworn to before me this 1 day of September, 1950.

Notary Public
Residence Spokane, Washington

My Commission expires January 10, 1953

21782

State of Idaho

Department of State.

CERTIFICATE

I, J. D. (CY) PRICE, Secretary of State of the State of Idaho, hereby certify that I am the legal custodian of the records of said State pertaining to all corporations, both foreign and domestic, which have qualified to do business under the general laws of the State of Idaho and pertaining to the present status and the right of such corporations to transact business in the State of Idaho.

I FURTHER CERTIFY That the records of this office show that

THE WASHINGTON WATER POWER COMPANY

incorporated under the laws of the State of Washington, qualified to do business in this State on March 18, 1902, with principal place of business located at Coeur D' Alene, Idaho.

I FURTHER CERTIFY That this corporation has been in continuous good standing from the date of qualification, that the annual license tax for the fiscal year ending June 30, 1951, has been paid, and that its permit to do business in this State has not been forfeited or cancelled at the date hereof.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise, the Capital of Idaho, this first day of September, in the year of our Lord one thousand nine hundred fifty and of the Independence of the United States of America the One Hundred Seventy-fifth.

Secretary of State.

August 30, 1950

Washington Water Power Company
Spokane, Washington

Gentlemen:

In response to your telephone request, we enclose herewith an application for permit to appropriate the public waters of the State of Idaho, together with a pamphlet giving regulations and instructions in regard to filing same.

We also enclose a form of affidavit to establish residence, or qualification to do business under the laws of the State of Idaho, which is required in connection with all filings for power purposes.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

By

Chief Clerk

21783

FIREMAN'S FUND
INSURANCE COMPANIES

NOTICE OF CANCELLATION OR TERMINATION

State of Idaho
Department of Water Resources
Boise, Idaho

DATE: March 13, 1980

National Surety Corporation, Surety upon a certain Application for License, Permit or Miscellaneous Indemnity Bond

Bond No. 129 4332, dated on or about January 15, 1951,

in your favor, in the amount of One Thousand and No/100---------- Dollars ($ 1,000.00),

covering The Washington Water Power Company of Spokane, Washington

hereby notifies you that it has elected to cancel/terminate said bond in its entirety

cancellation/termination to become effective 30 days after the receipt of this notice

This notice is given to you in accordance with the cancellation/termination provision in said bond contained.

National Surety Corporation
SURETY

BY Susan Lasher
ATTORNEY IN FACT

Susen Lasher

REPLY TO: FIREMAN'S FUND INSURANCE COMPANIES

Please Acknowledge Bond no longer necessary, thank you
ADDRESS

Return Envelope Enclosed.
CITY STATE ZIP

360034—8-71 (REV.)

DELIBEE

NATIONAL SURETY CORPORATION

NEW YORK

VINCENT CULLEN
PRESIDENT

KNOW ALL MEN BY THESE PRESENTS, That we, The Washington Water Power Company of Spokane, Washington, as principal, and National Surety Corporation, a corporation organized and existing under the laws of the State of New York, and authorized to do business in the State of Idaho, as surety, are held and firmly bound unto the State of Idaho, in the full and just sum of One Thousand & no/100 ($1000.00) Dollars, lawful money of the United States, to the payment of which sum, well and truly to be made, said principal and surety bind themselves, their heirs, administrators, executors and assigns, jointly and severally, under the terms and conditions hereinafter set forth.

The terms of this obligation are such that, whereas the above named principal on the ___day of _____19___filed in the office of the Commissioner of Reclamation in Boise, Idaho, a certain application for permit to appropriate the public waters of the State of Idaho, the said application being thereupon numbered No. _____in accordance with which said application the Commissioner of Reclamation granted and issued to the said principal a certain permit Numbered No. 21763, a full, true and complete copy of which application No.____ and Permit No. 21763, is of record in the office of the Commissioner of Reclamation in Book _____of Permits at Page _____.

NOW, if the above bounden principal shall faithfully carry to completion the said works of diversion as specified in said application No. _____and Permit No. 21763 , in the manner and form prescribed therein and within the time therein above , then the above obligation to be void, otherwise to remain in full force and effect.

IN WITNESS WHEREOF the said principal and surety have hereunto set their hands and seals, this 5th day of January, 1926.

+ 7308

State of Idaho
License and Certificate of Water Right

Water License No. 21783 Amount 25,000 c.f.s.

Water District No. Priority Sept. 7, 1950

THIS IS TO CERTIFY that THE WASHINGTON WATER POWER COMPANY of Spokane, Washington, made application for a permit to appropriate the public waters of the State of Idaho, dated September 7, 19 50; that Permit No. 21783 was issued under said application; that Certificate of Completion of works, with a carrying capacity of 25,000 second feet, was issued thereunder on July 13, 19 56, showing that said works were completed on the 25th day of November, 19 55; and that on the 27th day of November, 19 61, THE WASHINGTON WATER POWER COMPANY of Spokane, State of Washington, made proof to the satisfaction of the State Reclamation Engineer of Idaho, of the right to use the waters of Clark Fork River, a tributary of Columbia River, for the purpose of hydroelectric power & energy, under Use Permit No. 21783 of the Department of Reclamation and that said right to the use of said waters has been perfected in accordance with the laws of Idaho, and is hereby confirmed by the State Reclamation Engineer of Idaho and entered of record in Volume 12 of Licenses at page 7308, on the 27 day of June, 19 62;

The right hereby confirmed dates from September 7, 19 50;

The Point of Diversion is located Lots 2 and 7

in the -- ¼ -- ¼, Sec. 27, Tp. 55 N, R. 3 E., B. M. Bonner County

That the amount of water to which such right is entitled and hereby confirmed, for the purposes aforesaid, is limited to an amount actually needed and beneficially used for said purposes, and shall not exceed 25,000 cubic feet per second.

Description and location of use:

Twp.	Range	Sec.	Forty-acre Tract	No. Acres Described in Permit	No. Acres Actually Irrigated
55 N	3 E.	27	Lots 2 & 7 - Point of Use - for hydroelectric power and energy		

The right to the use of the water aforesaid hereby confirmed is restricted to the lands or place of use herein described, as provided by the laws of Idaho.

WITNESS the seal and signature of the State Reclamation Engineer, affixed at Boise, Idaho, this 27th day of June, 19 62.

s/ RALPH W. THOMAS
Deputy State Reclamation Engineer.

(SEAL)

96-2179

7307 +

State of Idaho
License and Certificate of Water Right

Water License No. 21828 Amount 10,000 c.f.s.

Water District No. ..... Priority Nov. 7, 1950

THIS IS TO CERTIFY that THE WASHINGTON WATER POWER COMPANY of Spokane, Washington, made application for a permit to appropriate the public waters of the State of Idaho, dated November 7, 1950; that Permit No. 21828 was issued under said application; that Certificate of Completion of works, with a carrying capacity of 10,000 second feet, was issued thereunder on July 13, 1956, showing that said works were completed on the 25th day of November, 1955; and that on the 27th day of November, 1961,

THE WASHINGTON WATER POWER COMPANY of Spokane, State of Washington, made proof to the satisfaction of the State Reclamation Engineer of Idaho, of the right to use the waters of Clark Fork River, a tributary of Columbia River, for the purpose of hydroelectric power & energy, under Use Permit No. 21828 of the Department of Reclamation and that said right to the use of said waters has been perfected in accordance with the laws of Idaho, and is hereby confirmed by the State Reclamation Engineer of Idaho and entered of record in Volume 12 of Licenses at page 7307, on the 27 day of June, 1962;

The right hereby confirmed dates from November 7, 1950;

The Point of Diversion is located Lots 2 and 7 in the -- ¼ -- ¼, Sec. 27, Tp. 55N, R. 3 E, B. M. Bonner County

That the amount of water to which such right is entitled and hereby confirmed, for the purposes aforesaid, is limited to an amount actually needed and beneficially used for said purposes, and shall not exceed 10,000 cubic feet per second.

Description and location of use:

Twp.	Range	Sec.	Forty-acre Tract	No. Acres Described in Permit	No. Acres Actually Irrigated
55 N	3 E.	27	Lots 2 and 7 - point of use - Hydroelectric power and energy		

The right to the use of the water aforesaid hereby confirmed is restricted to the lands or place of use herein described, as provided by the laws of Idaho.

WITNESS the seal and signature of the State Reclamation Engineer, affixed at Boise, Idaho, this 27th day of June, 1962.

s/ RALPH W. THOMAS
Deputy State Reclamation Engineer.

(SEAL)

NOTICE OF WATER FILINGS UNDER
42-[illegible] IDAHO CODE ANNOTATED

Date of Notice 10-6 1950
Date of Publication 10-9 To 11-2 1950
Last Date for Protest 11-15 1950

IF PROTESTED

Date of Notice of Hearing
Date of Hearing
Date of Appeal Filed

No 21783

96-2179

APPLICATION FOR PERMIT

To Appropriate the Public Waters of the State of Idaho

APPLICATION No. 29403
PERMIT No. 21783
DISTRICT No.

B. J. Lindsay, Secretary
Washington Water Power Company
Box 1445, Spokane, Washington

1. Name of Applicant: THE WASHINGTON WATER POWER COMPANY

Postoffice address: Box 1445, Spokane County: Spokane State: Washington

I. If applicant is a corporation, give:
(a) Date and place of incorporation: Spokane, March 15, 1889
(b) Amount of capital stock: See balance sheet attached
(c) Amount paid in: H.L.Aller, 2 Rector St.,New York, N.Y. L.C.Haines, 120 Broadway, New York, N.Y.
(d) Names and addresses of directors: D.W.Jack, 2 Rector St., New York, N.Y.; K. M. Robinson, 825 Trent, Spokane,Wash.; J.E.E.Royar, 825 Trent Ave.,Spokane, Wash.; W.D.Thornton, 25 Broadway, New York,N.Y.½

See balance sheet attached.

II. The financial resources of the applicant are: /
(a) Cash on hand:
(b) Treasury stock:
(c) Bonds to be issued:
(d) Other resources:

2. Quantity of water claimed: 25,000 cubic feet per second.

3. Source of water supply: Clark Fork River which is a tributary of Columbia River

4. Location of point of diversion: Approximately 1200 feet ~~xxxxxxxxxx~~ East of the center ~~xxxxx~~of Section 27, T. 55 N., R. 3 E., B. M., and is in the Lots 2 snd 7 of Section 27, T55 N., R. 3 E., B.M., County of Bonner

5. Water is to be used for Development of hydro-electric power and energy

6. If for mining, milling, power or manufacturing purposes, give:
(a) Point of use of water: Approx.1200 feet ~~distant from~~ East of the center ~~xxxxx~~ corner of Section 27 T. 55 N., R. 3 E., B.M., in ~~the~~ Lots 2 & 7 of Section 27, T. 55 N., R. 3 E., B.M.
(b) Amount of power generated: 267,000 H.P., under 100 feet head.
(c) Water is to be returned to Clark Fork River at a point 1200 feet downstream ~~distant~~ from the / point of diversion approximately at the center corner of Section 27, T. 55 N., R. 3 E., B.M., in the Lots 2 and 7 of Section 27, T. 55 N., R. 3 E., B.M.

7. Estimated cost of works: $40,000,000

8. Kind of works: Reinforced concrete arch dam, spillway and power house

9. Height of dam App. 100 feet; length of dam at top App. 500 feet; length of dam at bottom App. 200 feet; material used in dam: Concrete

10. Size of headgate: Width Design not completed feet; height feet.

11. Ditch: Width at bottom No ditch feet; width at water line feet; depth of water feet; dimensions of flume:
Diameter of pipe inches; length of conduit miles.
Average grade per mile feet.

H. P.- 3

12. The time required for the completion of such work is Initial 200,000/years.

13. The time required for the complete application of the water to the proposed use is Dependent upon development of upstream storage. / additional years.

14. The land to be irrigated is described in the following tabulation: See remarks.

15. Existing water rights and/or valid permits appurtenant to the lands to be irrigated are:

16. (a) Is reservoir to be used? See remarks below If so, fill in (b) and (c) below:
(b) Name of Reservoir and number of Storage Permit:
(c) Date of filing of Application for Storage Permit and Name of Applicant:

BE IT KNOWN THAT The undersigned hereby makes application for permit to appropriate the public water of the State of Idaho as herein set forth.

THE WASHINGTON WATER POWER COMPANY *Applicant.*

By K. M. Robinson *Agent.*
President

Date of first receipt at Department of Reclamation: 1:15 P. M. September 7, 1950

Returned to applicant for correction:

Corrected application received:

Approval of State Reclamation Engineer

The number of this permit is 21783
Recorded in Book 78 Page 21793 Approved Nov. 28, 1950
This is to certify that I have examined the within application for a permit to appropriate the public waters of the State of Idaho, and hereby approve he same, subject to the following limitations and conditions:
Bond in the sum of $ 1,000 to be filed on or before January 28, 1951
Work to begin on or before and to continue diligently and uninterruptedly to completion, unless temporarily interrupted by circumstances over which permit holder has no control.
One-fifth of the work above specified to be completed on or before May 28, 1953
The whole of said work to be completed on or before November 28, 1955
Beneficial use of water appropriated in accordance herewith, to be made on or before November 28, 1961

WITNESS My hand this 28th *day of* November, 1950

MARK R. KULP
State Reclamation Engineer.

IN TESTIMONY WHEREOF, WE, C. A. ROBINS, Governor of the State of Idaho, and J. D. "CY" PRICE, Secretary of State of the State of Idaho, have caused this instrument to be executed in the name of the State of Idaho, and caused the Great Seal of the State of Idaho to be hereunto affixed, this 28th day of November, 19 50.

Countersigned:
(SEAL)
By J. D. "CY" PRICE
Secretary of State.

STATE OF IDAHO
By C. A. ROBINS
Governor.

REMARKS: Pondage formed by dam will be used only for daily and weekly fluctuations of load. Top area of pond will be approximately 1200 acres. Dam will elevate river level at the dam site approximately 100 feet and will affect the river upstream for a distance of approximately twenty miles. Attached hereto is affidavit of W. F. McNaughton, Statutory Agent of the Company at Coeur d'Alene, Idaho, relative to the Company's organization and right to do business in Idaho, and copy of certificate from the Secretary of State of the State of Idaho showing authorization of the Company to do business in Idaho.

14.

Twp.	Range	Sec.	NE¼				NW¼				SW¼				SE¼				Totals
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	

Permit No. 21783
CERTIFICATE OF COMPLETION OF WORKS

TO ALL WHOM IT MAY CONCERN:

This is to certify that THE WASHINGTON WATER POWER COMPANY of Spokane, County of Spokane, and State of Washington, the holder of Permit No. 21783, issued upon Application No. 29403 bearing date of priority of September 7, 1950, authorizing the diversion of 25,000 second feet of the waters of Clark Fork River, a tributary of the Columbia River, County of Bonner, State of Idaho, for development of hydroelectric Power and energy purposes, has fully complied with the provisions of the laws of the State of Idaho relating to the proof of completion of the works of diversion set out and described in said Permit; that said works are adequate for divertingand conveying to the place of intended use 25,000 second feet of the waters of Clark Fork River, that the point of diversion of said waters is in the SE¼NE¼ Section 27, Township 55 North, Range 3 East, B. M.; and the water is to be used for hydroelectric power and energy.

Witness my hand this 13th day of July, A. D. 1956.

MARK R. KULP
State Reclamation Engineer

Proof of Completion of Works made November 25, 1955.
Certificate of Completion of Works issued July 13, 1956.

LICENSE ISSUED FOR 25,000 SEC. FT.
page 7308

State of Idaho
DEPARTMENT OF WATER RESOURCES
STATE OFFICE, 1301 North Orchard Street Boise, Idaho 83706-2237 • (208) 334-4440

CECIL D. ANDRUS
Governor

R. KEITH HIGGINSON
Director

February 11, 1988

Laura Clark
Washington Water Power
P. O. Box 3727
Spokane, WA 99220

Dear Ms. Clark:

Re: Twenty-fourth Supplemental Indenture
Water Right Permit No. 96-2179

This office acknowledges receipt of the Twenty-fourth Supplemental Indenture which was included with the water right file. Enclosed is your acknowledged copy.

Sincerely,

RITA I. FLECK
Secretary/Records Manager

Enc.

RECEIVED
FEB - 3 1988
Department of Water Resources

Washington Water Power

February 1, 1988

Mr. A. Kenneth Dunn, Director
State of Idaho
Department of Water Resources
Statehouse
Boise, Idaho 83720

Dear Mr. Dunn:

We are enclosing a copy of the Twenty-Fourth Supplemental Indenture issued in connection with our Mortgage, which should be filed with the Mortgage and all preceding Supplements which have been previously sent to your office (formerly sent to the Department of Reclamation).

We ask that you please acknowledge receipt of this Twenty-fourth Supplemental Indenture by signing and returning the copy of this letter enclosed.

Thank you for your cooperation.

Sincerely,

Laura Clark

Laura Clark
Real Estate Clerk

Enc.

ACKNOWLEDGED AND RECEIVED:

IDAHO DEPT. OF WATER RESOURCES

By L. Glen Saxton

Title Chief, Oper. Bur.

Date 2-11-88

Pioneer Business Forms 77787

92500 UCC - 1

PLEASE TYPE FORM.
This FINANCING STATEMENT is presented for filing pursuant to the WASHINGTON UNIFORM COMMERCIAL CODE to perfect a security interest in the below named collateral, unless otherwise indicated immediately below.

☐ LEASE - This filing is for informational purposes only. The terms debtor and secured party are to be construed as LESSEE and LESSOR.

☐ CONSIGNMENT - This filing is for informational purposes only. The terms debtor and secured party are to be construed as CONSIGNEE and CONSIGNOR.

1. DEBTOR(S) (or assignor(s))
(last name first, and address(es))

THE WASHINGTON WATER POWER COMPANY
P.O. Box 3727
Spokane, Washington 99220

TRADE NAME:
(if any)

2. FOR OFFICE USE ONLY

3. SECURED PARTY(IES) (or assignee(s)) (name and address)

CITIBANK, N.A.
5 Hanover Square
New York, New York 10004

4. ASSIGNEE(S) OF SECURED PARTY(IES)
(if applicable)
(last name first, and address(es))

5. CHECK IF APPLICABLE:

☐ Products of collateral are also covered.

☐ Filing covers a security interest in collateral, including fixtures, of a TRANSMITTING UTILITY and remains effective until terminated.

6. NUMBER OF ADDITIONAL SHEETS PRESENTED:

For Informational Purposes Only:
Check Box if Filing Covers Consumer Goods ☐

COPY 1 - FILING OFFICER - INDEX

WASHINGTON UCC -1

APPROVED BY WASHINGTON STATE DEPARTMENT OF LICENSING

7. This FINANCING STATEMENT covers the following types or items of property:

See attached Supplemental Indenture No. 77 of 130

8. RETURN ACKNOWLEDGMENT COPY TO:

Real Estate Section
The Washington Water Power Co.
P.O. Box 3727
Spokane, Washington 99220

FILE WITH:
UNIFORM COMMERCIAL CODE DIVISION
DEPARTMENT OF LICENSING
P.O. BOX 9660
OLYMPIA, WA 98504

FOR OFFICE USE ONLY

Images to be filmed ☐

9. This statement is signed by the Secured Party(ies) instead of the Debtor(s) to perfect a security interest in collateral (Please check appropriate box)

(a) ☐ already subject to a security interest in another jurisdiction when it was brought into this state, or when the debtor's location was changed to this state, or

(b) ☐ which is proceeds of the original collateral described above in which a security interest was perfected, or

(c) ☐ as to which the filing has lapsed, or

(d) ☐ acquired after a change of name, identity, or corporate structure of the debtor(s).

Complete fully if box (d) is checked; complete as applicable for (a), (b), and (c):

Original filing number _____

Filing office where filed _____

Former name of debtor(s) _____

10.

The Washington Water Power Co.
TYPE NAME(S) OF DEBTOR(S) (or assignor(s))

USE IF APPLICABLE:

TYPE NAME(S) OF SECURED PARTY(IES) (or assignee(s))

SIGNATURE(S) OF DEBTOR(S) (or assignor(s))

SIGNATURE(S) OF SECURED PARTY(IES) (or assignee(s))

WASHINGTON UCC - 1

FORM APPROVED FOR USE IN THE STATE OF WASHINGTON

COPY 2 - FILING OFFICER - NUMERIC

INSTRUCTIONS UCC - 1

1. PLEASE TYPE THIS FORM.

2. If the space provided for any item on the form is inadequate, the item should be identified and continued on additional sheets, preferably 8½" × 11". The name of the Debtor should appear as the first item on each additional sheet. Only one copy of such additional sheets need be presented to the filing officer with the two copies of the financing statement. Indicate the number of sheets attached in the space provided.

3. At the time of original filing, the filing officer will return copy (3) as an acknowledgment. Indicate in Box 8 to whom the acknowledgment should be returned.

4. The filing fee for a standard form is $4.00. The fee is $7.00 if any other form is used or if any additional sheets or documents are attached to the standard UCC - 1. Proper filing fees must accompany each form.

5. When a copy of the security agreement is used as a financing statement, it should be accompanied by a completed but unsigned set of these forms. The $7.00 fee applies.

6. Typed name of Debtor and/or Secured Party must appear with signature.

7. DO NOT WRITE IN BOX 2.

8. REMOVE and retain copies (4) and (5). SEND copies (1), (2), and (3) to the address on the front of the form.

TERMINATION STATEMENT

When the filing is to be terminated the acknowledgment copy may be sent to the filing officer with the termination statement signed by the Secured Party of record, or the UCC - 3 form may be used as a termination statement. If a partial assignment has been made, signatures of both the Secured Party and Assignee are required to terminate. Typed name of Secured Party of record must appear with signature. No fee is required for a termination statement.

COUNTERPART NO. 77 of 130

THE WASHINGTON WATER POWER COMPANY

TO

CITIBANK, N.A.

As Successor Trustee under The Washington Water Power Company's
Mortgage and Deed of Trust, dated as of June 1, 1939

Twenty-fourth Supplemental Indenture

Providing among other things for
First Mortgage Bonds, 10⅜% Series due 2018

Dated as of January 1, 1988

TWENTY-FOURTH SUPPLEMENTAL INDENTURE

THIS INDENTURE, dated as of the 1st day of January, 1988, between THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington, whose post office address is East 1411 Mission Avenue, Spokane, Washington (the "Company"), and CITIBANK, N.A., formerly First National City Bank (successor by merger to First National City Trust Company, formerly City Bank Farmers Trust Company), a national banking association incorporated and existing under the laws of the United States of America, whose post office address is 111 Wall Street, New York, New York (the "Trustee"), as Trustee under the Mortgage and Deed of Trust, dated as of June 1, 1939 (the "Mortgage"), executed and delivered by the Company to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, this indenture (the "Twenty-fourth Supplemental Indenture") being supplemental thereto.

WHEREAS the Mortgage has been appropriately filed or recorded in various official records in the States of Washington, Idaho and Montana; and

WHEREAS pursuant to a written request of the Company made in accordance with Section 103 of the Mortgage, Francis M. Pitt (then Individual Trustee under the Mortgage, as supplemented) ceased to be a trustee thereunder on July 23, 1969, and all of his powers as Individual Trustee have devolved upon the Trustee and its successors alone; and

WHEREAS by the Mortgage the Company covenanted that it would execute and deliver such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired intended to be subject to the lien thereof; and

WHEREAS the Company executed and delivered the following indentures supplemental to the Mortgage:

Designation	Dated as of
First Supplemental Indenture	October 1, 1952
Second Supplemental Indenture	May 1, 1953
Third Supplemental Indenture	December 1, 1955
Fourth Supplemental Indenture	March 15, 1957
Fifth Supplemental Indenture	July 1, 1957
Sixth Supplemental Indenture	January 1, 1958
Seventh Supplemental Indenture	August 1, 1958
Eighth Supplemental Indenture	January 1, 1959
Ninth Supplemental Indenture	January 1, 1960
Tenth Supplemental Indenture	April 1, 1964

Designation	Dated as of
Eleventh Supplemental Indenture	March 1, 1965
Twelfth Supplemental Indenture	May 1, 1966
Thirteenth Supplemental Indenture	August 1, 1966
Fourteenth Supplemental Indenture	April 1, 1970
Fifteenth Supplemental Indenture	May 1, 1973
Sixteenth Supplemental Indenture	February 1, 1975
Seventeenth Supplemental Indenture	November 1, 1976
Eighteenth Supplemental Indenture	June 1, 1980
Nineteenth Supplemental Indenture	January 1, 1981
Twentieth Supplemental Indenture	August 1, 1982
Twenty-first Supplemental Indenture	September 1, 1983
Twenty-second Supplemental Indenture	March 1, 1984

which supplemental indentures were appropriately filed or recorded in various official records in the States of Washington, Idaho and Montana; and

WHEREAS the Company executed and delivered a Twenty-third Supplemental Indenture, dated as of December 1, 1986, which was appropriately filed or recorded in various official records in the States of Washington, Idaho and Montana as follows:

FILING IN STATE OFFICES

State	Office of	Date	Financing Statement Document Number
Washington....	Secretary of State*	1/5/87	87-005-0861 & 87-005-0862
Idaho.....	Secretary of State	1/14/87	C44584 & -7
Montana.....	Secretary of State	1/5/87	247931

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* Department of Licensing

RECORDING IN COUNTY OFFICES

County	Office of	Real Estate Mortgage Records Date	Document No.	Book	Page	Financing Statement Document No.
Washington						
Adams	Auditor	1/02/87	211197	135	410-425	
Asotin	Auditor	1/07/87	172796			
Benton	Auditor	1/02/87	87-23	484	532	
Douglas	Auditor	1/02/87	241616	M208	403	
Ferry	Auditor	1/05/87	203375	MF	203375	
Franklin	Auditor	1/02/87	449764			
Garfield	Auditor	1/02/87	87000			
Grant	Auditor	1/02/87	795402	597	330	
Grays Harbor	Auditor	1/02/87	870102229	87	00510	
Klickitat	Auditor	1/02/87	204130	139	554	
Lewis	Auditor	1/02/87	953250	348	640	
Lincoln	Auditor	1/05/87	375939	50	114-129	
Pend Oreille	Auditor	1/05/87	192481	71	866	
Skamania	Auditor	1/02/87	102451	103	805	
Spokane	Auditor	1/02/87	8701020066	869	1810	
Stevens	Auditor	1/12/87	8700250			
Thurston	Auditor	1/02/87	8701020022	1462	264	
Whitman	Auditor	1/05/87	517620			
Idaho						
Benewah	Recorder	1/02/87	173691			13905
Bonner	Recorder	1/06/87	329740			(Rec. 1/22/87)
Boundary	Recorder	1/02/87	151987	61	2-7	6299
Clearwater	Recorder	1/02/87	146130			10603
Idaho	Recorder	1/02/87	332797			333167
Kootenai	Recorder	1/02/87	1070866			1872504
Latah	Recorder	1/02/87	357139			39131
Lewis	Recorder	1/05/87	97621	1987	6	97631
Nez Perce	Recorder	1/02/87	506825			507555
Shoshone	Recorder	1/02/87	326573	8	7	19457
Montana						
Mineral	Clerk & Recorder	1/02/87	66658			6168
Sanders	Clerk & Recorder	1/02/87	183094	72	548	183238
Rosebud	Clerk & Recorder	1/14/87	56005	71	219-234	56006

; and

WHEREAS in addition to the property described in the Mortgage, as supplemented, the Company has acquired certain other property, rights and interests in property; and

WHEREAS the Company has heretofore issued, in accordance with the provisions of the Mortgage, as supplemented, the following series of First Mortgage Bonds:

Series	Principal Amount Issued	Principal Amount Outstanding January 1, 1988
3-1/2% Series due 1964	$22,000,000	None
3-3/4% Series due 1982	30,000,000	None
3-7/8% Series due 1983	10,000,000	None
4-7/8% Series due 1987	30,000,000	None
4-1/8% Series due 1988	20,000,000	None
4-3/8% Series due 1988	15,000,000	15,000,000
4-3/4% Series due 1989	15,000,000	15,000,000
5-3/8% Series due 1990	10,000,000	None
4-5/8% Series due 1994	30,000,000	30,000,000
4-5/8% Series due 1995	10,000,000	10,000,000
6 % Series due 1996	20,000,000	20,000,000
9-1/4% Series due 2000	20,000,000	20,000,000
7-7/8% Series due 2003	20,000,000	20,000,000
9-3/8% Series due 2005	25,000,000	25,000,000
8-3/4% Series due 2006	30,000,000	30,000,000
14-1/8% Series due 1991	40,000,000	40,000,000 (1)
15-3/4% Series due 1990-1992	60,000,000	60,000,000
13-1/2% Series due 2013	60,000,000	None
13-1/4% Series due 1994	60,000,000	35,513,000 (2)
9-1/4% Series due 2016	80,000,000	80,000,000

(1) Series redeemed in its entirety on January 7, 1988.

(2) $2,056,000 principal amount redeemed on January 14, 1988.

which bonds are also sometimes referred to as bonds of the First through Twentieth Series, respectively; and

WHEREAS Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder and of the coupons to be attached to coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company; that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof; and that such series may also contain such provisions not inconsistent with the provisions of the Mortgage, as supplemented, as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage, as supplemented; and

WHEREAS Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, as supplemented, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or the Company may cure any ambiguity contained therein, or in any supplemental indenture, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS the Company now desires to create a new series of bonds and to add to its covenants and agreements contained in the Mortgage, as supplemented, certain other covenants and agreements to be observed by it and to supplement and amend in certain respects the covenants and provisions contained in the Mortgage, as supplemented; and

WHEREAS the execution and delivery by the Company of this Twenty-fourth Supplemental Indenture, and the terms of the bonds of the Twenty-first Series, hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors, and all things necessary to make this Twenty-fourth Supplemental Indenture a valid, binding and legal instrument for the security of the bonds have been performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That the Company, in consideration of the premises and of one dollar to it duly paid by the Trustee at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustee and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, as supplemented, according to their tenor and effect and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of such bonds, and to confirm the lien of the Mortgage on certain after-acquired property, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms unto Citibank, N.A., as Trustee under the Mortgage, and to its successor or successors in said trust forever, all the following described properties of the Company, acquired by the Company since the execution and delivery of the Mortgage, whether now owned or hereafter acquired, namely:

> All of the property, real, personal and mixed, of every character and wheresoever situated (except any hereinafter or in the Mortgage, as supplemented, expressly excepted) which the Company now owns or, subject to the provisions of

Section 87 of the Mortgage, may hereafter acquire prior to the satisfaction and discharge of the Mortgage, as fully and completely as if herein or in the Mortgage, as supplemented, specifically described, and including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Twenty-fourth Supplemental Indenture) all lands, real estate, easements, servitudes, rights of way and leasehold and other interests in real estate; all rights to the use or appropriation of water, flowage rights, water storage rights, flooding rights, and other rights in respect of or relating to water; all plants for the generation of electricity, power houses, dams, dam sites, reservoirs, flumes, raceways, diversion works, head works, waterways, water works, water systems, gas plants, steam heat plants, hot water plants, ice or refrigeration plants, stations, substations, offices, buildings and other works and structures and the equipment thereof and all improvements, extensions and additions thereto; all generators, machinery, engines, turbines, boilers, dynamos, transformers, motors, electric machines, switchboards, regulators, meters, electrical and mechanical appliances, conduits, cables, pipes and mains; all lines and systems for the transmission and distribution of electric current, gas, steam heat or water for any purpose; all towers, mains, pipes, poles, pole lines, conduits, cables, wires, switch racks, insulators, compressors, pumps, fittings, valves and connections; all motor vehicles and automobiles; all tools, implements, apparatus, furniture, stores, supplies and equipment; all franchises (except the Company's franchise to be a corporation), licenses, permits, rights, powers and privileges; and (except as hereinafter or in the Mortgage, as supplemented, expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by the Company after the date hereof (except any hereinbefore or hereinafter or in the Mortgage, as supplemented, expressly excepted) shall be as fully embraced within the lien hereof and the lien of the Mortgage, as supplemented, as if such property, rights and

franchises were now owned by the Company and were specifically described herein or in the Mortgage and conveyed hereby or thereby.

PROVIDED THAT the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Twenty-fourth Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, namely: (1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered under the Mortgage, as supplemented, or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for consumption in the operation of any properties of the Company; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage, as supplemented, or this Twenty-fourth Supplemental Indenture or covenanted so to be; (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; and (5) any property heretofore released pursuant to any provisions of the Mortgage, as supplemented, and not heretofore disposed of by the Company; provided, however, that the property and rights expressly excepted from the lien and operation of this Twenty-fourth Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event that the Trustee or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII of the Mortgage by reason of the occurrence of a Completed Default as defined in said Article XII.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Trustee, and its successors, heirs and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as set forth in the Mortgage, as supplemented, this Twenty-fourth Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as supplemented, shall affect and apply to the property hereinbefore described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustee and the beneficiaries of the trust with respect to said property, and to the Trustee and its successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length described in and

conveyed to said Trustee by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustee and its successor or successors in such trust under the Mortgage, as follows:

ARTICLE I

Twenty-first Series of Bonds

SECTION 1. There shall be a series of bonds designated "10-3/8% Series due 2018" (herein sometimes referred to as the "Twenty-first Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Twenty-first Series shall mature on January 1, 2018, shall be issued as fully registered bonds in denominations of One Thousand Dollars and, at the option of the Company, in any multiple or multiples of One Thousand Dollars (the exercise of such option to be evidenced by the execution and delivery thereof), shall be dated as in Section 10 of the Mortgage provided, shall bear interest at the rate of 10-3/8% per annum, the first interest payment to be made July 1, 1988, for the period from January 1, 1988 to July 1, 1988, with subsequent interest payments to be made semi-annually on January 1, and July 1, of each year; the principal and interest on each such bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts.

(I) Bonds of the Twenty-first Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage, as supplemented, in whole at any time, or in part from time to time, prior to maturity, upon notice mailed as provided in Section 52 of the Mortgage, at the following general redemption prices, expressed in percentages of the principal amount of the Bonds to be redeemed:

General Redemption Prices

If redeemed during 12 month period ending December 31,

Year	Redemption Price	Year	Redemption Price
1988	109.98%	2003	102.50%
1989	109.48%	2004	102.00%
1990	108.98%	2005	101.50%
1991	108.48%	2006	101.00%
1992	107.98%	2007	100.50%
1993	107.49%	2008	100.00%
1994	106.99%	2009	100.00%
1995	106.49%	2010	100.00%
1996	105.99%	2011	100.00%
1997	105.49%	2012	100.00%
1998	104.99%	2013	100.00%
1999	104.49%	2014	100.00%
2000	103.99%	2015	100.00%
2001	103.50%	2016	100.00%
2002	103.00%	2017	100.00%

in each case together with accrued interest to the date fixed for redemption; provided, however, that no bonds of the Twenty-first Series shall be redeemable at the general redemption prices prior to January 1, 1993, with borrowed funds, or in anticipation of funds to be borrowed, having an interst cost (calculated in accordance with acceptable financial practice) of less than 10.375% per annum.

(II) Bonds of the Twenty-first Series shall also be redeemable in whole at any time, or in part from time to time, prior to maturity, upon like notice, by the application (either at the option of the Company or pursuant to the requirements of the Mortgage) of cash deposited with the Trustee pursuant to the provisions of Section 38, Section 39 or Section 64 of the Mortgage or with the Proceeds of Released Property at the following special redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

Special Redemption Prices

If redeemed during the 12 month period ending December 31,

Year	Redemption Price	Year	Redemption Price
1988	100.00%	2003	100.00%
1989	100.00%	2004	100.00%
1990	100.00%	2005	100.00%
1991	100.00%	2006	100.00%
1992	100.00%	2007	100.00%
1993	100.00%	2008	100.00%
1994	100.00%	2009	100.00%
1995	100.00%	2010	100.00%
1996	100.00%	2011	100.00%
1997	100.00%	2012	100.00%
1998	100.00%	2013	100.00%
1999	100.00%	2014	100.00%
2000	100.00%	2015	100.00%
2001	100.00%	2016	100.00%
2002	100.00%	2017	100.00%

in each case together with accrued interest to the date fixed for redemption.

(III) At the option of the registered owner, any bonds of the Twenty-first Series, upon surrender thereof for cancellation at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall be exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations.

Bonds of the Twenty-first Series shall be transferable, upon the surrender thereof for cancellation, together with a written instrument of transfer in form approved by the registrar duly executed by the registered owner or by his duly authorized attorney, at the office or agency of the Company in the Borough of Manhattan, The City of New York.

Upon any exchange or transfer of bonds of the Twenty-first Series, the Company may make a charge therefor sufficient to reimburse it for any tax or taxes or other governmental charge, as provided in Section 12 of the Mortgage, but the Company hereby waives any right to make a charge in addition thereto for any exchange or transfer of bonds of the Twenty-first Series.

Upon the delivery of this Twenty-fourth Supplemental Indenture, bonds of the Twenty-first Series in the aggregate principal amount of $50,000,000 are to be issued forthwith and will be Outstanding, in addition to $358,457,000 aggregate principal amount of bonds of prior

series Outstanding at the date of delivery of this Twenty-fourth Supplemental Indenture.

ARTICLE II

Dividend Covenant

SECTION 2. So long as any of the bonds of the Twenty-first Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Twenty-first Series Outstanding at the time of such waiver, the Company covenants that it will not declare or pay any dividend on its common stock or make any other distribution on shares of its common stock (other than dividends or distributions payable solely in shares of its common stock) or acquire (unless acquired without cost to the Company) any shares of the common stock of the Company, if the aggregate amount of all such payments, distributions and the cost of such acquisitions from and after July 1, 1957, shall exceed the aggregate net income of the Company applicable to common stock of the Company from and after July 1, 1957, and prior to such proposed declaration, payment, distribution or acquisition, plus $6,000,000, and plus an amount equal to the proceeds from the sale of common stock subsequent to July 1, 1957.

"Net income of the Company" shall, for the purposes of this Section and without regard to any other provision of the Mortgage, as supplemented, be determined in accordance with the system of accounts employed from time to time by the Company and which is in accordance with generally accepted accounting principles and practices for companies operating properties of like kind and character; provided, however, that the actual amounts deducted out of income for such cumulative period for expenditures and/or accruals for maintenance and/or appropriated for property retirement and/or appropriated for property amortization shall never be less than an amount equal to 13-1/2% of the Gross Operating Revenues of the Company (as defined in Section 38 of the Mortgage, as amended) for such cumulative period.

ARTICLE III

Miscellaneous Provisions

SECTION 3. The Company covenants that, whenever it is required to redeem bonds, directly or indirectly, as a result of the provisions of Section 64 of the Mortgage, it will not so redeem more bonds of the Twenty-first Series than a pro rata portion of all bonds Outstanding at the time of such redemption.

SECTION 4. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Twenty-fourth Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 5. The Trustee hereby accepts the trusts hereby declared, provided, created or supplemented and agrees to perform the same upon the terms and conditions herein and in the Mortgage, as supplemented, set forth, including the following:

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Twenty-fourth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. Each and every term and condition contained in Article XVI of the Mortgage, as supplemented, shall apply to and form part of this Twenty-fourth Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Twenty-fourth Supplemental Indenture.

SECTION 6. Whenever in this Twenty-fourth Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XV and XVI of the Mortgage, as supplemented, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Twenty-fourth Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustee, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 7. Nothing in this Twenty-fourth Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Twenty-fourth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Twenty-fourth Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons Outstanding under the Mortgage.

SECTION 8. So long as any bonds of the Twenty-first Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Twenty-first Series Outstanding at the time of such waiver, notwithstanding the provisions of the second paragraph of Section 7 of the Mortgage, in any Net Earning Certificate required to be delivered to the Trustee there shall be included in the operating expenses all interest on customers' deposits and an amount equal to 13-1/2% of the Gross Operating Revenues of the Company (as defined in Section 38 of the Mortgage, as amended) for the twelve consecutive calendar months covered by such certificate after deducting from such amount an amount equal to the amount, included in operating expenses, expended for or accrued for repairs and maintenance.

SECTION 9. This Twenty-fourth Supplemental Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 10. The titles of the several Articles of this Twenty-fourth Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on the 15th day of January, 1988, THE WASHINGTON WATER POWER COMPANY has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, all in The City of Spokane, Washington, as of the day and year first above written; and on the 14th day of January, 1988, CITIBANK, N.A., has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Senior

Trust Officers or one of its Trust Officers and its corporate seal to be attested by one of its Trust Officers, all in The City of New York, New York, as of the day and year first above written.

THE WASHINGTON WATER POWER COMPANY

By _____
Vice President

Attest:

_____
Assistant Secretary

Executed, sealed and delivered by THE WASHINGTON WATER POWER COMPANY, in the presence of:

_____

_____

CITIBANK, N.A., AS TRUSTEE

By _____
Senior Trust Officer

Attest:

_____
Trust Officer

Executed, sealed and delivered by CITIBANK, N.A., in the presence of:

_____

_____

STATE OF WASHINGTON)
) ss.:
COUNTY OF SPOKANE)

On the 15th day of January, 1988, before me personally appeared JON E. ELIASSEN, to me known to be a Vice President of THE WASHINGTON POWER COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 15th day of January, 1988, before me, Cynthia L. Kahn, a Notary Public in and for the State and County aforesaid, personally appeared JON E. ELIASSEN, known to me to be a Vice President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Cynthia L. Kahn
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 14th day of January, 1988, before me personally appeared ROBERT C. SPIERS, to me known to be a Senior Trust Officer of CITIBANK, N.A., one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 14th day of January, 1988, before me ENZO L. CARBOCCI, a Notary Public in and for the State and County aforesaid, personally appeared ROBERT C. SPIERS, known to me to be a Senior Trust Officer of CITIBANK, N.A., one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Notary Public

ENZO L. CARBOCCI
Notary Public, State of New York
No. 43-5[illegible]
Qualified in Richmond County
Certificate Filed in New York County
Term Expires March 30, 1988

File No. 96-2179

(1) The Washington Water Power Co.
to
City Bank Farmers Trust Company
and
Ralph E. Morton
as Trustees under the Washington
Water Power Company's Mortgage
and Deed of Trust dated as of June
1st, 1939.
First Supplemental Indenture
Dated as of Oct. 1, 1952

Second Supplemental Indenture

Indentures Supplemental Thereto
Resignation of Ralph E. Morton Individual Trustee and Appointment of
Marc A. Pieffel as Successor
Individual Trustee.
Third Supplemental Indenture
Dated as of December 1, 1955

21783
96-2179

Indentures Supplemental Thereto
Resignation of Marc A. Pieffel
Individual Trustee and Appointment
of Francis M. Pitt as Successor
Individual Trustee.
Fourth Supplemental Indenture
Dated as of March 15, 1957

Fifth Supplemental Indenture
Dated as of July 1, 1957

Sixth Supplemental Indenture
Dated as of Jan. 1, 1958

Seventh Supplemental Indenture
Dated as of August 1, 1958

Eighth Supplemental Indenture
Dated as of Jan. 1, 1959

21783
96-2179

Ninth Supplemental Indenture
Dated as of Jan. 1, 1960

The Washington Water Power Company
to
City Bank Farmers Trust Company
and
Ralph E. Morton
Trustees
Mortgage and Deed of Trust
Dated as of June 1, 1939

21783
96-2179

EXECUTED IN 85 COUNTERPARTS OF
WHICH THIS IS COUNTERPART No. 50

RECEIVED
JAN 1 5 1960
Department of Reclamation

THE WASHINGTON WATER POWER COMPANY

TO

FIRST NATIONAL CITY TRUST COMPANY
(formerly City Bank Farmers Trust Company)

AND

FRANCIS M. PITT,
(Successor to Ralph E. Morton and Marc A. Rieffel)
As Trustees under The Washington Water Power Company's Mortgage and Deed of Trust, Dated as of June 1, 1939

Ninth Supplemental Indenture

Dated as of January 1, 1960

96 2179
complete book filmed

NINTH SUPPLEMENTAL INDENTURE.

THIS INDENTURE, dated as of the first day of January, 1960, made and entered into by and between THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington, whose post office address is East 1411 Mission Avenue, Spokane, Washington (hereinafter sometimes called the Company), party of the first part, and FIRST NATIONAL CITY TRUST COMPANY (formerly CITY BANK FARMERS TRUST COMPANY), a national banking association under the laws of the United States of America, whose post office address is 22 William Street, New York, New York (hereinafter sometimes called the Corporate Trustee), and FRANCIS M. PITT (successor to Ralph E. Morton and Marc A. Rieffel), of 137 W. Park Avenue, Pearl River, New York (hereinafter sometimes called the Individual Trustee), parties of the second part (the Corporate Trustee and the Individual Trustee being hereinafter together sometimes called the Trustees), as Trustees under the Mortgage and Deed of Trust, dated as of June 1, 1939 (hereinafter called the Mortgage), executed and delivered by The Washington Water Power Company to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, this indenture (hereinafter called Ninth Supplemental Indenture) being supplemental thereto.

WHEREAS the Mortgage has been or will be recorded in various counties in the states of Washington, Idaho and Montana which counties include or will include all counties in which this Ninth Supplemental Indenture is to be recorded; and

WHEREAS by the Mortgage the Company covenanted that it would execute and deliver such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired intended to be subject to the lien thereof; and

WHEREAS the Company executed and delivered to the Trustees its First Supplemental Indenture, dated as of October 1, 1952 (hereinafter called its First Supplemental Indenture); its Second Supplemental Indenture, dated as

of May 1, 1953 (hereinafter called its Second Supplemental Indenture); its Third Supplemental Indenture, dated as of December 1, 1955 (hereinafter called its Third Supplemental Indenture); its Fourth Supplemental Indenture, dated as of March 15, 1957 (hereinafter called its Fourth Supplemental Indenture); its Fifth Supplemental Indenture, dated as of July 1, 1957 (hereinafter called its Fifth Supplemental Indenture); its Sixth Supplemental Indenture, dated as of January 1, 1958 (hereinafter called its Sixth Supplemental Indenture); its Seventh Supplemental Indenture, dated as of August 1, 1958 (hereinafter called its Seventh Supplemental Indenture); and its Eighth Supplemental Indenture, dated as of January 1, 1959 (hereinafter called its Eighth Supplemental Indenture); as supplements to the Mortgage; and

WHEREAS the First, Second, Third, Fourth, Fifth, Sixth and Seventh Supplemental Indentures were or will be recorded in various counties in the states of Washington, Idaho and Montana which counties include or will include all counties in which this Ninth Supplemental Indenture is to be recorded; and

WHEREAS the Eighth Supplemental Indenture was recorded in counties in the states of Washington, Idaho and Montana as follows:

WASHINGTON

Dated Filed For Record	County	Office of	Real Estate Mortgage Records		Chattel Mortgage Records Auditor's File No.
			Book	Page	
1/15/59	Adams	Auditor	98	52	70821
1/14/59	Asotin	Auditor	45	107	70628
1/15/59	Douglas	Auditor	100	370	54157
1/15/59	Ferry	Auditor	16	9	129724
1/15/59	Franklin	Auditor	94	233	199652
1/15/59	Garfield	Auditor	48	273	12886
1/15/59	Grant	Auditor	107	570	332370
1/15/59	Lincoln	Auditor	101	584	286308
1/15/59	Pend Orielle	Auditor	22	272	98040
1/14/59	Spokane	Auditor	921	47	591828B
1/15/59	Stevens	Auditor	91	56	324605
1/15/59	Whitman	Auditor	291	324	305736

IDAHO

Dated Filed For Record	County	Real Estate Mortgage Records Book	Page	Chattel Mortgage File No.
1/15/59	Benewah	V	313	89803
1/15/59	Bonner	43	327	68929
1/15/59	Clearwater	21	141	72978
1/15/59	Idaho	61	644	196815
1/15/59	Kootenai	81	181	350941
1/15/59	Latah	89	351	203536
1/15/59	Lewis	32	246	64674
1/14/59	Nez Perce	162	133	267989
1/15/59	Shoshone	27	144	176490

MONTANA

Dated Filed For Record	County	Real Estate Mortgage Records Book	Page	Chattel Mortgage File No.
1/15/59	Mineral	6	142	27333
1/15/59	Sanders	38	88	92134; and

WHEREAS in addition to the property described in the Mortgage, as supplemented, the Company has acquired certain other property, rights and interests in property; and

WHEREAS the Company has heretofore issued, in accordance with the provisions of the Mortgage, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1964 (hereinafter called the bonds of the First Series), of which the aggregate principal amount of Nineteen Million Seventy-nine Thousand Dollars ($19,079,000) is now Outstanding, and in accordance with the provisions of the Mortgage, as supplemented, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1982 (sometimes referred to as bonds of the Second Series), of which the aggregate principal amount of Twenty Million Three Hundred Seventy Thousand Dollars ($20,370,000) is now Outstanding, bonds of a series entitled and designated First Mortgage Bonds, 3⅞% Series due 1983

(sometimes referred to as bonds of the Third Series and none of which bonds of the Third Series are Outstanding at the date of this Ninth Supplemental Indenture), bonds of a series entitled and designated First Mortgage Bonds, 4⅞% Series due 1987 (sometimes referred to as bonds of the Fourth Series), in the aggregate principal amount of Thirty Million Dollars ($30,000,000), all of which are now Outstanding, bonds of a series entitled and designated First Mortgage Bonds, 4⅛% Series due 1988 (sometimes referred to as bonds of the Fifth Series), in the aggregate principal amount of Twenty Million Dollars ($20,000,000), all of which are now Outstanding, bonds of a series entitled and designated First Mortgage Bonds, 4⅜% Series due 1988 (sometimes referred to as bonds of the Sixth Series), in the aggregate principal amount of Fifteen Million Dollars ($15,000,000), all of which are now Outstanding, and bonds of a series entitled and designated First Mortgage Bonds, 4¾% Series due 1989 (sometimes referred to as bonds of the Seventh Series), in the aggregate principal amount of Fifteen Million Dollars ($15,000,000), all of which are now Outstanding; and

WHEREAS Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder and of the coupons to be attached to the coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company; that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof; and that such series may also contain such provisions not inconsistent with the provisions of the Mortgage, as supplemented, as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage, as supplemented; and

WHEREAS Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, as supplemented, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected

to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or the Company may cure any ambiguity contained therein, or in any supplemental indenture, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS the Company now desires to create a new series of bonds and to add to its covenants and agreements contained in the Mortgage, as supplemented, certain other covenants and agreements to be observed by it and to supplement and amend in certain respects the covenants and provisions contained in the Mortgage, as supplemented; and

WHEREAS the execution and delivery by the Company of this Ninth Supplemental Indenture, and the terms of the bonds of the Eighth Series hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors, and all things necessary to make this Ninth Supplemental Indenture a valid, binding and legal instrument for the security of the bonds have been performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That The Washington Water Power Company, in consideration of the premises and of one dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustees and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, as supplemented, according to their tenor and effect and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of such bonds, and to confirm the lien of the Mortgage on certain after acquired property, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms unto Francis M. Pitt (successor to Ralph E.

Morton and Marc A. Rieffel) and (to the extent of its legal capacity to hold the same for the purposes hereof) unto First National City Trust Company, as Trustees under the Mortgage, and to their successor or successors in said trust, and to said Trustees and their successors, heirs and assigns forever, all the following described properties of the Company, acquired by the Company since the execution and delivery of the Mortgage, whether now owned or hereafter acquired—that is to say:

> All of the property, real, personal and mixed, of every character and wheresoever situated (except any hereinafter or in the Mortgage, as supplemented, expressly excepted) which the Company now owns or, subject to the provisions of Section 87 of the Mortgage, may hereafter acquire prior to the satisfaction and discharge of the Mortgage, as fully and completely as if herein or in the Mortgage, as supplemented, specifically described, and including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Ninth Supplemental Indenture) all lands, real estate, easements, servitudes, rights of way and leasehold and other interests in real estate; all rights to the use or appropriation of water, flowage rights, water storage rights, flooding rights, and other rights in respect of or relating to water; all plants for the generation of electricity, power houses, dams, dam sites, reservoirs, flumes, raceways, diversion works, head works, waterways, water works, water systems, gas plants, steam heat plants, hot water plants, ice or refrigeration plants, stations, substations, offices, buildings and other works and structures and the equipment thereof and all improvements, extensions and additions thereto; all generators, machinery, engines, turbines, boilers, dynamos, transformers, motors, electric machines, switchboards, regulators, meters, electrical and mechanical appliances, conduits, cables, pipes and mains; all lines and systems for the transmission and distribution of electric current, gas, steam heat or water for any purpose; all towers, mains, pipes, poles, pole lines, conduits, cables, wires, switch racks, insulators, compressors, pumps, fittings, valves and connections; all motor vehicles and automobiles; all tools, implements, apparatus, furniture, stores, supplies and equipment; all franchises (except the Company's franchise to be a corporation), licenses, permits, rights,

powers and privileges; and (except as hereinafter or in the Mortgage, as supplemented, expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature.

The property so conveyed or intended to be so conveyed hereunder shall include, but shall not be limited to, the following property, the particular description of which is intended only to aid in the identification thereof and shall not be construed as limiting the force, effect and scope of the foregoing, namely:

FIRST

The Additional Regulator and Odorizer Station Sites of the Company in the State of Washington, including all improvements, regulator and odorizer station equipment, general equipment, appliances and devices for distributing natural gas and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits, and other rights and other property forming a part of said Stations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including, but not limited to, the following situated in the State of Washington:

1. Colfax Regulator and Odorizer Station in Whitman County, Washington.

SECOND

The Additional Electric Substation Sites of the Company in the States of Washington and Idaho, including all buildings, structures, towers, poles, equipment, appliances and devices for transforming, converting and distributing electric energy, and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits and other rights and other property forming a part of said substations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including, but not limited to, the following situated in the States of Washington and Idaho:

1. The Benewah Switching Station in Benewah County, Idaho.
2. Orin Substation in Stevens County, Washington.

THIRD

The Additional Electric Transmission Lines of the Company, in the State of Washington, including towers, poles, pole lines, wires, switch racks, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal, or mixed, forming a part of or used, occupied or enjoyed in connection with or in anywise appertaining to said transmission lines or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof, through, over, under or upon any public streets or highways or other lands, public or private, including, but not limited to, the following:

1. The Long Lake-Ford section of the Long Lake-Chewelah single circuit 60 KV transmission line extending in a northerly direction from the Long Lake Switching Station in Stevens County, Washington, to the Ford Electric Substation in Stevens County, Washington, for a distance of 4.65 miles.

FOURTH

The Additional Gas Distribution Systems of the Company in the States of Washington and Idaho, including all gas mains, services, meters, house regulators, general equipment and all of the Company's other property, real, personal or mixed, forming a part of or used, occupied or enjoyed in connection with or in anywise appertaining to said gas mains or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof, through, under, over or upon any public streets or highways or other lands, public or private, including, but not limited to, the following:

1. The Natural Gas Distribution System in the City of Colfax and vicinity, Whitman County, Washington.

2. The Moscow-Troy-Bovill Gas Distribution Line in Latah County, Idaho.

FIFTH

Miscellaneous Real Estate in the States of Washington, Idaho, and Montana.

Washington:

1. All those lands lying or situated in Stevens County, Washington, conveyed to the Company or its predecessors by deed recorded as follows:

Stevens County, Washington

Date Recorded	Document No.	Book	Page
January 19, 1959	327865	167	534

Idaho:

2. All those lands lying or situated in Benewah County, Idaho, conveyed to the Company or its predecessors by deed recorded as follows:

Benewah County, Idaho

Date Recorded	Document No.	Book	Page
March 6, 1959	90056	L-2	631

Montana:

3. All those lands lying or situated in Sanders County, Montana, conveyed to The Washington Water Power Company by deeds recorded as follows in Sanders County, Montana:

Date Recorded	Document No.	Book	Page
January 5, 1959	92007	70	13
January 9, 1959	92051	70	33
January 9, 1959	92052	70	34
February 9, 1959	92273	70	191
March 2, 1959	92356	70	239
July 22, 1959	93119	71	74
July 22, 1959	93120	71	76

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by the Company after the date hereof (except any hereinbefore or hereinafter or in the Mortgage, as supplemented, expressly excepted) shall be as fully embraced within the lien hereof and the lien of the Mortgage, as supplemented, as if such property, rights and franchises were now owned by the Company and were specifically described herein or in the Mortgage and conveyed hereby or thereby.

Provided that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Ninth Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, viz: (1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered under the Mortgage, as supplemented, or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for consumption in the operation of any properties of the Company; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage, as supplemented, or this Ninth Supplemental Indenture or covenanted so to be; (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; and (5) any prop-

erty heretofore released pursuant to any provisions of the Mortgage, as supplemented, and not heretofore disposed of by the Company; provided, however, that the property and rights expressly excepted from the lien and operation of this Ninth Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event that either or both of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII of the Mortgage by reason of the occurrence of a Completed Default as defined in said Article XII.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Individual Trustee and (to the extent of its legal capacity to hold the same for the purposes hereof) unto the Corporate Trustee, and their successors, heirs and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as supplemented, this Ninth Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as supplemented, shall affect and apply to the property hereinbefore described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustees by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustees and their successor or successors in such trust under the Mortgage, as follows:

ARTICLE I.

Eighth Series of Bonds.

SECTION 1. There shall be a series of bonds designated "5⅜% Series due 1990" (herein sometimes referred to as the "Eighth Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof and of the appurtenant coupons, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Eighth Series shall mature on March 1, 1990, and shall be issued as coupon bonds in the denomination of One Thousand Dollars, registrable as to principal, and as fully registered bonds in denominations of One Thousand Dollars and Ten Thousand Dollars and, at the option of the Company, in any multiple or multiples of One Thousand Dollars (the exercise of such option to be evidenced by the execution and delivery thereof); they shall bear interest at the rate of five and three-eighths per centum (5⅜%) per annum, the first interest payment to be made on September 1, 1960 for the period from January 1, 1960 to September 1, 1960, with subsequent interest payments to be made semi-annually on March 1 and September 1 of each year until the principal thereof shall become due and payable (whether at maturity, by declaration, or otherwise) and at the rate of six per centum (6%) per annum on any overdue principal and (to the extent permitted by law) on any overdue installment of interest; and the principal of and interest on each such bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Coupon bonds of the Eighth Series shall be dated as of January 1, 1960, and fully registered bonds of the Eighth Series shall be dated as in Section 10 of the Mortgage provided.

(I) Bonds of the Eighth Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage, as supple-

mented, in whole at any time, or in part from time to time, prior to maturity, upon notice published as provided in Section 52 of the Mortgage, once on at least four different days before the date fixed for redemption, the first publication to be at least thirty (30) days prior to the date fixed for redemption, at the following general redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

GENERAL REDEMPTION PRICES

If redeemed during 12 months period ending the last day of February,

1961.....	106.50%	1971.....	104.26%	1981.....	102.02%
1962.....	106.28%	1972.....	104.04%	1982.....	101.80%
1963.....	106.05%	1973.....	103.81%	1983.....	101.57%
1964.....	105.83%	1974.....	103.59%	1984.....	101.35%
1965.....	105.60%	1975.....	103.36%	1985.....	101.12%
1966.....	105.38%	1976.....	103.14%	1986.....	100.90%
1967.....	105.16%	1977.....	102.92%	1987.....	100.68%
1968.....	104.93%	1978.....	102.69%	1988.....	100.45%
1969.....	104.71%	1979.....	102.47%	1989.....	100.23%
1970.....	104.48%	1980.....	102.24%	1990.....	100.00%

in each case, together with accrued interest to the date fixed for redemption; provided that no bonds of the Eighth Series shall be redeemable at the general redemption prices prior to January 1, 1965, with borrowed funds, or in anticipation of funds to be borrowed, having an interest cost (calculated in accordance with acceptable financial practice) of less than five and $\frac{36}{100}$ per centum ($5\frac{36}{100}\%$) per annum.

(II) Bonds of the Eighth Series shall also be redeemable in whole at any time, or in part from time to time, prior to maturity, upon like notice, by the application (either at the option of the Company or pursuant to the requirements of the Mortgage) of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38, Section 39 or Section 64 of the Mortgage or with the Proceeds of Released Property; provided, however, that in the case of application of cash deposited with the Corporate Trustee

pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be prior to January 1 of the calendar year in which such deposit of cash shall become due under the provisions of Section 39 of the Mortgage, they shall be redeemable at the general redemption prices set forth in subdivision (I) of this Section, together with accrued interest to the date fixed for redemption; and provided further, that

(1) in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be on or after January 1 of the calendar year in which such deposit of cash shall become due, or

(2) in the case of redemption by the application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38 or Section 64 of the Mortgage or with the Proceeds of Released Property,

they shall be redeemed at the following special redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

SPECIAL REDEMPTION PRICES

If redeemed during 12 months period ending the last day of February,

1961.....	101.12%	1971.....	100.92%	1981.....	100.58%
1962.....	101.11%	1972.....	100.90%	1982.....	100.54%
1963.....	101.09%	1973.....	100.87%	1983.....	100.49%
1964.....	101.07%	1974.....	100.84%	1984.....	100.44%
1965.....	101.06%	1975.....	100.81%	1985.....	100.39%
1966.....	101.04%	1976.....	100.77%	1986.....	100.33%
1967.....	101.02%	1977.....	100.74%	1987.....	100.27%
1968.....	100.99%	1978.....	100.70%	1988.....	100.21%
1969.....	100.97%	1979.....	100.66%	1989.....	100.15%
1970.....	100.95%	1980.....	100.62%	1990.....	100.00%

in each case, together with accrued interest to the date fixed for redemption.

(III) At the option of the holder, any coupon bonds of the Eighth Series, upon surrender thereof with all unmatured coupons appertaining thereto at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of fully registered bonds of the same series of authorized denominations. All such coupon bonds to be exchanged as aforesaid shall be in bearer form or, if registered, accompanied by a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney. At the option of the registered owner, any fully registered bonds of the Eighth Series, upon surrender thereof, for cancellation, at said office or agency of the Company, together with a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of coupon bonds of the same series, with all unmatured coupons attached, or for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations.

The holder of any coupon bond of the Eighth Series may have the ownership thereof registered as to principal at the office or agency of the Company in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of such bond shall be valid unless made at said office or agency by the registered owner in person or by his duly authorized attorney and similarly noted on such bond; but (subject to the provisions of Section 12 of the Mortgage) the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer. Fully registered bonds of the Eighth Series shall also be

transferable (subject to the provisions of Section 12 of the Mortgage) at said office or agency of the Company.

Upon the delivery of this Ninth Supplemental Indenture, bonds of the Eighth Series in the aggregate principal amount of Ten Million Dollars ($10,000,000) are to be issued forthwith and will be Outstanding, in addition to One Hundred Nineteen Million Four Hundred Forty-nine Thousand Dollars ($119,449,000) aggregate principal amount of bonds of prior series Outstanding, at the date of delivery of this Ninth Supplemental Indenture.

ARTICLE II.

Dividend Covenant.

SECTION 2. So long as any of the bonds of the Eighth Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Eighth Series Outstanding at the time of such waiver, the Company covenants that it will not declare or pay any dividend on its common stock or make any other distribution on shares of its common stock (other than dividends or distributions payable solely in shares of its common stock) or acquire (unless acquired without cost to the Company) any shares of the common stock of the Company, if the aggregate amount of all such payments, distributions and the cost of such acquisitions from and after July 1, 1957, shall exceed the aggregate net income of the Company applicable to common stock of the Company from and after July 1, 1957, and prior to such proposed declaration, payment, distribution or acquisition, plus Six Million Dollars ($6,000,000), and plus an amount equal to the proceeds from the sale of common stock subsequent to July 1, 1957.

"Net income of the Company" shall, for the purposes of this Section and without regard to any other provision of the Mortgage, as supplemented, be determined in accordance with the system of accounts employed from time to time by the Company and which is in accordance with generally accepted accounting principles and practices for companies operating properties of like kind and character; provided, however, that the actual amounts deducted

out of income for such cumulative period for expenditures and/or accruals for maintenance and/or appropriated for property retirement and/or appropriated for property amortization shall never be less than an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues of the Company (as defined in Section 38 of the Mortgage) for such cumulative period.

ARTICLE III.

Miscellaneous Provisions.

SECTION 3. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Ninth Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 4. The Trustees hereby accept the trusts hereby declared, provided, created or supplemented and agree to perform the same upon the terms and conditions herein and in the Mortgage, as supplemented, set forth, including the following:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Ninth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. Each and every term and condition contained in Article XVI of the Mortgage, as supplemented, shall apply to and form part of this Ninth Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Ninth Supplemental Indenture.

SECTION 5. Whenever in this Ninth Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XV and XVI of the Mortgage, as supplemented, be deemed to include the successors and assigns of such party, and all the covenants and

agreements in this Ninth Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustees, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 6. Nothing in this Ninth Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Ninth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Ninth Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons Outstanding under the Mortgage.

SECTION 7. So long as any bonds of the Eighth Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Eighth Series Outstanding at the time of such waiver, notwithstanding the provisions of the second paragraph of Section 7 of the Mortgage, in any Net Earning Certificate required to be delivered to the Corporate Trustee there shall be included in the operating expenses all interest on customers' deposits and an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues for the twelve (12) consecutive calendar months covered by such certificate after deducting from such amount an amount equal to the amount, included in operating expenses, expended for or accrued for repairs and maintenance.

SECTION 8. Section 39 of the Mortgage is hereby amended by inserting the words "; and provided further that the Company may not deposit cash prior to January 1, 1965, in anticipation of the requirements of this Section

in respect of the 5⅜% Series due 1990 other than a requirement becoming due in the current calendar year, if the cash so deposited represents borrowed funds, or is in anticipation of funds to be borrowed, having an interest cost (calculated in accordance with acceptable financial practice) of less than five and $\frac{36}{100}$ per centum ($5\frac{36}{100}\%$) per annum." after the words "of less than four and three-quarters per centum (4¾%) per annum".

SECTION 9. The Company covenants that, so long as any bonds of the Eighth Series remain Outstanding (unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Eighth Series Outstanding at the time of such waiver), it will not convey or transfer any property which is subject to the lien of the Mortgage to any subsidiary of the Company except in accordance with the provisions of Article XV of the Mortgage or except such property as shall thereupon be released from the lien of the Mortgage under the provisions of Article XI thereof.

SECTION 10. The Company covenants that it will not request the cancellation and discharge of the lien of the Mortgage under the provisions of Section 106 thereof unless it shall have authorized the Corporate Trustee to give to the holders of bonds of the Eighth Series notice by publication in one Daily Newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York, that funds for the immediate payment of such bonds and the premium, if any, and interest thereon are on deposit with the Corporate Trustee.

SECTION 11. This Ninth Supplemental Indenture shall be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 12. The titles of the several Articles of this Ninth Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on this 7th day of January, 1960, THE WASHINGTON WATER POWER COMPANY, party hereto of the first part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and FIRST NATIONAL CITY TRUST COMPANY, one of the parties hereto of the second part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents and its corporate seal to be attested by its Cashier or one of its Assistant Cashiers and FRANCIS M. PITT, one of the parties hereto of the second part, has for all like purposes hereunto set his hand and affixed his seal, all in The City of New York, New York, as of the day and year first above written.

THE WASHINGTON WATER POWER COMPANY,

By .....

President

Attest:

.....

Secretary

Executed, sealed and delivered by THE WASHINGTON WATER POWER COMPANY, in the presence of:

.....

John M. Stuart

FIRST NATIONAL CITY TRUST COMPANY,
As Trustee,

By.....
Vice-President

Attest:

.....
Assistant Cashier

Executed, sealed and delivered by FIRST NATIONAL CITY TRUST COMPANY, in the presence of:

.....

.....

.....(L. S.)
FRANCIS M. PITT

Executed, sealed and delivered by FRANCIS M. PITT, in the presence of:

.....

.....

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 7th day of January, 1960, before me personally appeared K. M. ROBINSON, to me known to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 7th day of January, in the year 1960, before me, MORTON BARAD, a Notary Public in and for the State and County aforesaid, personally appeared K. M. ROBINSON, known to me to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Morton Barad
Notary Public.

MORTON BARAD
Notary Public, State of New York
No. 24-5170980
Qualified in Kings County
Certs. filed in Bronx, Queens, Nassau,
New York and Westchester Cos.
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 7th day of January, 1960, before me personally appeared S. L. SMITH, to me known to be a Vice-President of FIRST NATIONAL CITY TRUST COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 7th day of January in the year 1960, before me, WORTH G. BURROWS, a Notary Public in and for the State and County aforesaid, personally appeared S. L. SMITH, known to me to be a Vice-President of FIRST NATIONAL CITY TRUST COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Worth G. Burrows

Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On this 7th day of January, in the year 1960, before me, WORTH G. BURROWS, a Notary Public in and for the State and County aforesaid, personally appeared FRANCIS M. PITT, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me FRANCIS M. PITT, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 7th day of January, 1960.

Worth G. Burrows

Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

K. M. ROBINSON, being duly sworn, deposes and says that he is the President of THE WASHINGTON WATER POWER COMPANY, the Mortgagor named in the foregoing instrument, and makes this affidavit for and on its behalf; that said instrument is made in good faith and without any design to hinder, delay or defraud creditors.

K. M. Robinson

Subscribed and sworn to before me this 7th day of January, 1960.

Morton Barad

Notary Public.

MORTON BARAD
Notary Public, State of New York
No. 24-5170980
Qualified in Kings County
Certs. filed in Bronx, Queens, Nassau, New York and Westchester Cos.
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

S. L. SMITH, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of FIRST NATIONAL CITY TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that said mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000), subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without design to hinder, delay or defraud creditors, and that he makes this affidavit on behalf of said First National City Trust Company.

.....

Subscribed and sworn to before me
this 7th day of January, 1960.

Worth G. Burrows

Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

FRANCIS M. PITT, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that said mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000) subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without any design to hinder, delay or defraud creditors.

Francis M. Pitt

Subscribed and sworn to before me }
this 7th day of January, 1960. }

Worth G. Burrows

Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

S. L. SMITH, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of FIRST NATIONAL CITY TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust and that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

.....

Subscribed and sworn to before me
this 7th day of January, 1960.

Worth G Burrows
Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

FRANCIS M. PITT, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

Francis M. Pitt

Subscribed and sworn to before me
this 7th day of January, 1960.

Worth G. Burrows

Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

RECEIPT

The undersigned, THE WASHINGTON WATER POWER COMPANY, the mortgagor in the foregoing mortgage and deed of trust, hereby acknowledges surrender, without cost, by the mortgagees and trustees to the undersigned at the time of the execution of the foregoing mortgage and deed of trust of a correct copy of said original mortgage and deed of trust, as signed, with the acknowledgments shown thereon, and acknowledges receipt thereof.

Dated this 7th day of January, 1960.

THE WASHINGTON WATER POWER COMPANY

By .....
President.

Attest:

.....
Secretary.

EXECUTED IN 5 COUNTERPARTS OF
WHICH THIS IS COUNTERPART No. 5

THE WASHINGTON WATER POWER COMPANY

TO

CITY BANK FARMERS TRUST COMPANY

AND

FRANCIS M. PITT,

(Successor to Ralph E. Morton and Marc A. Rieffel)

As Trustees under The Washington Water Power Company's Mortgage and Deed of Trust, Dated as of June 1, 1939

Eighth Supplemental Indenture

Dated as of January 1, 1959

96 2179
complete
book filmed

JAN 16 19
Department of Reclamation

EIGHTH SUPPLEMENTAL INDENTURE.

THIS INDENTURE, dated as of the first day of January, 1959, made and entered into by and between THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington, whose post office address is East 1411 Mission Avenue, Spokane, Washington (hereinafter sometimes called the Company), party of the first part, and CITY BANK FARMERS TRUST COMPANY, a corporation of the State of New York, whose post office address is 22 William Street, New York, New York (hereinafter sometimes called the Corporate Trustee), and FRANCIS M. PITT (successor to Ralph E. Morton and Marc A. Rieffel), of 137 W. Park Avenue, Pearl River, New York (hereinafter sometimes called the Individual Trustee), parties of the second part (the Corporate Trustee and the Individual Trustee being hereinafter together sometimes called the Trustees), as Trustees under the Mortgage and Deed of Trust, dated as of June 1, 1939 (hereinafter called the Mortgage), executed and delivered by The Washington Water Power Company to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, this indenture (hereinafter called Eighth Supplemental Indenture) being supplemental thereto.

WHEREAS the Mortgage has been or will be recorded in various counties in the states of Washington, Idaho and Montana which counties include or will include all counties in which this Eighth Supplemental Indenture is to be recorded; and

WHEREAS by the Mortgage the Company covenanted that it would execute and deliver such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired intended to be subject to the lien thereof; and

WHEREAS the Company executed and delivered to the Trustees its First Supplemental Indenture, dated as of October 1, 1952 (hereinafter called its

First Supplemental Indenture); its Second Supplemental Indenture, dated as of May 1, 1953 (hereinafter called its Second Supplemental Indenture); its Third Supplemental Indenture, dated as of December 1, 1955 (hereinafter called its Third Supplemental Indenture); its Fourth Supplemental Indenture, dated as of March 15, 1957 (hereinafter called its Fourth Supplemental Indenture); its Fifth Supplemental Indenture, dated as of July 1, 1957 (hereinafter called its Fifth Supplemental Indenture); its Sixth Supplemental Indenture, dated as of January 1, 1958 (hereinafter called its Sixth Supplemental Indenture); and its Seventh Supplemental Indenture, dated as of August 1, 1958 (hereinafter called its Seventh Supplemental Indenture); as supplements to the Mortgage; and

WHEREAS the First, Second, Third, Fourth, Fifth and Sixth Supplemental Indentures were or will be recorded in various counties in the states of Washington, Idaho and Montana which counties include or will include all counties in which this Eighth Supplemental Indenture is to be recorded; and

WHEREAS the Seventh Supplemental Indenture was recorded in counties in the states of Washington, Idaho and Montana as follows:

WASHINGTON

Date Filed For Record	County	Office of	Real Estate Mortgage Records		Chattel Mortgage Records Auditor's File No.
			Book	Page	
8/ 1/58	Adams	Auditor	97	163	68210
8/ 1/58	Asotin	Auditor	44	529	69211
8/ 1/58	Douglas	Auditor	99	186	53560
8/ 1/58	Ferry	Auditor	15	271	128507
8/ 1/58	Franklin	Auditor	92	289	195172
8/ 1/58	Garfield	Auditor	48	225	12764
8/ 1/58	Grant	Auditor	105	405	322190
8/ 1/58	Lincoln	Auditor	101	311	284653
8/ 1/58	Pend Oreille....	Auditor	22	99	96840
7/31/58	Spokane	Auditor	908	421	553384B
8/ 1/58	Stevens	Auditor	90	150	320987
8/ 1/58	Whitman	Auditor	289	419	301880

IDAHO

Date Filed For Record	County	Real Estate Mortgage Records Book	Real Estate Mortgage Records Page	Chattel Mortgage File No.
8/ 1/58	Benewah	V	189	88688
8/ 1/58	Bonner	42	537	66664
8/ 1/58	Clearwater	20	493	72058
8/ 1/58	Idaho	60	577	195203
8/ 1/58	Kootenai	79	298	343366
8/ 1/58	Latah	88	263	33388
8/ 1/58	Lewis	32	151	64258
8/ 1/58	Nez Perce	160	501	265115
8/ 1/58	Shoshone	26	94	174922

MONTANA

Date Filed For Record	County	Real Estate Mortgage Records Book	Real Estate Mortgage Records Page	Chattel Mortgage File No.
8/ 1/58	Mineral	6	51	26985
7/31/58	Sanders	36	430	91132; and

WHEREAS in addition to the property described in the Mortgage, as supplemented, the Company has acquired certain other property, rights and interests in property; and

WHEREAS the Company has heretofore issued, in accordance with the provisions of the Mortgage, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1964 (hereinafter called the bonds of the First Series), and in accordance with the provisions of the Mortgage, as supplemented, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1982 (sometimes referred to as bonds of the Second Series), bonds of a series entitled and designated First Mortgage Bonds, 3⅞% Series due 1983 (sometimes referred to as bonds of the Third Series and none of which bonds of the Third Series are Outstanding at the date of this Eighth Supplemental Indenture), bonds of a series entitled and designated First Mortgage Bonds, 4⅞% Series due 1987 (sometimes referred to as bonds of the Fourth Series), bonds of a series entitled and designated First Mortgage Bonds, 4⅛% Series due 1988 (sometimes referred to as bonds of the Fifth Series), and bonds of a series entitled and designated First Mortgage Bonds,

4⅜% Series due 1988 (sometimes referred to as bonds of the Sixth Series); and

WHEREAS Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder and of the coupons to be attached to the coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company; that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof; and that such series may also contain such provisions not inconsistent with the provisions of the Mortgage, as supplemented, as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage, as supplemented; and

WHEREAS Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, as supplemented, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or the Company may cure any ambiguity contained therein, or in any supplemental indenture, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS the Company now desires to create a new series of bonds and to add to its covenants and agreements contained in the Mortgage, as supplemented, certain other covenants and agreements to be observed by it and to supplement and amend in certain respects the covenants and provisions contained in the Mortgage, as supplemented; and

WHEREAS the execution and delivery by the Company of this Eighth Supplemental Indenture, and the terms of the bonds of the Seventh Series hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors, and all things necessary to make this Eighth Supplemental Indenture a valid, binding and legal instrument for the security of the bonds have been performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That The Washington Water Power Company, in consideration of the premises and of one dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustees and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, as supplemented, according to their tenor and effect and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of such bonds, and to confirm the lien of the Mortgage on certain after acquired property, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms unto Francis M. Pitt (successor to Ralph E. Morton and Marc A. Rieffel) and (to the extent of its legal capacity to hold the same for the purposes hereof) unto City Bank Farmers Trust Company, as Trustees under the Mortgage, and to their successor or successors in said trust, and to said Trustees and their successors, heirs and assigns forever, all the following described properties of the Company, acquired by the Company since the execution and delivery of the Mortgage, whether now owned or hereafter acquired—that is to say:

> All of the property, real, personal and mixed, of every character and wheresoever situated (except any hereinafter or in the Mortgage, as supplemented, expressly excepted) which the Company now owns or, subject to the provisions of Section 87 of the Mortgage, may hereafter acquire prior to the satisfaction and discharge of the Mortgage, as fully and completely as if herein or in the Mortgage, as supplemented, specifically described, and including (without in anywise limiting or impairing by the enumeration of the same the scope and

intent of the foregoing or of any general description contained in this Eighth Supplemental Indenture) all lands, real estate, easements, servitudes, rights of way and leasehold and other interests in real estate; all rights to the use or appropriation of water, flowage rights, water storage rights, flooding rights, and other rights in respect of or relating to water; all plants for the generation of electricity, power houses, dams, dam sites, reservoirs, flumes, raceways, diversion works, head works, waterways, water works, water systems, gas plants, steam heat plants, hot water plants, ice or refrigeration plants, stations, substations, offices, buildings and other works and structures and the equipment thereof and all improvements, extensions and additions thereto; all generators, machinery, engines, turbines, boilers, dynamos, transformers, motors, electric machines, switchboards, regulators, meters, electrical and mechanical appliances, conduits, cables, pipes and mains; all lines and systems for the transmission and distribution of electric current, gas, steam heat or water for any purpose; all towers, mains, pipes, poles, pole lines, conduits, cables, wires, switch racks, insulators, compressors, pumps, fittings, valves and connections; all motor vehicles and automobiles; all tools, implements, apparatus, furniture, stores, supplies and equipment; all franchises (except the Company's franchise to be a corporation), licenses, permits, rights, powers and privileges; and (except as hereinafter or in the Mortgage, as supplemented, expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature.

The property so conveyed or intended to be so conveyed hereunder shall include, but shall not be limited to, the following property, the particular description of which is intended only to aid in the identification thereof and shall not be construed as limiting the force, effect and scope of the foregoing, namely:

FIRST

The Additional Gas Manufacturing Plant, Regulator and Odorizer Station Sites of the Company in the States of Washington and Idaho, including all improvements, gas manufacturing equipment, regulator and odorizer station equipment, general equipment, appliances and devices for distributing natural gas and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits, and other

rights and other property forming a part of said Plant and Stations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including, but not limited to, the following situated in the States of Washington and Idaho:

1. Coeur d'Alene Regulator Station in Coeur d'Alene, Kootenai County, Idaho.

2. Coeur d'Alene Odorizer Station, Kootenai County, Idaho.

3. Post Falls Odorizer Station in Post Falls, Kootenai County, Idaho.

4. Gas Manufacturing Plant in Lewiston, Nez Perce County, Idaho.

5. Town Border Regulator and Odorizer Plant in Nez Perce County, Idaho.

6. Fair Street Regulator Station in Clarkston, Asotin County, Washington.

SECOND

The Additional Electric Substations and Substation Sites of the Company in the State of Washington, including all buildings, structures, towers, poles, equipment, appliances and devices for transforming, converting and distributing electric energy, and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits and other rights and other property forming a part of said substations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including, but not limited to, the following situated in the State of Washington.

1. Spirit Substation in Stevens County, Washington.

2. Chewelah Substation in Stevens County, Washington.

THIRD

The Additional Electric Transmission Lines of the Company, in the State of Idaho, including towers, poles, pole lines, wires, switch racks, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal, or mixed, forming a part of or used, occupied or enjoyed in connection with or in anywise appertaining to said transmission lines or any of them, together with all rights of way, easements, permits,

privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof, through, over, under or upon any public streets or highways or other lands, public or private, including, but not limited to, the following:

1. The Lolo-South Lewiston single circuit 110 KV transmission line, extending in a northwesterly direction from the Lolo Electric Substation in Nez Perce County, Idaho, to the South Lewiston Electric Substation in Nez Perce County, Idaho, for a distance of 8.8 miles.

2. The Juliaetta-Deary single circuit 110 KV transmission line, extending in a northeasterly direction from the Juliaetta Electric Substation in Latah County, Idaho, to the Deary Electric Substation in Latah County, Idaho, for a distance of 21 miles.

3. The Noxon-Bonneville Power Administration double circuit 230 KV transmission tap line in Sanders County, Montana, running in an easterly direction for a distance of .78 miles from the Noxon Rapids Switch Yard to the Bonneville Power Administration-Hot Springs 230 KV transmission line.

FOURTH

The Additional Gas Distribution Systems of the Company in the States of Washington and Idaho, including all gas mains, services, meters, house regulators, general equipment and all of the Company's other property, real, personal or mixed, forming a part of or used, occupied or enjoyed in connection with or in anywise appertaining to said gas mains or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof, through, under, over or upon any public streets or highways or other lands, public or private, including, but not limited to, the following:

1. The Natural Gas Distribution System in the City of Clarkston and vicinity, Asotin County, Washington.

2. The Natural Gas Distribution System in the City of Lewiston and vicinity, Nez Perce County, Idaho.

3. The Natural Gas Distribution System in Coeur d'Alene and vicinity, Kootenai County, Idaho.

4. The Natural Gas Distribution System in Post Falls and vicinity, Kootenai County, Idaho.

FIFTH

Miscellaneous Real Estate in the States of Washington, Idaho, and Montana.

Washington:

1. All those lands lying or situated in Asotin and Stevens Counties, Washington, conveyed to the Company or its predecessors by deeds recorded as follows:

Asotin County, Washington

Date Recorded	Document No.	Book	Page
August 29, 1958	69457	56	72

Date Recorded	Document No.	Book	Page
Stevens County, Washington			
August 7, 1958	321130	165	550

Idaho:

2. All those lands lying or situated in Kootenai and Nez Perce Counties, Idaho, conveyed to the Company or its predecessors by deeds recorded as follows:

Kootenai County, Idaho:

Date Recorded	Document No.	Book	Page
October 3, 1958	346377	175	166
October 3, 1958	346383	175	172
November 7, 1958	348121	176	48

Nez Perce County, Idaho:

Date Recorded	Document No.	Book	Book
August 29, 1958	265677	205	214

Montana:

3. All those lands lying or situated in Sanders County, Montana, conveyed to The Washington Water Power Company by deeds recorded as follows in Sanders County, Montana:

Date Recorded	Document No.	Book	Page
September 25, 1958	91433	69	290
October 3, 1958	91477	69	317
October 21, 1958	91572	69	353
November 19, 1958	91734	69	410

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by the Company after the date hereof (except any hereinbefore or hereinafter or in the Mortgage, as supplemented, expressly excepted) shall be as fully embraced within the lien hereof and the lien of the Mortgage, as supplemented, as if such property, rights and franchises were now owned by the Company and were specifically described herein or in the Mortgage and conveyed hereby or thereby.

Provided that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Eighth Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, viz: (1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered under the Mortgage, as supplemented, or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for consumption in the operation of any properties of the Company; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage, as supplemented, or this Eighth Supplemental Indenture or covenanted so to be; (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; and (5) any prop-

erty heretofore released pursuant to any provisions of the Mortgage, as supplemented, and not heretofore disposed of by the Company; provided, however, that the property and rights expressly excepted from the lien and operation of this Eighth Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event that either or both of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII of the Mortgage by reason of the occurrence of a Completed Default as defined in said Article XII.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Individual Trustee and (to the extent of its legal capacity to hold the same for the purposes hereof) unto the Corporate Trustee, and their successors, heirs and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as supplemented, this Eighth Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as supplemented, shall affect and apply to the property hereinbefore described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustees by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustees and their successor or successors in such trust under the Mortgage, as follows:

ARTICLE I.

Seventh Series of Bonds.

SECTION 1. There shall be a series of bonds designated "4¾% Series due 1989" (herein sometimes referred to as the "Seventh Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof and of the appurtenant coupons, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Seventh Series shall mature on February 1, 1989, and shall be issued as coupon bonds in the denomination of One Thousand Dollars, registrable as to principal, and as fully registered bonds in denominations of One Thousand Dollars and Ten Thousand Dollars and, at the option of the Company, in any multiple or multiples of One Thousand Dollars (the exercise of such option to be evidenced by the execution and delivery thereof); they shall bear interest at the rate of four and three-quarters per centum (4¾%) per annum, the first interest payment to be made on August 1, 1959 for the period from January 1, 1959 to August 1, 1959, with subsequent interest payments to be made semi-annually on February 1 and August 1 of each year until the principal thereof shall become due and payable (whether at maturity, by declaration, or otherwise) and at the rate of six per centum (6%) per annum on any overdue principal and (to the extent permitted by law) on any overdue installment of interest; and the principal of and interest on each such bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Coupon bonds of the Seventh Series shall be dated as of January 1, 1959, and fully registered bonds of the Seventh Series shall be dated as in Section 10 of the Mortgage provided.

(I) Bonds of the Seventh Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage, as supple-

mented, in whole at any time, or in part from time to time, prior to maturity, upon notice published as provided in Section 52 of the Mortgage, once on at least four different days before the date fixed for redemption, the first publication to be at least thirty (30) days prior to the date fixed for redemption, at the following general redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

GENERAL REDEMPTION PRICES

If redeemed during 12 months period ending January 31,

1960.....	104.75%	1970.....	103.12%	1980.....	101.48%
1961.....	104.59%	1971.....	102.95%	1981.....	101.32%
1962.....	104.43%	1972.....	102.79%	1982.....	101.15%
1963.....	104.26%	1973.....	102.63%	1983.....	100.99%
1964.....	104.10%	1974.....	102.46%	1984.....	100.82%
1965.....	103.94%	1975.....	102.30%	1985.....	100.66%
1966.....	103.77%	1976.....	102.13%	1986.....	100.50%
1967.....	103.61%	1977.....	101.97%	1987.....	100.33%
1968.....	103.44%	1978.....	101.81%	1988.....	100.17%
1969.....	103.28%	1979.....	101.64%	1989.....	100.00%

in each case, together with accrued interest to the date fixed for redemption; provided that no bonds of the Seventh Series shall be redeemable at the general redemption prices prior to February 1, 1964, with borrowed funds, or in anticipation of funds to be borrowed, having an interest cost (calculated in accordance with acceptable financial practice) of less than four and three-quarters per centum (4¾%) per annum.

(II) Bonds of the Seventh Series shall also be redeemable in whole at any time, or in part from time to time, prior to maturity, upon like notice, by the application (either at the option of the Company or pursuant to the requirements of the Mortgage) of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38, Section 39 or Section 64 of the Mortgage or with the Proceeds of Released Property; provided, however,

that in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be prior to January 1 of the calendar year in which such deposit of cash shall become due under the provisions of Section 39 of the Mortgage, they shall be redeemable at the general redemption prices set forth in subdivision (I) of this Section, together with accrued interest to the date fixed for redemption; and provided further, that

(1) in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be on or after January 1 of the calendar year in which such deposit of cash shall become due, or

(2) in the case of redemption by the application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38 or Section 64 of the Mortgage or with the Proceeds of Released Property,

they shall be redeemed at the special redemption price of the principal amount of the bonds to be redeemed, without premium, in each case, together with accrued interest to the date fixed for redemption.

(III) At the option of the holder, any coupon bonds of the Seventh Series, upon surrender thereof with all unmatured coupons appertaining thereto at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of fully registered bonds of the same series of authorized denominations. All such coupon bonds to be exchanged as aforesaid shall be in bearer form or, if registered, accompanied by a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney. At the option of the registered owner, any fully registered bonds of the Seventh Series, upon surrender thereof, for cancellation,

at said office or agency of the Company, together with a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of coupon bonds of the same series, with all unmatured coupons attached, or for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations.

The holder of any coupon bond of the Seventh Series may have the ownership thereof registered as to principal at the office or agency of the Company in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of such bond shall be valid unless made at said office or agency by the registered owner in person or by his duly authorized attorney and similarly noted on such bond; but (subject to the provisions of Section 12 of the Mortgage) the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer. Fully registered bonds of the Seventh Series shall also be transferable (subject to the provisions of Section 12 of the Mortgage) at said office or agency of the Company.

ARTICLE II.

Dividend Covenant.

SECTION 2. So long as any of the Bonds of the Seventh Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Seventh Series Outstanding at the time of such waiver, the Company covenants that it will not declare or pay any dividend on its common stock or make any other distribution on shares of its common stock (other than dividends or distributions payable solely in shares of its common stock) or acquire (unless acquired without cost to the Company) any shares of the common stock of the Company, if the aggregate amount of all such payments, distributions and the cost of such acquisitions from and after July 1, 1957, shall exceed the aggregate net income of the Company applicable to common stock of the Company from and after July 1, 1957, and prior to such proposed declaration, payment, distribution or acquisition, plus Six Million Dollars ($6,000,000), and plus an amount equal to the proceeds from the sale of common stock subsequent to July 1, 1957.

"Net income of the Company" shall, for the purposes of this Section and without regard to any other provision of the Mortgage, as supplemented, be determined in accordance with the system of accounts employed from time to time by the Company and which is in accordance with generally accepted accounting principles and practices for companies operating properties of like kind and character; provided, however, that the actual amounts deducted out of income for such cumulative period for expenditures and/or accruals for maintenance and/or appropriated for property retirement and/or appropriated for property amortization shall never be less than an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues of the Company (as defined in Section 38 of the Mortgage) for such cumulative period.

ARTICLE III.

Miscellaneous Provisions.

SECTION 3. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Eighth Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 4. The Trustees hereby accept the trusts hereby declared, provided, created or supplemented and agree to perform the same upon the terms and conditions herein and in the Mortgage, as supplemented, set forth, including the following:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Eighth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. Each and every term and condition contained in Article XVI of the Mortgage, as supplemented, shall apply to and form part of this Eighth Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Eighth Supplemental Indenture.

SECTION 5. Whenever in this Eighth Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XV and XVI of the Mortgage, as supplemented, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Eighth Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustees, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 6. Nothing in this Eighth Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any

person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Eighth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Eighth Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons Outstanding under the Mortgage.

SECTION 7. So long as any bonds of the Seventh Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Seventh Series Outstanding at the time of such waiver, notwithstanding the provisions of the second paragraph of Section 7 of the Mortgage, in any Net Earning Certificate required to be delivered to the Corporate Trustee there shall be included in the operating expenses all interest on customers' deposits and an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues for the twelve (12) consecutive calendar months covered by such certificate after deducting from such amount an amount equal to the amount, included in operating expenses, expended for or accrued for repairs and maintenance.

SECTION 8. Section 39 of the Mortgage is hereby amended by inserting the words "; and provided further that the Company may not deposit cash prior to February 1, 1964, in anticipation of the requirements of this Section in respect of the 4¾% Series due 1989 other than a requirement becoming due in the current calendar year, if the cash so deposited represents borrowed funds, or is in anticipation of funds to be borrowed, having an interest cost (calculated in accordance with acceptable financial practice) of less than four and three-quarters per centum (4¾%) per annum." after the words "of less than four and three-eighths per centum (4⅜%) per annum."

SECTION 9. The Company covenants that, so long as any bonds of the Seventh Series remain Outstanding (unless this requirement shall have been

waived in writing by the holders of a majority in principal amount of the bonds of the Seventh Series Outstanding at the time of such waiver), it will not convey or transfer any property which is subject to the lien of the Mortgage to any subsidiary of the Company except in accordance with the provisions of Article XV of the Mortgage or except such property as shall thereupon be released from the lien of the Mortgage under the provisions of Article XI thereof.

SECTION 10. The Company covenants that it will not request the cancellation and discharge of the lien of the Mortgage under the provisions of Section 106 thereof unless it shall have authorized the Corporate Trustee to give to the holders of bonds of the Seventh Series notice by publication in one Daily Newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York, that funds for the immediate payment of such bonds and the premium, if any, and interest thereon are on deposit with the Corporate Trustee.

SECTION 11. This Eighth Supplemental Indenture shall be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 12. The titles of the several Articles of this Eighth Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on this 8th day of January, 1959, THE WASHINGTON WATER POWER COMPANY, party hereto of the first part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and CITY BANK FARMERS TRUST COMPANY, one of the parties hereto of the second part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries, and FRANCIS M. PITT, one of the parties hereto of the second part, has for all like purposes hereunto set his hand and

affixed his seal, all in The City of New York, New York, as of the day and year first above written.

THE WASHINGTON WATER POWER COMPANY,

By .....
President.

Attest:

.....
Secretary.

Executed, sealed and delivered by THE WASHINGTON WATER POWER COMPANY, in the presence of:

.....

.....

CITY BANK FARMERS TRUST COMPANY,
As Trustee,

By .....
Vice-President.

Attest:

.....
Assistant Secretary.

Executed, sealed and delivered by CITY BANK FARMERS TRUST COMPANY, in the presence of:

.....

.....

..... (L. S.)
FRANCIS M. PITT

Executed, sealed and delivered by FRANCIS M. PITT, in the presence of:

.....

.....

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 8th day of January, 1959, before me personally appeared K. M. ROBINSON, to me known to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 8th day of January, in the year 1959, before me, MORTON BARAD, a Notary Public in and for the State and County aforesaid, personally appeared K. M. ROBINSON, known to me to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Morton Barad
.....
Notary Public.

MORTON BARAD
Notary Public, State of New York
No. 24-5170980
Qualified in Kings County
Certs. filed in Bronx, Queens, Nassau,
New York and Westchester Cos.
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 8th day of January, 1959, before me personally appeared S. L. SMITH, to me known to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 8th day of January in the year 1959, before me, WORTH G. BURROWS, a Notary Public in and for the State and County aforesaid, personally appeared S. L. SMITH, known to me to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Worth G. Burrows

Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On this 8th day of January, in the year 1959, before me, WORTH G. BURROWS, a Notary Public in and for the State and County aforesaid, personally appeared FRANCIS M. PITT, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me FRANCIS M. PITT, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 8th day of January, 1959.

Worth G. Burrows

Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

K. M. ROBINSON, being duly sworn, deposes and says that he is the President of THE WASHINGTON WATER POWER COMPANY, the Mortgagor named in the foregoing instrument, and makes this affidavit for and on its behalf; that said instrument is made in good faith and without any design to hinder, delay or defraud creditors.

K. M. Robinson

Subscribed and sworn to before me
this 8th day of January, 1959.

Morton Barad

Notary Public.

MORTON BARAD
Notary Public, State of New York
No. 24-5170980
Qualified in Kings County
Certs. filed in Bronx, Queens, Nassau,
New York and Westchester Cos.
Term Expires March 30, 1960

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

S. L. SMITH, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that said mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000), subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without design to hinder, delay or defraud creditors, and that he makes this affidavit on behalf of said City Bank Farmers Trust Company.

.....

Subscribed and sworn to before me }
this 8th day of January, 1959. }

Worth G. Burrows
.....
Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

FRANCIS M. PITT, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that said mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000) subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without any design to hinder, delay or defraud creditors.

Francis M. Pitt

Subscribed and sworn to before me
this 8th day of January, 1959.

Worth G. Burrows

Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

S. L. SMITH, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust and that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

.....

Subscribed and sworn to before me }
this 8th day of January, 1959. }

Worth G. Burrows
.....
Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

FRANCIS M. PITT, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

Francis M. Pitt

Subscribed and sworn to before me
this 8th day of January, 1959.

Worth G. Burrows

Notary Public.

WORTH G. BURROWS
Notary Public, State of New York
No. 41-5543900 Queens County
Cert. Filed in New York County
Term Expires March 30, 1960

RECEIPT

The undersigned, THE WASHINGTON WATER POWER COMPANY, the mortgagor in the foregoing mortgage and deed of trust, hereby acknowledges surrender, without cost, by the mortgagees and trustees to the undersigned at the time of the execution of the foregoing mortgage and deed of trust of a correct copy of said original mortgage and deed of trust, as signed, with the acknowledgments shown thereon, and acknowledges receipt thereof.

Dated this 8th day of January, 1959.

THE WASHINGTON WATER POWER COMPANY

By ..... T. M. Robinson
President.

Attest:

..... R. H. Kenworthy
Secretary.

EXECUTED IN 85 COUNTERPARTS OF
WHICH THIS IS COUNTERPART No. 50

RECEIVED
AUG 6 1958
Department of Reclamation

THE WASHINGTON WATER POWER COMPANY

TO

CITY BANK FARMERS TRUST COMPANY

AND

FRANCIS M. PITT,
(Successor to Ralph E. Morton and Marc A. Rieffel)
As Trustees under The Washington Water Power Company's Mortgage and Deed of Trust, Dated as of June 1, 1939

Seventh Supplemental Indenture

Dated as of August 1, 1958

96 2179
complete book filmed

SEVENTH SUPPLEMENTAL INDENTURE.

THIS INDENTURE, dated as of the first day of August, 1958, made and entered into by and between THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington, whose post office address is West 825 Trent Avenue, Spokane, Washington (hereinafter sometimes called the Company), party of the first part, and CITY BANK FARMERS TRUST COMPANY, a corporation of the State of New York, whose post office address is 22 William Street, New York, New York (hereinafter sometimes called the Corporate Trustee), and FRANCIS M. PITT (successor to Ralph E. Morton and Marc A. Rieffel), of 137 W. Park Avenue, Pearl River, New York (hereinafter sometimes called the Individual Trustee), parties of the second part (the Corporate Trustee and the Individual Trustee being hereinafter together sometimes called the Trustees), as Trustees under the Mortgage and Deed of Trust, dated as of June 1, 1939 (hereinafter called the Mortgage), executed and delivered by The Washington Water Power Company to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, this indenture (hereinafter called Seventh Supplemental Indenture) being supplemental thereto.

WHEREAS the Mortgage has been or will be recorded in various counties in the states of Washington, Idaho and Montana which counties include or will include all counties in which this Seventh Supplemental Indenture is to be recorded; and

WHEREAS by the Mortgage the Company covenanted that it would execute and deliver such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired intended to be subject to the lien thereof; and

WHEREAS the Company executed and delivered to the Trustees its First Supplemental Indenture, dated as of October 1, 1952 (hereinafter called its First Supplemental Indenture); its Second Supplemental Indenture, dated as of May 1, 1953 (hereinafter called its Second Supplemental Indenture); its Third Supplemental Indenture, dated as of December 1, 1955 (hereinafter called its Third Supplemental Indenture); its Fourth Supplemental Indenture, dated as of March 15, 1957 (hereinafter called its Fourth Supplemental Indenture); its Fifth Supplemental Indenture, dated as of July 1, 1957 (hereinafter called its Fifth Supplemental Indenture); and its Sixth Supplemental Indenture, dated as of January 1, 1958 (hereinafter called its Sixth Supplemental Indenture); as supplements to the Mortgage; and

WHEREAS the First, Second, Third, Fourth and Fifth Supplemental Indentures were or will be recorded in various counties in the states of Washington, Idaho and Montana which counties include or will include all counties in which this Seventh Supplemental Indenture is to be recorded; and

WHEREAS the Sixth Supplemental Indenture was recorded in counties in the states of Washington, Idaho and Montana as follows:

WASHINGTON

Date Filed for Record	County	Office of	Real Estate Mortgage Records Book	Real Estate Mortgage Records Page	Chattel Mortgage Records Auditor's File No.
1/16/58	Adams	Auditor	95	557	64872
1/16/58	Asotin	Auditor	44	283	67289
1/16/58	Douglas	Auditor	97	460	52944
1/16/58	Ferry	Auditor	15	68	126805
1/16/58	Franklin	Auditor	90	382	190111
1/16/58	Garfield	Auditor	48	141	12705
1/16/58	Grant	Auditor	103	86	309250
1/16/58	Lincoln	Auditor	100	616	283087
1/16/58	Pend Oreille	Auditor	21	487	13079
1/15/58	Spokane	Auditor	896	109	509671B
1/16/58	Stevens	Auditor	89	36	316547
1/16/58	Whitman	Auditor	288	162	298012

IDAHO

Date Filed for Record	County	Real Estate Mortgage Records Book	Real Estate Mortgage Records Page	Chattel Mortgage File No.
1/16/58	Benewah	V	69	87598
1/16/58	Bonner	42	39	64101
1/16/58	Clearwater	20	268	71109
1/16/58	Idaho	60	775	193292
1/16/58	Kootenai	77	469	335373
1/16/58	Latah	87	265	199250
1/16/58	Lewis	31	628	63745
1/16/58	Nez Perce	159	1	261646
1/16/58	Shoshone	25	502	173059

MONTANA

Date Filed for Record	County	Real Estate Mortgage Records Book	Real Estate Mortgage Records Page	Chattel Mortgage File No.
1/16/58	Mineral	5	675	26566
1/15/58	Sanders	36	45	14592

WHEREAS in addition to the property described in the Mortgage, as supplemented, the Company has acquired certain other property, rights and interests in property; and

WHEREAS the Company has heretofore issued, in accordance with the provisions of the Mortgage, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1964 (hereinafter called the bonds of the First Series), and in accordance with the provisions of the Mortgage, as supplemented, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1982 (sometimes referred to as bonds of the Second Series), bonds of a series entitled and designated First Mortgage Bonds, 3⅞% Series due 1983 (sometimes referred to as bonds of the Third Series and none of which bonds of the Third Series are Outstanding at the date of this Seventh Supplemental Indenture), bonds of a series entitled and designated First Mortgage Bonds, 4⅞% Series due 1987 (sometimes referred to as bonds of the Fourth Series), and bonds of a series entitled and designated First Mort-

gage Bonds, 4⅛% Series due 1988 (sometimes referred to as bonds of the Fifth Series); and

WHEREAS Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder and of the coupons to be attached to the coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company; that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof; and that such Series may also contain such provisions not inconsistent with the provisions of the Mortgage, as supplemented, as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage, as supplemented; and

WHEREAS Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, as supplemented, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or the Company may cure any ambiguity contained therein, or in any supplemental indenture, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS the Company now desires to create a new series of bonds and to add to its covenants and agreements contained in the Mortgage, as supplemented, certain other covenants and agreements to be observed by it and to supplement and amend in certain respects the covenants and provisions contained in the Mortgage, as supplemented; and

WHEREAS the execution and delivery by the Company of this Seventh Supplemental Indenture, and the terms of the bonds of the Sixth Series hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors, and all things necessary to make this Seventh Supplemental Indenture a valid, binding and legal instrument for the security of the bonds have been performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That The Washington Water Power Company, in consideration of the premises and of one dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustees and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, as supplemented, according to their tenor and effect and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of such bonds, and to confirm the lien of the Mortgage on certain after acquired property, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms unto Francis M. Pitt (successor to Ralph E. Morton and Marc A. Rieffel) and (to the extent of its legal capacity to hold the same for the purposes hereof) unto City Bank Farmers Trust Company, as Trustees under the Mortgage, and to their successor or successors in said trust, and to said Trustees and their successors, heirs and assigns forever, all the following described properties of the Company, acquired by the Company since the execution and delivery of the Mortgage, whether now owned or hereafter acquired—that is to say:

> All of the property, real, personal and mixed, of every character and wheresoever situated (except any hereinafter or in the Mortgage, as supplemented, expressly excepted) which the Company now owns or, subject to the provisions of Section 87 of the Mortgage, may hereafter acquire prior to the satisfaction and discharge of the Mortgage, as fully and completely as if herein or in the Mortgage, as supplemented, specifically described, and including (without in anywise

limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Seventh Supplemental Indenture) all lands, real estate, easements, servitudes, rights of way and leasehold and other interests in real estate; all rights to the use or appropriation of water, flowage rights, water storage rights, flooding rights, and other rights in respect of or relating to water; all plants for the generation of electricity, power houses, dams, dam sites, reservoirs, flumes, raceways, diversion works, head works, waterways, water works, water systems, gas plants, steam heat plants, hot water plants, ice or refrigeration plants, stations, substations, offices, buildings and other works and structures and the equipment thereof and all improvements, extensions and additions thereto; all generators, machinery, engines, turbines, boilers, dynamos, transformers, motors, electric machines, switchboards, regulators, meters, electrical and mechanical appliances, conduits, cables, pipes and mains; all lines and systems for the transmission and distribution of electric current, gas, steam heat or water for any purpose; all towers, mains, pipes, poles, pole lines, conduits, cables, wires, switch racks, insulators, compressors, pumps, fittings, valves and connections; all motor vehicles and automobiles; all tools, implements, apparatus, furniture, stores, supplies and equipment; all franchises (except the Company's franchise to be a corporation), licenses, permits, rights, powers and privileges; and (except as hereinafter or in the Mortgage, as supplemented, expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature.

The property so conveyed or intended to be so conveyed hereunder shall include, but shall not be limited to, the following property, the particular description of which is intended only to aid in the identification thereof and shall not be construed as limiting the force, effect and scope of the foregoing, namely:

FIRST

The Gas Manufacturing Plant, Regulator and Odorizer Station Sites of the Company in the States of Washington and Idaho, including all improvements, gas manufacturing equipment, regulator and odorizer station equipment, general equipment, appliances and devices for distributing natural gas

and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits, and other rights and other property forming a part of said Plant and Stations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including, but not limited to, the following situated in the States of Washington and Idaho:

1. Gas Manufacturing Plant, located at North 141 Erie Street, in Spokane, Spokane County, Washington.

2. Cannon and Francis Regulator Station in Spokane, Spokane County, Washington.

3. Francis and Monroe Regulator Station in Spokane, Spokane County, Washington.

4. Decatur and Crestline Regulator Station in Spokane, Spokane County, Washington.

5. Fairchild Air Force Base Odorizer Station, Spokane County, Washington.

6. Medical Lake Odorizer Station, Spokane County, Washington.

7. Bowdish and Trent Regulator Station, Spokane County, Washington.

8. Town Border Regulator and Odorizer Station, Spokane County, Washington.

9. Pullman Odorizer Station, Whitman County, Washington.

10. Pullman Regulator Station, Whitman County, Washington.

11. Moscow Odorizer Station, Latah County, Idaho.

SECOND

The Gas Distribution Systems of the Company in the States of Washington and Idaho including all gas mains, services, meters, house regulators, general equipment and all of the Company's other property, real, personal

or mixed, forming a part of or used, occupied or enjoyed in connection with or in anywise appertaining to said gas mains or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof, through, under, over or upon any public streets or highways or other lands, public or private, including, but not limited to, the following:

1. The Natural Gas Distribution system in the City of Spokane and Spokane County, Washington.

2. The Natural Gas Distribution system in Pullman and Vicinity, Whitman County, Washington.

3. The Natural Gas Distribution system in Moscow and Vicinity, Latah County, Idaho.

THIRD

The Additional Electric Transmission Lines of the Company, in the States of Idaho and Montana, including towers, poles, pole lines, wires, switch racks, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal, or mixed, forming a part of or used, occupied or enjoyed in connection with or in anywise appertaining to said transmission lines or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof through, over, under or upon any public streets or highways or other lands, public or private, including, but not limited to, the following:

1. The Noxon-Cabinet Gorge single circuit 230 Kv transmission line, extending in a westerly direction from the Noxon Rapids Hydro-Electric Plant in Sanders County, Montana, to the Cabinet Gorge Hydro-Electric Plant in Bonner County, Idaho, for a distance of 17.57 miles.

2. The Noxon-Benewah single circuit 230 Kv transmission line, extending in a southwesterly direction from the Noxon Rapids Hydro-Electric Plant in Sanders County, Montana, to the Benewah Switching Station near Plummer in Benewah County, Idaho, for a distance of 88.16 miles.

3. The Lolo-Imnaha single circuit 230 Kv transmission line, extending in a southerly direction from the Lolo Electric Substation in Nez Perce County, Idaho, to the Snake River crossing (Idaho-Oregon State line) in Idaho County, Idaho, for a distance of 43.14 miles.

FOURTH

Miscellaneous Real Estate in the States of Washington, Idaho, and Montana.

Washington:

1. The East Thirty (30) feet of Lot Two (2) and all of Lots Three (3) and Four (4) in Block Thirty (30) of Railroad Addition to Spokane Falls (now Spokane) in the City of Spokane, County of Spokane and State of Washington, as per map thereof recorded in Book "D" of Plats, page 82, in the office of the County Auditor of said county.

2. A tract of land in the Northwest Quarter of the Southeast Quarter (NW¼SE¼) of Section Twenty-eight (28), Township Twenty-five (25) North, Range Forty-three (43) East of the Willamette Meridian, described as follows: Beginning at a point on the West line of said Southeast Quarter (SE¼) of Section Twenty-eight (28), which point lies fifty (50) feet South of the center of said Section Twenty-eight (28), thence South one-hundred thirty (130) feet along the West line of said Southeast Quarter (SE¼), thence Easterly one-hundred (100) feet parallel to the North line of said Southeast Quarter (SE¼) of Section Twenty-eight (28), thence North one-hundred thirty (130) feet parallel to the West line of said Southeast Quarter (SE¼) of Section Twenty-eight (28), thence Westerly one-hundred (100) feet parallel to the North line of said Southeast Quarter (SE¼) of Section Twenty-eight (28) to the point of beginning in the City of Spokane, County of Spokane and State of Washington.

3. All those lands lying or situated in Spokane and Whitman Counties, Washington, conveyed to the Company or its predecessors by deeds recorded as follows:

Spokane County, Washington

Date Recorded	Document Number	Book	Page
January 5, 1910	265626	246	459
November 17, 1928	966172	437	8
July 9, 1956	399302B	705	480
July 30, 1956	403880B	706	642
July 30, 1956	403881B	706	644
July 30, 1956	403882B	706	645
July 30, 1956	403884B	706	649
August 7, 1956	405645B	707	169
September 13, 1956	412763B	709	161
September 26, 1956	415384B	709	630
September 28, 1956	416108B	709	785

Whitman County, Washington

Date Recorded	Document Number	Book	Page
October 2, 1957	295601	303	20
October 2, 1957	295602	303	22

Idaho:

4. Government Lots Two (2) and Seven (7), Section Five (5), Township Forty-eight (48) North, Range One (1) West of the Boise Meridian, Kootenai County, Idaho.

5. All those lands lying or situated in Latah County, Idaho, conveyed to the Company or its predecessors by deed recorded as follows in Latah County, Idaho:

Date Recorded	Document Number	Book	Page
July 10, 1957	197070	137	150

Montana:

6. All those lands lying or situated in Sanders County, Montana, conveyed to the Washington Water Power Company by deeds recorded as follows in Sanders County, Montana:

Date Recorded	Document Number	Book	Page
December 5, 1957	89716	68	84
January 22, 1958	89975	68	171
January 23, 1958	89988	68	186
March 7, 1958	90221	68	286
May 2, 1958	90558	68	401
May 9, 1958	90603	68	430

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by the Company after the date hereof (except any hereinbefore or hereinafter or in the Mortgage, as supplemented, expressly excepted) shall be as fully embraced within the lien hereof and the lien of the Mortgage, as supplemented, as if such property, rights and franchises were now owned by the Company and were specifically described herein or in the Mortgage and conveyed hereby or thereby.

Provided that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Seventh Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, viz:

(1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered under the Mortgage, as supplemented, or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for consumption in the operation of any properties of the Company; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage, as supplemented, or this Seventh Supplemental Indenture or covenanted so to be; (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; and (5) any property heretofore released pursuant to any provisions of the Mortgage, as supplemented, and not heretofore disposed of by the Company; provided, however, that the property and rights expressly excepted from the lien and operation of this Seventh Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event that either or both of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII of the Mortgage by reason of the occurrence of a Completed Default as defined in said Article XII.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Individual Trustee and (to the extent of its legal capacity to hold the same for the purposes hereof) unto the Corporate Trustee, and their successors, heirs and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as supplemented, this Seventh Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as

supplemented, shall affect and apply to the property hereinbefore described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustees by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustees and their successor or successors in such trust under the Mortgage, as follows:

ARTICLE I.

Sixth Series of Bonds.

SECTION 1. There shall be a series of bonds designated "4⅜% Series due 1988" (herein sometimes referred to as the "Sixth Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof and of the appurtenant coupons, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Sixth Series shall mature on August 1, 1988, and shall be issued as coupon bonds in the denomination of One Thousand Dollars, registrable as to principal, and as fully registered bonds in denominations of One Thousand Dollars and Ten Thousand Dollars and, at the option of the Company, in any multiple or multiples of One Thousand Dollars (the exercise of such option to be evidenced by the execution and delivery thereof); they shall bear interest at the rate of four and three-eighths per centum (4⅜%) per annum, payable semi-annually on February 1 and August 1 of each year until the principal thereof shall become due and payable (whether at maturity, by declaration, or otherwise) and at the rate of six per centum (6%) per annum on any overdue principal and (to the extent permitted by law) on any overdue installment of interest; and the principal of and interest on each

such bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Coupon bonds of the Sixth Series shall be dated as of August 1, 1958, and fully registered bonds of the Sixth Series shall be dated as in Section 10 of the Mortgage provided.

(I) Bonds of the Sixth Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage, as supplemented, in whole at any time, or in part from time to time, prior to maturity, upon notice published as provided in Section 52 of the Mortgage, once on at least four different days before the date fixed for redemption, the first publication to be at least thirty (30) days prior to the date fixed for redemption, at the following general redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

GENERAL REDEMPTION PRICES

If redeemed during 12 months period ending July 31,

1959.....	104.80%	1969.....	103.14%	1979.....	101.49%
1960.....	104.63%	1970.....	102.98%	1980.....	101.33%
1961.....	104.47%	1971.....	102.81%	1981.....	101.16%
1962.....	104.30%	1972.....	102.65%	1982.....	101.00%
1963.....	104.14%	1973.....	102.48%	1983.....	100.83%
1964.....	103.97%	1974.....	102.32%	1984.....	100.67%
1965.....	103.80%	1975.....	102.15%	1985.....	100.50%
1966.....	103.64%	1976.....	101.99%	1986.....	100.34%
1967.....	103.47%	1977.....	101.82%	1987.....	100.17%
1968.....	103.31%	1978.....	101.66%	1988.....	100.00%

in each case, together with accrued interest to the date fixed for redemption; provided that no bonds of the Sixth Series shall be redeemable at the general redemption prices prior to August 1, 1963, with borrowed funds, or in anticipation of funds to be borrowed, having an interest cost (calculated in accord-

ance with acceptable financial practice) of less than four and three-eighths per centum (4⅜%) per annum.

(II) Bonds of the Sixth Series shall also be redeemable in whole at any time, or in part from time to time, prior to maturity, upon like notice, by the application (either at the option of the Company or pursuant to the requirements of the Mortgage) of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38, Section 39 or Section 64 of the Mortgage or with the Proceeds of Released Property; provided, however, that in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be prior to January 1 of the calendar year in which such deposit of cash shall become due under the provisions of Section 39 of the Mortgage, they shall be redeemable at the general redemption prices set forth in subdivision (I) of this Section, together with accrued interest to the date fixed for redemption; and provided further, that

(1) in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be on or after January 1 of the calendar year in which such deposit of cash shall become due, or

(2) in the case of redemption by the application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38 or Section 64 of the Mortgage or with the Proceeds of Released Property,

they shall be redeemed at the following special redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

SPECIAL REDEMPTION PRICES

If redeemed during 12 months period ending July 31,

1959	100.42%	1969	100.34%	1979	100.21%
1960	100.41%	1970	100.33%	1980	100.19%
1961	100.41%	1971	100.31%	1981	100.17%
1962	100.40%	1972	100.30%	1982	100.15%
1963	100.39%	1973	100.29%	1983	100.14%
1964	100.38%	1974	100.28%	1984	100.12%
1965	100.37%	1975	100.26%	1985	100.10%
1966	100.37%	1976	100.25%	1986	100.07%
1967	100.36%	1977	100.24%	1987	100.05%
1968	100.35%	1978	100.22%	1988	100.00%

in each case, together with accrued interest to the date fixed for redemption.

(III) At the option of the holder, any coupon bonds of the Sixth Series, upon surrender thereof with all unmatured coupons appertaining thereto at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of fully registered bonds of the same series of authorized denominations. All such coupon bonds to be exchanged as aforesaid shall be in bearer form or, if registered, accompanied by a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney. At the option of the registered owner, any fully registered bonds of the Sixth Series, upon surrender thereof, for cancellation, at said office or agency of the Company, together with a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of coupon bonds of the same series, with all unmatured coupons attached, or for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations.

The holder of any coupon bond of the Sixth Series may have the ownership thereof registered as to principal at the office or agency of the Company in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of such bond shall be valid unless made at said office or agency by the registered owner in person or by his duly authorized attorney and similarly noted on such bond; but (subject to the provisions of Section 12 of the Mortgage) the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer. Fully registered bonds of the Sixth Series shall also be transferable (subject to the provisions of Section 12 of the Mortgage) at said office or agency of the Company.

ARTICLE II.

Dividend Covenant.

SECTION 2. So long as any of the Bonds of the Sixth Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Sixth Series Outstanding at the time of such waiver, the Company covenants that it will not declare or pay any dividend on its common stock or make any other distribution on shares of its common stock (other than dividends or distributions payable solely in shares of its common stock) or acquire (unless acquired without cost to the Company) any shares of the common stock of the Company, if the aggregate amount of all such payments, distributions and the cost of such acquisitions from and after July 1, 1957, shall exceed the aggregate net income of the Company applicable to common stock of the Company from and after July 1, 1957, and prior to such proposed declaration, payment,

distribution or acquisition, plus Six Million Dollars ($6,000,000), and plus an amount equal to the proceeds from the sale of common stock subsequent to July 1, 1957.

"Net income of the Company" shall, for the purposes of this Section and without regard to any other provision of the Mortgage, as supplemented, be determined in accordance with the system of accounts employed from time to time by the Company and which is in accordance with generally accepted accounting principles and practices for companies operating properties of like kind and character, provided, however, that the actual amounts deducted out of income for such cumulative period for expenditures and/or accruals for maintenance and/or appropriated for property retirement and/or appropriated for property amortization shall never be less than an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues of the Company (as defined in Section 38 of the Mortgage) for such cumulative period.

ARTICLE III.

Miscellaneous Provisions.

SECTION 3. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Seventh Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 4. The Trustees hereby accept the trusts hereby declared, provided, created or supplemented and agree to perform the same upon the terms and conditions herein and in the Mortgage, as supplemented, set forth, including the following:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Seventh Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. Each and every term and condition contained in Article XVI of the Mortgage, as supplemented, shall apply to and form

part of this Seventh Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Seventh Supplemental Indenture.

SECTION 5. Whenever in this Seventh Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XV and XVI of the Mortgage, as supplemented, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Seventh Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustees, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 6. Nothing in this Seventh Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Seventh Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Seventh Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons Outstanding under the Mortgage.

SECTION 7. So long as any bonds of the Sixth Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Sixth Series Outstanding at the time of such waiver, notwithstanding the provisions of the second paragraph of Section 7 of the Mortgage, in any Net Earning Certificate required to be delivered to the Corporate Trustee there shall be included in the operating expenses all interest on customers' deposits and an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues for the

twelve (12) consecutive calendar months covered by such certificate after deducting from such amount an amount equal to the amount, included in operating expenses, expended for or accrued for repairs and maintenance.

SECTION 8. Section 39 of the Mortgage is hereby amended by inserting the words "; and provided further that the Company may not deposit cash prior to August 1, 1963, in anticipation of the requirements of this Section in respect of the 4⅜% Series due 1988 other than a requirement becoming due in the current calendar year, if the cash so deposited represents borrowed funds, or is in anticipation of funds to be borrowed, having an interest cost (calculated in accordance with acceptable financial practice) of less than four and three-eighths per centum (4⅜%) per annum." after the words "of less than four and one-eighth per centum (4⅛%) per annum."

SECTION 9. The Company covenants that, so long as any bonds of the Sixth Series remain Outstanding (unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Sixth Series Outstanding at the time of such waiver), it will not convey or transfer any property which is subject to the lien of the Mortgage to any subsidiary of the Company except in accordance with the provisions of Article XV of the Mortgage or except such property as shall thereupon be released from the lien of the Mortgage under the provisions of Article XI thereof.

SECTION 10. The Company covenants that it will not request the cancellation and discharge of the lien of the Mortgage under the provisions of Section 106 thereof unless it shall have authorized the Corporate Trustee to give to the holders of bonds of the Sixth Series notice by publication in one Daily Newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York, that funds for the immediate payment of such bonds and the premium, if any, and interest thereon are on deposit with the Corporate Trustee.

SECTION 11. This Seventh Supplemental Indenture shall be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 12. The titles of the several Articles of this Seventh Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on this 28th day of July, 1958, THE WASHINGTON WATER POWER COMPANY, party hereto of the first part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and CITY BANK FARMERS TRUST COMPANY, one of the parties hereto of the second part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries, and FRANCIS M. PITT, one of the parties hereto of the second part, has for all like purposes hereunto set his hand and affixed his seal, all in The City of New York, New York, as of the day and year first above written.

THE WASHINGTON WATER POWER COMPANY,

By .....

President.

Attest:

.....

Secretary.

Executed, sealed and delivered by THE WASHINGTON WATER POWER COMPANY, in the presence of:

.....

.....

CITY BANK FARMERS TRUST COMPANY,
As Trustee,

By .....
Vice-President.

Attest:
.....
Assistant Secretary.

Executed, sealed and delivered by CITY BANK FARMERS TRUST COMPANY, in the presence of:

.....

.....

.....
FRANCIS M. PITT (L. S.)

Executed, sealed and delivered by FRANCIS M. PITT, in the presence of:

.....

.....

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 28th day of July, 1958, before me personally appeared K. M. ROBINSON, to me known to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 28th day of July, in the year 1958, before me, MORTON BARAD, a Notary Public in and for the State and County aforesaid, personally appeared K. M. ROBINSON, known to me to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

.....

Notary Public.

MORTON BARAD
Notary Public, State of New York
No. 24-5170980
Qualified in Kings County
Certs. filed in Bronx, Queens, Nassau,
New York and Westchester Cos.
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 28th day of July, 1958, before me personally appeared S. L. SMITH, to me known to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 28th day of July in the year 1958, before me, WARREN V. MADDEN, a Notary Public in and for the State and County aforesaid, personally appeared S. L. SMITH, known to me to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

.....
Notary Public.

WARREN V. MADDEN
Notary Public, State of New York
Qualified in New York County
No. 31-2539175
Ctf. Filed in N. Y. Co.
Commission Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On this 28th day of July, in the year 1958, before me WARREN V. MADDEN, a Notary Public in and for the State and County aforesaid, personally appeared FRANCIS M. PITT, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me FRANCIS M. PITT, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 28th day of July, 1958.

Notary Public.

WARREN V. MADDEN
Notary Public, State of New York
Qualified in New York County
No. 31-2539175
Ctf. Filed in N. Y. Co.
Commission Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

K. M. ROBINSON, being duly sworn, deposes and says that he is the President of THE WASHINGTON WATER POWER COMPANY, the Mortgagor named in the foregoing instrument, and makes this affidavit for and on its behalf; that said instrument is made in good faith and without any design to hinder, delay or defraud creditors.

K. M. Robinson

Subscribed and sworn to before me
this 28th day of July, 1958.

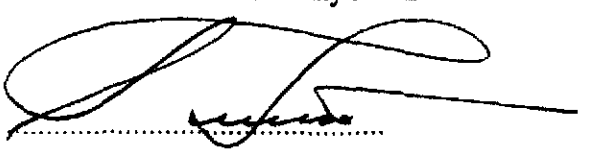
Morton Barad

Notary Public.

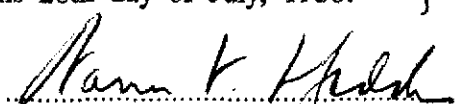
MORTON BARAD
Notary Public, State of New York
No. 24-5170980
Qualified in Kings County
Certs. filed in Bronx, Queens, Nassau,
New York and Westchester Cos.
Term Expires March 30, 1960

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

S. L. SMITH, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that said mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000), subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without design to hinder, delay or defraud creditors, and that he makes this affidavit on behalf of said City Bank Farmers Trust Company.



Subscribed and sworn to before me
this 28th day of July, 1958.



Notary Public.

WARREN V. MADDEN
Notary Public, State of New York
Qualified in New York County
No. 31-2539175
Ctf. Filed in N. Y. Co.
Commission Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

FRANCIS M. PITT, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that the mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000) subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without any design to hinder, delay or defraud creditors.

Francis M. Pitt

Subscribed and sworn to before me
this 28th day of July, 1958.

Warren V. Madden

Notary Public.

WARREN V. MADDEN
Notary Public, State of New York
Qualified in New York County
No. 31-2539175
Ctf. Filed in N. Y. Co.
Commission Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

S. L. SMITH, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust and that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

.....

Subscribed and sworn to before me
this 28th day of July, 1958.

.....
Notary Public.

WARREN V. MADDEN
Notary Public, State of New York
Qualified in New York County
No. 31-2539175
Ctf. Filed in N. Y. Co.
Commission Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

FRANCIS M. PITT, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

Francis M. Pitt

Subscribed and sworn to before me
this 28th day of July, 1958.

Warren V. Madden

Notary Public.

WARREN V. MADDEN
Notary Public, State of New York
Qualified in New York County
No. 31-2539175
Ctf. Filed in N. Y. Co.
Commission Expires March 30, 1959

RECEIPT

The undersigned, THE WASHINGTON WATER POWER COMPANY, the mortgagor in the foregoing mortgage and deed of trust, hereby acknowledges surrender, without cost, by the mortgagees and trustees to the undersigned at the time of the execution of the foregoing mortgage and deed of trust of a correct copy of said original mortgage and deed of trust, as signed, with the acknowledgments shown thereon, and acknowledges receipt thereof.

Dated this 28th day of July, 1958.

THE WASHINGTON WATER POWER COMPANY

By .....
President.

Attest:

.....
Secretary.

EXECUTED IN 85 COUNTERPARTS OF
WHICH THIS IS COUNTERPART No. 50

THE WASHINGTON WATER POWER COMPANY

TO

CITY BANK FARMERS TRUST COMPANY

AND

FRANCIS M. PITT,
(Successor to Ralph E. Morton and Marc A. Rieffel)
As Trustees under The Washington Water Power Company's Mortgage and Deed of Trust, Dated as of June 1, 1939

Sixth Supplemental Indenture

Dated as of January 1, 1958

96 2179
Complete book filmed

RECEIVED
JAN 2 0 1958
Department of Reclamation

SIXTH SUPPLEMENTAL INDENTURE.

THIS INDENTURE, dated as of the first day of January, 1958, made and entered into by and between THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington, whose post office address is West 825 Trent Avenue, Spokane, Washington (hereinafter sometimes called the Company), party of the first part, and CITY BANK FARMERS TRUST COMPANY, a corporation of the State of New York, whose post office address is 22 William Street, New York, New York (hereinafter sometimes called the Corporate Trustee), and FRANCIS M. PITT (successor to Ralph E. Morton and Marc A. Rieffel), of 137 W. Park Ave., Pearl River, New York (hereinafter sometimes called the Individual Trustee), parties of the second part (the Corporate Trustee and the Individual Trustee being hereinafter together sometimes called the Trustees), as Trustees under the Mortgage and Deed of Trust, dated as of June 1, 1939 (hereinafter called the Mortgage), executed and delivered by The Washington Water Power Company to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, this indenture (hereinafter called Sixth Supplemental Indenture) being supplemental thereto.

WHEREAS the Mortgage has been or will be recorded in various counties in the states of Washington, Idaho and Montana which counties include or will include all counties in which this Sixth Supplemental Indenture is to be recorded; and

WHEREAS by the Mortgage the Company covenanted that it would execute and deliver such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired intended to be subject to the lien thereof; and

WHEREAS the Company executed and delivered to the Trustees its First Supplemental Indenture, dated as of October 1, 1952 (hereinafter called its First Supplemental Indenture); its Second Supplemental Indenture, dated as of May 1, 1953 (hereinafter called its Second Supplemental Indenture); its Third Supplemental Indenture, dated as of December 1, 1955 (hereinafter called its Third Supplemental Indenture); its Fourth Supplemental Indenture, dated as of March 15, 1957 (hereinafter called its Fourth Supplemental Indenture); its Fifth Supplemental Indenture, dated as of July 1, 1957 (hereinafter called its Fifth Supplemental Indenture); as supplements to the Mortgage; and

WHEREAS the First, Second, Third and Fourth Supplemental Indentures were or will be recorded in various counties in the states of Washington, Idaho and Montana which counties include or will include all counties in which this Sixth Supplemental Indenture is to be recorded; and

WHEREAS the Fifth Supplemental Indenture was recorded in counties in the states of Washington, Idaho and Montana as follows:

WASHINGTON

Date Filed for Record	County	Office of	Real Estate Mortgage Records Book	Real Estate Mortgage Records Page	Chattel Mortgage Records Auditor's File No.
7/18/57	Adams	Auditor	94	518	61858
7/18/57	Asotin	Auditor	44	4	64544
7/18/57	Douglas	Auditor	96	311	52356
7/18/57	Ferry	Auditor	14	602	125265
7/18/57	Franklin	Auditor	89	65	186015
7/18/57	Garfield	Auditor	48	66	12574
7/18/57	Grant	Auditor	100	251	298237
7/18/57	Lincoln	Auditor	100	275	281531
7/18/57	Pend Oreille	Auditor	21	260	93611
7/16/57	Spokane	Auditor	885	219	472293B
7/16/57	Stevens	Auditor	87	597	311839
7/18/57	Whitman	Auditor	286	397	294101

IDAHO

Date Filed for Record	County	Real Estate Mortgage Records Book	Real Estate Mortgage Records Page	Chattel Mortgage File No.
7/18/57	Benewah	U	603	86503
7/18/57	Bonner	41	470	61853
7/18/57	Clearwater	20	89	70105
7/18/57	Idaho	60	168	191662
7/18/57	Kootenai	76	359	327784
7/18/57	Latah	86	253	197174
7/18/57	Lewis	31	517	63270
7/18/57	Nez Perce	157	35	258178
7/18/57	Shoshone	24	1	171201

MONTANA

Date Filed for Record	County	Real Estate Mortgage Records Book	Real Estate Mortgage Records Page	Chattel Mortgage File No.
9/25/57	Mineral	5	585	26351
7/16/57	Sanders	35	321	88852; and

WHEREAS in addition to the property described in the Mortgage, as supplemented, the Company has acquired certain other property, rights and interests in property; and

WHEREAS the Company has heretofore issued, in accordance with the provisions of the Mortgage, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1964 (hereinafter called the bonds of the First Series), and in accordance with the provisions of the Mortgage, as supplemented, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1982 (sometimes referred to as bonds of the Second Series), bonds of a series entitled and designated First Mortgage Bonds, 3⅞% Series due 1983 (sometimes referred to as bonds of the Third Series and none of which bonds of the Third Series are Outstanding at the date of this Sixth Supplemental Indenture), and bonds of a series entitled and designated First Mortgage Bonds, 4⅞% Series due 1987 (sometimes referred to as bonds of the Fourth Series); and

WHEREAS Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder and of

the coupons to be attached to the coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company; that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof; and that such Series may also contain such provisions not inconsistent with the provisions of the Mortgage, as supplemented, as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage, as supplemented; and

WHEREAS Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, as supplemented, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or the Company may cure any ambiguity contained therein, or in any supplemental indenture, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS the Company now desires to create a new series of bonds and to add to its covenants and agreements contained in the Mortgage, as supplemented, certain other covenants and agreements to be observed by it and to supplement and amend in certain respects the covenants and provisions contained in the Mortgage, as supplemented; and

WHEREAS the execution and delivery by the Company of this Sixth Supplemental Indenture, and the terms of the bonds of the Fifth

Series hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors, and all things necessary to make this Sixth Supplemental Indenture a valid, binding and legal instrument for the security of the bonds have been performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That The Washington Water Power Company, in consideration of the premises and of one dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustees and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, as supplemented, according to their tenor and effect and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of such bonds, and to confirm the lien of the Mortgage on certain after acquired property, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms unto Francis M. Pitt (successor to Ralph E. Morton and Marc A. Rieffel) and (to the extent of its legal capacity to hold the same for the purposes hereof) unto City Bank Farmers Trust Company, as Trustees under the Mortgage, and to their successor or successors in said trust, and to said Trustees and their successors, heirs and assigns forever, all the following decribed properties of the Company, acquired by the Company since the execution and delivery of the Mortgage, whether now owned or hereafter acquired—that is to say:

> All of the property, real, personal and mixed, of every character and wheresoever situated (except any hereinafter or in the Mortgage, as supplemented, expressly excepted) which the Company now owns or, subject to the provisions of Section 87 of the Mortgage, may hereafter acquire prior to the satisfaction and discharge of the Mortgage, as fully and completely as if

herein or in the Mortgage, as supplemented, specifically described, and including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Sixth Supplemental Indenture) all lands, real estate, easements, servitudes, rights of way and leasehold and other interests in real estate; all rights to the use or appropriation of water, flowage rights, water storage rights, flooding rights, and other rights in respect of or relating to water; all plants for the generation of electricity, power houses, dams, dam sites, reservoirs, flumes, raceways, diversion works, head works, waterways, water works, water systems, gas plants, steam heat plants, hot water plants, ice or refrigeration plants, stations, substations, offices, buildings and other works and structures and the equipment thereof and all improvements, extensions and additions thereto; all generators, machinery, engines, turbines, boilers, dynamos, transformers, motors, electric machines, switchboards, regulators, meters, electrical and mechanical appliances, conduits, cables, pipes and mains; all lines and systems for the transmission and distribution of electric current, gas, steam heat or water for any purpose; all towers, mains, pipes, poles, pole lines, conduits, cables, wires, switch racks, insulators, compressors, pumps, fittings, valves and connections; all motor vehicles and automobiles; all tools, implements, apparatus, furniture, stores, supplies and equipment; all franchises (except the Company's franchise to be a corporation), licenses, permits, rights, powers and privileges; and (except as hereinafter or in the Mortgage, as supplemented, expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature.

The property so conveyed or intended to be so conveyed hereunder shall include, but shall not be limited to, the following property, the particular description of which is intended only to aid in the identification thereof and shall not be construed as limiting the force, effect and scope of the foregoing, namely:

FIRST

THE ADDITIONAL ELECTRIC SUBSTATIONS AND SUBSTATION SITES OF THE COMPANY, in the States of Washington and Idaho, including all buildings, structures, towers, poles, equipment, appliances and devices for transforming, converting and distributing electric energy, and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits and other rights and other property forming a part of said substations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including, but not limited to, the following situated in the states of Washington and Idaho:

1. Country Homes Regulator Station in Spokane County, Washington.
2. Pound Lane 13kv Substation near Clarkston in Asotin County, Washington.
3. Garland and Stone Regulator Station in Spokane, Spokane County, Washington.
4. Millwood 110kv Substation in Millwood, Spokane County, Washington.
5. Southeast 110kv Substation near Spokane, Spokane County, Washington.
6. Wilbur Switching Station in Lincoln County, Washington.
7. Cottonwood 22kv Substation in Idaho County, Idaho.
8. Deary 110kv Substation near Deary in Latah County, Idaho.
9. Juliaetta 110kv Substation near Juliaetta in Latah County, Idaho.
10. South Lewiston 110kv Substation near Lewiston in Nez Perce County, Idaho.

SECOND

THE ADDITIONAL ELECTRIC TRANSMISSION LINES OF THE COMPANY, in the states of Washington and Idaho, including towers, poles, pole

lines, wires, switch racks, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal, or mixed, forming a part of or used, occupied or enjoyed in connection with or in anywise appertaining to said transmission lines or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof through, over, under or upon any public streets or highways or other lands, public or private, including, but not limited to, the following:

1. The Spokane-Lewiston single circuit 230kv transmission line, extending in a southerly direction from the Beacon Electric Substation in Spokane County, Washington, to the Lolo Electric Substation in Nez Perce County, Idaho, for a distance of 106.86 miles.

2. The Greer-Weippe single circuit 110kv transmission line, extending in an easterly direction from the Greer Electric Substation in Lewis County, Idaho, to the Weippe Electric Substation in Clearwater County, Idaho, for a distance of 13.86 miles.

3. The Wilbur single circuit B. P. A. 110kv transmission tap, extending in a southerly direction from the B. P. A. line to the Wilbur Substation for a distance of 5.32 miles all in Lincoln County, Washington.

4. Two single circuit 110kv transmission taps, consisting of approximately ¼ mile each, running from the Long Lake Number "2" and "3" transmission lines to the Northeast Substation in Spokane County, Washington.

5. A 110kv single circuit transmission line, consisting of approximately 2.10 miles, running from the Clarkston Substation in Asotin County, Washington, to the South Lewiston Substation in Nez Perce County, Idaho.

6. A 110kv single circuit transmission line tap of approximately .6 miles, running from the Post Falls Number "2" line to the Millwood Substation all in Spokane County, Washington.

THIRD

MISCELLANEOUS REAL ESTATE in the States of Washington, Idaho, and Montana.

WASHINGTON:

1. A tract of land in the Southwest Quarter (SW¼) of the Northwest Quarter (NW¼) of Section Twenty-two (22), Township Twenty-six (26) North, Range 43 E. W. M., Spokane County, State of Washington, containing 5.02 acres more or less and being further described as follows: Beginning at the Northwest corner of the SW¼ of the NW¼ of said Section 22, thence South 0°2′ East, 1329.2 feet along the West line of said SW¼ of the NW¼, to the West quarter corner of said Section 22, thence South 89°0′ East 165 feet along the South line of the SW¼ of the NW¼, thence North 0°2′ West, 1079.2 feet, thence South 89°2′ East 11.4 feet more or less, to the Westerly right of way line of Public Highway No. 7, thence Northerly 252 feet more or less along said Westerly right of way to a point on the North line of the SW¼ of the NW¼ of said Section 22, thence North 89°2′ West 159.4 feet along the North line of said SW¼ of the NW¼ to the point of beginning.

IDAHO:

2. The East Half of the Southwest Quarter (E½SW¼) of Section Twelve (12), Township Fifty-five (55) North, Range Two (2) E. B. M., Bonner County, Idaho.

3. That portion of Lots One (1), Two (2) and Four (4) of Section Twenty-eight (28), Township Fifty-five (55) North, Range Three (3) E. B. M., Bonner County, Idaho, lying South of U. S. Highway No. 10 Alt.

4. Tracts 6 through 16, St. Joe River Tracts in Sections 13 and 24, Township 46 North, Range 1 W. B. M.; the Northwest Quarter of the Southeast Quarter (NW¼SE¼), Section 13, Township 46 North, Range 1 W. B. M.; Tract 5, St. Joe River Tracts in Section 19, Township 46 North, Range 1 E. B. M.; and

the West Half (W½) of Lot 4, Section 18, Township 46 North, Range 1 E. B. M., all in Benewah County, Idaho.

MONTANA:

5. All those lands lying or situated in Sanders County, Montana, conveyed to The Washington Water Power Company by deeds recorded as follows in Sanders County, Montana:

Date Recorded	Document Number	Book	Page
June 13, 1957	88612	67	101
June 26, 1957	88691	67	117
July 5, 1957	88767	67	141
July 5, 1957	88768	67	143
July 16, 1957	88840	67	182
July 16, 1957	88841	67	185
July 19, 1957	88883	67	218
August 2, 1957	88975	67	276
August 16, 1957	89058	67	333
August 23, 1957	89110	67	355
August 28, 1957	89127	67	368
November 1, 1957	89529	68	21

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by the Company after the date hereof (except any hereinbefore or hereinafter or in the Mortgage, as supplemented, expressly excepted) shall be as fully embraced within the lien hereof and the lien of the Mortgage, as supplemented, as if such property, rights and fran-

chises were now owned by the Company and were specifically described herein or in the Mortgage and conveyed hereby or thereby.

Provided that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Sixth Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, viz: (1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered under the Mortgage, as supplemented, or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for consumption in the operation of any properties of the Company; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage, as supplemented, or this Sixth Supplemental Indenture or covenanted so to be; (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; and (5) any property heretofore released pursuant to any provisions of the Mortgage, as supplemented, and not heretofore disposed of by the Company; provided, however, that the property and rights expressly excepted from the lien and operation of this Sixth Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event that either or both of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII of the Mortgage by reason of the occurrence of a Completed Default as defined in said Article XII.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Individual Trustee and (to the extent of

its legal capacity to hold the same for the purposes hereof) unto the Corporate Trustee, and their successors, heirs and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as supplemented, this Sixth Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as supplemented, shall affect and apply to the property hereinbefore described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustees by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustees and their successor or successors in such trust under the Mortgage, as follows:

ARTICLE I.

Fifth Series of Bonds.

SECTION 1. There shall be a series of bonds designated "4⅛% Series due 1988" (herein sometimes referred to as the "Fifth Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof and of the appurtenant coupons, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Fifth Series shall mature on January 1, 1988, and shall be issued as coupon bonds in

the denomination of One Thousand Dollars, registrable as to principal, and as fully registered bonds in denominations of One Thousand Dollars and Ten Thousand Dollars and, at the option of the Company, in any multiple or multiples of One Thousand Dollars (the exercise of such option to be evidenced by the execution and delivery thereof); they shall bear interest at the rate of four and one-eighth per centum (4⅛%) per annum, payable semi-annually on July 1 and January 1 of each year until the principal thereof shall become due and payable (whether at maturity, by declaration, or otherwise) and at the rate of six per centum (6%) per annum on any overdue principal and (to the extent permitted by law) on any overdue installment of interest; and the principal of and interest on each such bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Coupon bonds of the Fifth Series shall be dated as of January 1, 1958, and fully registered bonds of the Fifth Series shall be dated as in Section 10 of the Mortgage provided.

(I) Bonds of the Fifth Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage, as supplemented, in whole at any time, or in part from time to time, prior to maturity, upon notice published as provided in Section 52 of the Mortgage, once on at least four different days before the date fixed for redemption, the first publication to be at least thirty (30) days prior to the date fixed for redemption, at the following general redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

GENERAL REDEMPTION PRICES

If redeemed during 12 months period ending December 31,

1958	104.56%	1968	102.99%	1978	101.42%
1959	104.40%	1969	102.83%	1979	101.26%
1960	104.25%	1970	102.68%	1980	101.10%
1961	104.09%	1971	102.52%	1981	100.95%
1962	103.93%	1972	102.36%	1982	100.79%
1963	103.77%	1973	102.20%	1983	100.63%
1964	103.62%	1974	102.05%	1984	100.48%
1965	103.46%	1975	101.89%	1985	100.32%
1966	103.30%	1976	101.73%	1986	100.16%
1967	103.15%	1977	101.58%	1987	100.00%

in each case, together with accrued interest to the date fixed for redemption; provided that no bonds of the Fifth Series shall be redeemable at the general redemption prices prior to January 1, 1963, with borrowed funds, or in anticipation of funds to be borrowed, having an interest cost (calculated in accordance with acceptable financial practice) of less than four and one-eighth per centum (4⅛%) per annum.

(II) Bonds of the Fifth Series shall also be redeemable in whole at any time, or in part from time to time, prior to maturity, upon like notice, by the application (either at the option of the Company or pursuant to the requirements of the Mortgage) of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38, Section 39 or Section 64 of the Mortgage or with the Proceeds of Released Property; provided, however, that in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be prior to January 1 of the calendar year in which such deposit of cash shall become due under the provisions of Section 39 of the Mortgage, they shall be redeemable at the general redemption prices set forth in subdivision (I) of this Section, together with accrued interest to the date fixed for redemption; and provided further, that

(1) in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be on or after January 1 of the calendar year in which such deposit of cash shall become due, or

(2) in the case of redemption by the application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38 or Section 64 of the Mortgage or with the Proceeds of Released Property,

they shall be redeemable at the following special redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

SPECIAL REDEMPTION PRICES

If redeemed during 12 months period ending December 31,

1958	100.43%	1968	100.34%	1978	100.21%
1959	100.43%	1969	100.33%	1979	100.19%
1960	100.42%	1970	100.32%	1980	100.17%
1961	100.41%	1971	100.31%	1981	100.16%
1962	100.40%	1972	100.30%	1982	100.14%
1963	100.39%	1973	100.28%	1983	100.12%
1964	100.39%	1974	100.27%	1984	100.10%
1965	100.38%	1975	100.26%	1985	100.08%
1966	100.37%	1976	100.24%	1986	100.05%
1967	100.36%	1977	100.22%	1987	100.00%

in each case, together with accrued interest to the date fixed for redemption.

(III) At the option of the holder, any coupon bonds of the Fifth Series, upon surrender thereof with all unmatured coupons appertaining thereto at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate prin-

cipal amount of fully registered bonds of the same series of authorized denominations. All such coupon bonds to be exchanged as aforesaid shall be in bearer form or, if registered, accompanied by a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney. At the option of the registered owner, any fully registered bonds of the Fifth Series, upon surrender thereof, for cancellation, at said office or agency of the Company, together with a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of coupon bonds of the same series, with all unmatured coupons attached, or for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations.

The holder of any coupon bond of the Fifth Series may have the ownership thereof registered as to principal at the office or agency of the Company in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of such bond shall be valid unless made at said office or agency by the registered owner in person or by his duly authorized attorney and similarly noted on such bond; but (subject to the provisions of Section 12 of the Mortgage) the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer. Fully registered bonds of the Fifth Series shall also be transferable (subject to the provisions of Section 12 of the Mortgage) at said office or agency of the Company.

ARTICLE II.

Dividend Covenant.

SECTION 2. So long as any of the Bonds of the Fifth Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Fifth Series Outstanding at the time of such waiver, the Company covenants that it will not declare or pay any dividend on its common stock or make any other distribution on shares of its common stock (other than dividends or distributions payable solely in shares of its common stock) or acquire (unless acquired without cost to the Company) any shares of the common stock of the Company, if the aggregate amount of all such payments, distributions and the cost of such acquisitions from and after July 1, 1957, shall exceed the aggregate net income of the Company applicable to common stock of the Company from and after July 1, 1957, and prior to such proposed declaration, payment, distribution or acquisition, plus Six Million Dollars ($6,000,000), and plus an amount equal to the proceeds from the sale of common stock subsequent to July 1, 1957.

"Net income of the Company" shall, for the purposes of this Section and without regard to any other provision of the Mortgage, as supplemented, be determined in accordance with the system of accounts employed from time to time by the Company and which is in accordance with generally accepted accounting principles and practices for companies operating properties of like kind and character, provided, however, that the actual amounts deducted out of income for such cumulative period for expenditures and/or accruals for maintenance and/or appropriated for property retirement and/or appropriated for property amortization shall never be less than an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues of the Company (as defined in Section 38 of the Mortgage) for such cumulative period.

ARTICLE III.

Miscellaneous Provisions.

SECTION 3. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Sixth Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 4. The Trustees hereby accept the trusts hereby declared, provided, created or supplemented and agree to perform the same upon the terms and conditions herein and in the Mortgage, as supplemented, set forth, including the following:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Sixth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. Each and every term and condition contained in Article XVI of the Mortgage, as supplemented, shall apply to and form part of this Sixth Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Sixth Supplemental Indenture.

SECTION 5. Whenever in this Sixth Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XV and XVI of the Mortgage, as supplemented, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Sixth Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustees, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 6. Nothing in this Sixth Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Sixth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Sixth Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons Outstanding under the Mortgage.

SECTION 7. So long as any bonds of the Fifth Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Fifth Series Outstanding at the time of such waiver, notwithstanding the provisions of the second paragraph of Section 7 of the Mortgage, in any Net Earning Certificate required to be delivered to the Corporate Trustee there shall be included in the operating expenses all interest on customers' deposits and an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues for the twelve (12) consecutive calendar months covered by such certificate after deducting from such amount an amount equal to the amount, included in operating expenses, expended for or accrued for repairs and maintenance.

SECTION 8. Section 39 of the Mortgage is hereby amended by inserting the words "; and provided further that the Company may not deposit cash prior to January 1, 1963, in anticipation of the requirements of this Section in respect of the 4⅛% Series due 1988 other than a requirement becoming due in the current calendar year, if the cash so deposited represents borrowed funds, or is in anticipation of funds to be borrowed, having an interest cost (calculated in accordance

with acceptable financial practice) of less than four and one-eighth per centum (4⅛%) per annum." after the words "of less than four and seven-eighths per centum (4⅞%) per annum."

SECTION 9. The Company covenants that, so long as any bonds of the Fifth Series remain Outstanding (unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Fifth Series Outstanding at the time of such waiver), it will not convey or transfer any property which is subject to the lien of the Mortgage to any subsidiary of the Company except in accordance with the provisions of Article XV of the Mortgage or except such property as shall thereupon be released from the lien of the Mortgage under the provisions of Article XI thereof.

SECTION 10. The Company covenants that it will not request the cancellation and discharge of the lien of the Mortgage under the provisions of Section 106 thereof unless it shall have authorized the Corporate Trustee to give to the holders of bonds of the Fifth Series notice by publication in one Daily Newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York, that funds for the immediate payment of such bonds and the premium, if any, and interest thereon are on deposit with the Corporate Trustee.

SECTION 11. This Sixth Supplemental Indenture shall be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 12. The titles of the several Articles of this Sixth Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on this 10th day of January, 1958, THE WASHINGTON WATER POWER COMPANY, party hereto of the first part, has

caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and CITY BANK FARMERS TRUST COMPANY, one of the parties hereto of the second part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries, and FRANCIS M. PITT, one of the parties hereto of the second part, has for all like purposes hereunto set his hand and affixed his seal, all in The City of New York, New York, as of the day and year first above written.

THE WASHINGTON WATER POWER COMPANY,

By .....

President.

Attest:

.....

Secretary.

Executed, sealed and delivered by THE WASHINGTON WATER POWER COMPANY, in the presence of:

.....

John M. Stuart

CITY BANK FARMERS TRUST COMPANY,
As Trustee.

By .....
Vice-President.

Attest:

.....
Assistant Secretary.

Executed, sealed and delivered by CITY BANK FARMERS TRUST COMPANY, in the presence of:

.....

.....

.....
FRANCIS M. PITT (L. S.)

Executed, sealed and delivered by FRANCIS M. PITT, in the presence of:

.....

.....

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 10th day of January, 1958, before me personally appeared K. M. ROBINSON, to me known to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 10th day of January, in the year 1958, before me, IRENE FAY, a Notary Public in and for the State and County aforesaid, personally appeared K. M. ROBINSON, known to me to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Irene Fay
Notary Public.

IRENE FAY
Notary Public, State of New York
No. 31-1174825
Qualified in New York County
Commission Expires March 30, 1959

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On the 10th day of January, 1958, before me personally appeared S. L. SMITH, to me known to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 10th day of January in the year 1958, before me, STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared S. L. SMITH, known to me to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Notary Public.

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On this 10th day of January, in the year 1958, before me STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared FRANCIS M. PITT, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me FRANCIS M. PITT, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 10th day of January, 1958.

Notary Public.

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

K. M. ROBINSON, being duly sworn, deposes and says that he is the President of THE WASHINGTON WATER POWER COMPANY, the Mortgagor named in the foregoing instrument, and makes this affidavit for and on its behalf; that said instrument is made in good faith and without any design to hinder, delay or defraud creditors.

K M Robinson

Subscribed and sworn to before me
this 10th day of January, 1958.

Irene Fay
Notary Public.

IRENE FAY
Notary Public, State of New York
No. 31-1174825
Qualified in New York County
Commission Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

S. L. SMITH, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that said mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000), subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without design to hinder, delay or defraud creditors, and that he makes this affidavit on behalf of said City Bank Farmers Trust Company.

Subscribed and sworn to before me
this 10th day of January, 1958.

Notary Public

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

FRANCIS M. PITT, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that the mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000) subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without any design to hinder, delay or defraud creditors.

Francis M. Pitt

Subscribed and sworn to before me this 10th day of January, 1958.

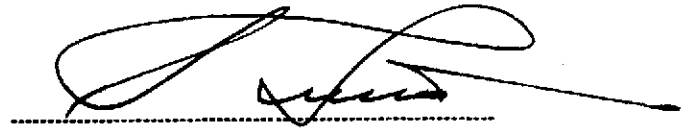
Stanley A. Nelson

Notary Public

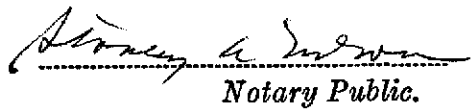
STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

S. L. SMITH, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust and that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.



Subscribed and sworn to before me
this 10th day of January, 1958.



Notary Public.

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

FRANCIS M. PITT, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

Francis M. Pitt

Subscribed and sworn to before me
this 10th day of January, 1958.

Stanley A. Nelson

Notary Public.

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

RECEIPT

The undersigned, THE WASHINGTON WATER POWER COMPANY, the mortgagor in the foregoing mortgage and deed of trust, hereby acknowledges surrender, without cost, by the mortgagees and trustees to the undersigned at the time of the execution of the foregoing mortgage and deed of trust of a correct copy of said original mortgage and deed of trust, as signed, with the acknowledgments shown thereon, and acknowledges receipt thereof.

Dated this 10th day of January, 1958.

THE WASHINGTON WATER POWER COMPANY

By .....
President.

Attest:

.....
Secretary.

EXECUTED IN 85 COUNTERPARTS OF
WHICH THIS IS COUNTERPART No. 55

THE WASHINGTON WATER POWER COMPANY

TO

CITY BANK FARMERS TRUST COMPANY

AND

FRANCIS M. PITT,
(Successor to Ralph E. Morton and Marc A. Rieffel)
As Trustees under The Washington Water Power Company's Mortgage and Deed of Trust, Dated as of June 1, 1939

Fifth Supplemental Indenture

Dated as of July 1, 1957

96 2179

complete book filmed

RECEIVED
JUL 1 9 1957
Department of Reclamation

FIFTH SUPPLEMENTAL INDENTURE

THIS INDENTURE, dated as of the first day of July, 1957, made and entered into by and between THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington, whose post office address is West 825 Trent Avenue, Spokane, Washington (hereinafter sometimes called the Company), party of the first part, and CITY BANK FARMERS TRUST COMPANY, a corporation of the State of New York, whose post office address is 22 William Street, New York, New York (hereinafter sometimes called the Corporate Trustee), and FRANCIS M. PITT (successor to Ralph E. Morton and Marc A. Rieffel), of 137 W. Park Ave., Pearl River, New York (hereinafter sometimes called the Individual Trustee), parties of the second part (the Corporate Trustee and the Individual Trustee being hereinafter together sometimes called the Trustees), as Trustees under the Mortgage and Deed of Trust, dated as of June 1, 1939 (hereinafter called the Mortgage), executed and delivered by The Washington Water Power Company to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, this indenture (hereinafter called Fifth Supplemental Indenture) being supplemental thereto.

WHEREAS the Mortgage has been or will be recorded in various counties in the states of Washington, Idaho and Montana which counties include or will include all counties in which this Fifth Supplemental Indenture is to be recorded; and

WHEREAS by the Mortgage the Company covenanted that it would execute and deliver such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired intended to be subject to the lien thereof; and

WHEREAS the Company executed and delivered to the Trustees its First Supplemental Indenture, dated as of October 1, 1952 (hereinafter

called its First Supplemental Indenture); its Second Supplemental Indenture, dated as of May 1, 1953 (hereinafter called its Second Supplemental Indenture); its Third Supplemental Indenture, dated as of December 1, 1955 (hereinafter called its Third Supplemental Indenture); its Fourth Supplemental Indenture, dated as of March 15, 1957 (hereinafter called its Fourth Supplemental Indenture); as supplements to the Mortgage; and

WHEREAS the Second Supplemental Indenture was recorded in counties in the states of Washington, Idaho and Montana as follows:

Washington

Date Filed for Record	County	Office of	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage Records—Auditor's File No.
6/12/53	Adams	Auditor	86	260	7143
6/12/53	Asotin	Auditor	41	114-A	12425
6/12/53	Chelan	Auditor	505	147	87694
6/12/53	Douglas	Auditor	85	641	48861
6/12/53	Ferry	Auditor	13	353	111336
6/12/53	Franklin	Auditor	71	448	153250
6/12/53	Garfield	Auditor	47	106	11754
6/12/53	Grant	Auditor	70	147	67530
6/12/53	Lincoln	Auditor	95	534	36414
6/12/53	Pend Oreille	Auditor	18	470	11212
6/12/53	Spokane	Auditor	747	661	177412B
6/12/53	Stevens	Auditor	79	463	50996
6/12/53	Whitman	Auditor	273	429	264514

Idaho

Date Filed for Record	County	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage File No.
6/12/53	Benewah	S	505	78701
6/12/53	Bonner	36	142	46064
6/12/53	Clearwater	17	174	63242
6/12/53	Idaho	57	303	176803
6/12/53	Kootenai	68	416	20133
6/12/53	Latah	78	449	30105
6/12/53	Lewis	30	230	59504
6/12/53	Nez Perce	146	483	237724
6/12/53	Shoshone	19	221	157933

Montana

Date Filed for Record	County	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage File No.
6/12/53	Sanders	31	251	13157; and

WHEREAS the Third Supplemental Indenture was recorded in counties in the states of Washington, Idaho and Montana as follows:

Washington

Date Filed for Record	County	Office of	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage Records—Auditor's File No.
12/ 1/55	Adams	Auditor	91	170-179	53945
12/ 1/55	Asotin	Auditor	42	560	59424
12/ 1/55	Douglas	Auditor	91	327	50738
12/ 1/55	Ferry	Auditor	14	223	119604
12/ 1/55	Franklin	Auditor	83	173	172278
12/ 1/55	Garfield	Auditor	47	485	12309
12/ 1/55	Grant	Auditor	90	142	259614
12/ 1/55	Lincoln	Auditor	97	533	276965
12/ 1/55	Spokane	Auditor	841	556	356760B
12/ 1/55	Stevens	Auditor	84	82	297274
12/ 1/55	Whitman	Auditor	280	413	282870
9/20/56	Pend Oreille	Auditor	20	166	91325

Idaho

Date Filed for Record	County	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage File No.
12/ 1/55	Benewah	U	232	83328
12/ 1/55	Bonner	39	507	55126
12/ 1/55	Clearwater	19	16	67337
12/ 1/55	Idaho	59	184	186067
12/ 1/55	Kootenai	67	103	305110
12/ 1/55	Latah	83	49	31265
12/ 1/55	Lewis	31	225	61866
12/ 1/55	Nez Perce	150	144	249815
12/ 1/55	Shoshone	22	219	166358

Montana

Date Filed for Record	County	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage File No.
12/ 1/55	Sanders	34	26	85008; and

WHEREAS the Fourth Supplemental Indenture was recorded in counties in the states of Washington, Idaho and Montana as follows:

Washington

Date Filed for Record	County	Office of	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage Records—Auditor's File No.
3/15/57	Adams	Auditor	94	46	60133
3/15/57	Asotin	Auditor	43	505	63476
3/15/57	Douglas	Auditor	95	274	52028
3/15/57	Ferry	Auditor	14	530	124024
3/15/57	Franklin	Auditor	87	629	182920
3/15/57	Garfield	Auditor	48	44	12533
3/15/57	Grant	Auditor	98	431	289431
3/15/57	Lincoln	Auditor	99	527	280564
3/15/57	Pend Oreille	Auditor	21	46	92654
3/15/57	Spokane	Auditor	877	380	446539B
3/15/57	Stevens	Auditor	87	203	308235
3/15/57	Whitman	Auditor	285	285	291918

Idaho

Date Filed for Record	County	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage File No.
3/15/57	Benewah	U	538	85890
3/15/57	Bonner	41	273	60448
3/15/57	Clearwater	19	497	69566
3/15/57	Idaho	60	61	190451
3/15/57	Kootenai	75	413	322809
3/15/57	Latah	85	455	195940
3/15/57	Lewis	31	451	62992
3/15/57	Nez Perce	155	517	256514
3/15/57	Shoshone	23	349	270094

Montana

Date Filed for Record	County	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage File No.
3/15/57	Sanders	35	114	14371; and

WHEREAS in addition to the property described in the Mortgage, as supplemented, the Company has acquired certain other property, rights and interests in property; and

WHEREAS the Company has heretofore issued, in accordance with the provisions of the Mortgage, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1964 (hereinafter called the bonds of the First Series), and in accordance with the provisions of the Mortgage, as supplemented, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1982 (sometimes referred to as bonds of the Second Series), and bonds of a series entitled and designated First Mortgage Bonds, 3⅞% Series due 1983 (sometimes referred to as bonds of the Third Series and none of which bonds of the Third Series are Outstanding at the date of this Fifth Supplemental Indenture); and

WHEREAS Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder and of the coupons to be attached to the coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company; that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof; and that such Series may also contain such provisions not inconsistent with the provisions of the Mortgage, as supplemented, as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage, as supplemented; and

WHEREAS Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, as supplemented, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued

thereunder, or the Company may cure any ambiguity contained therein, or in any supplemental indenture, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS the Company now desires to create a new series of bonds and to add to its covenants and agreements contained in the Mortgage, as supplemented, certain other covenants and agreements to be observed by it and to supplement and amend in certain respects the covenants and provisions contained in the Mortgage, as supplemented; and

WHEREAS the execution and delivery by the Company of this Fifth Supplemental Indenture, and the terms of the bonds of the Fourth Series hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors, and all things necessary to make this Fifth Supplemental Indenture a valid, binding and legal instrument for the security of the bonds have been performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That The Washington Water Power Company, in consideration of the premises and of one dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustees and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, as supplemented, according to their tenor and effect and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of such bonds, and to confirm the lien of the Mortgage on certain after acquired property, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms unto Francis M. Pitt

(successor to Ralph E. Morton and Marc A. Rieffel) and (to the extent of its legal capacity to hold the same for the purposes hereof) unto City Bank Farmers Trust Company, as Trustees under the Mortgage, and to their successor or successors in said trust, and to said Trustees and their successors, heirs and assigns forever, all the following described properties of the Company, acquired by the Company since the execution and delivery of the Mortgage, whether now owned or hereafter acquired—that is to say:

> All of the property, real, personal and mixed, of every character and wheresoever situated (except any hereinafter or in the Mortgage, as supplemented, expressly excepted) which the Company now owns or, subject to the provisions of Section 87 of the Mortgage, may hereafter acquire prior to the satisfaction and discharge of the Mortgage, as fully and completely as if herein or in the Mortgage, as supplemented, specifically described, and including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Fifth Supplemental Indenture) all lands, real estate, easements, servitudes, rights of way and leasehold and other interests in real estate; all rights to the use or appropriation of water, flowage rights, water storage rights, flooding rights, and other rights in respect of or relating to water; all plants for the generation of electricity, power houses, dams, dam sites, reservoirs, flumes, raceways, diversion works, head works, waterways, water works, water systems, gas plants, steam heat plants, hot water plants, ice or refrigeration plants, stations, substations, offices, buildings and other works and structures and the equipment thereof and all improvements, extensions and additions thereto; all generators, machinery, engines, turbines, boilers, dynamos, transformers, motors, electric machines, switchboards, regulators, meters, electrical and mechanical appliances, conduits, cables, pipes and mains; all lines and systems for the transmission and distribution of electric current, gas, steam heat or water for any purpose; all towers, mains, pipes, poles, pole lines, conduits, cables, wires, switch racks, insulators, compressors, pumps,

fittings, valves and connections; all motor vehicles and automobiles; all tools, implements, apparatus, furniture, stores, supplies and equipment; all franchises (except the Company's franchise to be a corporation), licenses, permits, rights, powers and privileges; and (except as hereinafter or in the Mortgage, as supplemented, expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature.

The property so conveyed or intended to be so conveyed hereunder shall include, but shall not be limited to, the following property, the particular description of which is intended only to aid in the identification thereof and shall not be construed as limiting the force, effect and scope of the foregoing, namely:

FIRST.

AN ADDITIONAL ELECTRIC GENERATING PLANT OF THE COMPANY, in the State of Montana, including all power houses, dams, reservoirs, flumes, raceways, diversion works, head works, waterways, buildings, and other works and structures forming a part of or appertaining to said generating plant, or used or enjoyed or capable of being used or enjoyed in conjunction therewith and all lands of the Company on which the same are situated, and all the Company's lands, easements and flowage rights permitting the storage of water for reservoir purposes and the flowage of lands lying along or adjacent to the Clark Fork River, and the tributaries thereof in the State of Montana, and all other of the Company's real estate and interests therein, rights in respect of or relating to water, machinery, equipment, appurtenances, supplies, franchises, licenses, permits and other rights and other property forming a part of or appertaining to said generating plant, or used or enjoyed or capable of being used or enjoyed in conjunction therewith, to-wit:

1. The Noxon Rapids Hydro-Electric Plant, situated on the Clark Fork River, in Section Thirty-three (33), Township Twenty-six (26) North, Range Thirty-two (32), W. M. P. M., and Sections Four (4) and Five (5), Township Twenty-five (25) North, Range Thirty-two (32), W. M. P. M., in Sanders County, Montana, and that certain license issued by the Federal Power Commission, Project No. 2075, May 11, 1955.

SECOND.

THE ADDITIONAL ELECTRIC SUBSTATIONS AND SUBSTATION SITES OF THE COMPANY, in the States of Washington and Idaho, including all buildings, structures, towers, poles, equipment, appliances and devices for transforming, converting and distributing electric energy, and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits and other rights and other property forming a part of said substations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including, but not limited to, the following situated in the States of Washington and Idaho:

1. Kooskia 60kv Substation, situated in the Town of Kooskia, Idaho County, Idaho

2. Nezperce 110kv Substation, near Nezperce in Lewis County, Idaho

3. Kahlotus 20kv Substation, Franklin County, Washington

4. Seventh Avenue Regulator Station, situated in Lewiston, Idaho

5. Silver Lake 110kv Substation near Spokane in Spokane County, Washington

6. Weile-Smith Regulator Station near Spokane in Spokane County, Washington

7. Tammany Regulator Station in Lewiston Orchards, Nez Perce County, Idaho

8. Garden Springs 110kv Switching Station in Spokane County, Washington

9. Othello 110kv Substation, near Othello in Adams County, Washington

10. Lakeview 230-13kv Substation in Bonner County, Idaho

11. Kettle Falls 110kv Substation, near Kettle Falls in Stevens County, Washington

12. Bonanza 33kv Substation near Evans, in Stevens County, Washington

13. Gifford 60kv Substation, near Gifford in Stevens County, Washington

14. Valley 60kv Substation in Stevens County, Washington

15. Orchard Avenue Regulator Station in Spokane County, Washington

16. Blanchard 110-13kv Substation, near Blanchard in Bonner County, Idaho

17. Barker Road 60kv Substation in Spokane County, Washington

18. College and Walnut 110kv Substation in Spokane, Washington

19. Driscoll Regulator Station in Spokane, Washington

20. Ninth and Central 110kv Substation in Spokane County, Washington

21. Lewiston 110kv Substation near Lewiston in Nez Perce County, Idaho

22. Sweetwater 110kv Substation in Nez Perce County, Idaho

23. Rosalia 110kv Substation in Whitman County, Washington

24. Appleway 110kv Substation in Kootenai County, Idaho

25. Big Creek 110kv Substation in Shoshone County, Idaho

26. Post Falls 110kv Substation in Kootenai County, Idaho

27. Greenwood 110kv Switching Station in Spokane County, Washington

28. Sunnyside 13kv Substation in Kellogg, Idaho

29. City 13kv Substation in Kellogg, Idaho

30. Smelterville 13kv Substation in Smelterville, Idaho

31. Wilbur 110kv Substation in Lincoln County, Washington

32. Lolo 230kv Substation near Lewiston in Nez Perce County, Idaho

33. Northeast 110kv Substation in Spokane, Washington

34. Pine Creek 230kv Substation in Shoshone County, Idaho.

THIRD.

THE ADDITIONAL ELECTRIC TRANSMISSION LINES OF THE COMPANY, in the States of Washington and Idaho, including towers, poles, pole lines, wires, switch racks, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal,

or mixed, forming a part of or used, occupied or enjoyed in connection with or in anywise appertaining to said transmission lines or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof through, over, under or upon any public streets or highways or other lands, public or private, including, but not limited to, the following:

1. The Seven Mile-Sunset single circuit 110 kv transmission line, extending in a southeasterly direction, in Spokane County, Washington, from the Seven Mile Switching Station to the Sunset Electric Substation, for a distance of 12.54 miles.

2. The College and Walnut single circuit 110 kv transmission tap, extending in a westerly direction, in Spokane County, Washington, from the College and Walnut Electric Substation to the Greenwood Switching Station for a distance of 3.12 miles.

3. The Orofino-Nezperce single circuit 110 kv transmission line, extending in a southerly direction from the Orofino Electric Substation in Clearwater County, Idaho, to the Nezperce Electric Substation in Lewis County, Idaho, for a distance of 17.32 miles.

4. The Kamiah-Grangeville single circuit 110 kv transmission line, extending in a southwesterly direction from the Kamiah Electric Substation in Lewis County, Idaho, to the Grangeville Electric Substation in Idaho County, Idaho, for a distance of 27.04 miles.

5. The Garden Springs-Silver Lake single circuit 110 kv transmission line, extending in a southwesterly direction, in Spokane County, Washington, from the Garden Springs Switching Station to the Silver Lake Electric Substation, a distance of 9.95 miles.

6. The Lewiston-Reubens single circuit 110 kv transmission line, extending in an easterly direction from the North Lewiston Electric Substation in NezPerce County, Idaho, to a terminus point south of Reubens, Lewis County, Idaho, for a distance of about 24 miles.

7. The Beacon-Bell single circuit 230 kv transmission line, extending in a northwesterly direction, in Spokane County, Washington, from the Beacon Electric Substation to the Bonneville Bell Electric Substation, for a distance of 5.94 miles.

8. Othello single circuit 110 kv transmission tap, extending in a southeasterly direction, in Adams County, Washington, from the Intermountain line for a distance of 3.00 miles.

FOURTH.

THE ADDITIONAL ELECTRIC DISTRIBUTING SYSTEMS OF THE COMPANY, in the States of Washington and Idaho, including towers, poles, pole lines, wires, cables, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal, or mixed, forming a part of or used, occupied, or enjoyed in connection with or in anywise appertaining to said distributing systems or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents and rights for or relating to the construction, maintenance or operation thereof through, over, under or upon any public streets or highways, or other lands, public or private, including, but not limited to, the following:

1. The Deer Park Distributing System as constructed and equipped in the Town of Deer Park, Spokane County, Washington, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on April 25, 1956, and expires on April 25, 1971.

2. The Northport Distributing System as constructed and equipped in the Town of Northport, Stevens County, Washington, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective December 21, 1955, and expires on December 21, 1980.

3. The Springdale Distributing System as constructed and equipped in the Town of Springdale, Stevens County, Washington, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on August 6, 1956, and expires on August 6, 1971.

4. The Smelterville Distributing System as constructed and equipped in the Village of Smelterville, Shoshone County, Idaho, and that certain franchise or consent, owned by the Company and granted by the village authorities by ordinance, which became effective November 5, 1956, and expires on November 5, 1981.

5. The Wardner Distributing System as constructed and equipped in the Town of Wardner, Shoshone County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on October 5, 1956, and expires on October 5, 1981.

6. The Kellogg Distributing System as constructed and equipped in the Town of Kellogg, Shoshone County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by an ordinance to the Bunker Hill Company and reassigned to The Washington Water Power Company.

FIFTH.

MISCELLANEOUS REAL ESTATE in the States of Washington, Idaho, and Montana.

Ross Park Addition to the City of Spokane, Spokane County, Washington:

1. Lots One (1) through Seven (7), Block One (1), Robert's Subdivision of Block Sixteen (16).

2. Lots One (1) through Fourteen (14), Block Two (2), Robert's Subdivision of Block Sixteen (16).

3. All of Block Three (3).

4. Lots One (1) through Thirteen (13), Subdivision of Block Four (4).

5. Lots Three (3) through Six (6), and the Northwesterly 5 feet of Lot Seven (7), A. L. Davis Subdivision of Block Five (5).

6. All of Block Fifteen (15).

7. Lots One (1) through Six (6) and all of the unnumbered or unplatted area in Forsters Subdivision of Block Seventeen (17).

8. Lots One (1) through Eight (8), the East Half (E½) of Lots Nine (9) and Ten (10), and Lots Eleven (11) through Eighteen (18) of Ross Subdivision of Block Eighteen (18).

Other Washington:

9. Lot Twenty-three (23), Block Five (5), First Addition to West Riverside Addition to Spokane Falls, in the City of Spokane, Spokane County, Washington.

10. The East 25 feet of Lot Twelve (12), Block One (1), West Riverside Addition to Spokane Falls, City of Spokane, Spokane County, Washington.

11. The East 16 feet of Lot Three (3), Block Eighty-one (81), Parkwater, Spokane County, Washington.

12. The South 10 rods of the East 32 rods of the Northeast Quarter of the Southwest Quarter (NE¼SW¼) of Section Two (2), Township Twenty-five (25) North, Range Forty-three (43) E.W.M., Spokane County, Washington.

13. Government Lot One (1) and the Southeast Quarter of the Northeast Quarter (SE¼NE¼) of Section Two (2), Township Twenty-five (25) North, Range Forty-three (43) E.W.M., Spokane County, Washington.

14. Commencing at the Northwest corner of the Southwest Quarter (SW¼) of Section Three (3), Township Twenty-four (24) North, Range Forty-two (42) E.W.M., County of Spokane, State of Washington, thence east along the north line of said quarter section two-hundred (200) feet thence south 435.6 feet thence west two-hundred (200) feet to the west line of said quarter section thence north 435.6 feet to the place of beginning. All of said land being and contained in the north half of the northwest quarter of the southwest quarter (N½NW¼SW¼) of Section Three (3), Township Twenty-four (24) North, Range Forty-two (42) E.W.M., Spokane County, Washington.

15. Lots One (1) and Two (2), Block Sixty-five (65), Morgan's Addition to the City of Davenport, Lincoln County, Washington.

16. That portion of the Southwest Quarter of the Northwest Quarter (SW¼NW¼) of Section Two (2) and of the Southeast Quarter of the Northeast Quarter (SE¼NE¼) of Section Three (3), Township Fourteen (14) North, Range Forty-five (45) E.W.M., Whitman County, Washington, described as follows:

Beginning at a point on the northerly right of way line of Washington State Highway No. 3, which point lies 2730 feet north of and 782 feet West of the southeast corner of said Section Three (3); thence north 34°13′ west 320 feet; thence north 55°47′ east 380 feet; thence north 86°23′ east 592.4 feet; thence south 57°41′ east 180 feet more or less to a point on the northerly right of way line of Washington State Highway No. 3; thence westerly along said highway 100 feet, more or less, to the east line of said section 3; thence continuing westerly along said northerly right of way line 870 feet more or less to point of beginning.

17. The East 50 feet of the West 150 feet of the North 150 feet of Block One (1), and Lots Three (3), Four (4), Seven (7), and Eight (8) in Block Fourteen (14), Reed's First Addition to Deer Park, Stevens County, Washington.

18. The Northwest Quarter (NW¼) of Block Twenty-three (23) of the Original Town (now City) of Colville, Stevens County, Washington.

19. A tract of land in the City of Colville, Washington, more particularly described as follows: Beginning at a point on the South line of Lot One (1), Block Four (4), of Spokane Addition to Colville, Wash-

ington, 94 feet West of the Southeast corner thereof; thence West along the North line of West 5th Street a distance of 201.95 feet; thence North parallel with the Section line between Sections Eight (8) and Nine (9), in Township Thirty-five (35) North, Range Thirty-nine (39), E.W.M. a distance of 175 feet; thence East parallel with the North line of said West 5th Avenue, a distance of 201.50 feet; thence South 175 feet to the point of beginning.

20. All that portion of the Northeast Quarter of the Northwest Quarter of the Northwest Quarter (NE¼NW¼NW¼) of Section Twenty-four (24), Township Thirty-three (33) North, Range Thirty-nine (39) E.W.M. lying North of the right of way of the Addy-Gifford Highway, as now constructed.

21. Lots Thirteen (13) and Fourteen (14) in Block Two (2) of the First Addition; all that portion of Lot Nine (9) in Block Three (3), Hughes Addition, lying and being South of the County Road; and Lot One (1) of Block One (1) and Lot Seven (7) of Block Two (2) of Murphy's Addition to the Town of Northport, Washington.

22. Commencing at the meander corner number 5, which is a basalt monument, of Section 21, Township 11 North, Range 46 E.W.M., thence southeasterly on a line forming an interior angle of 157°15′ with the meander line between meander corner number 5 and number 6, which is also a basalt monument, a distance of 613.2 feet to the place of beginning; thence deflect 111°00′ right a distance of 246.94 feet more or less to the easterly boundary of the right-of-way of the Northwestern Railroad as conveyed to Northwestern Railroad Company by Lewiston-Clarkston Improvement Company under date of December 1, 1910; thence deflect 118°37′ left along said easterly right-of-way boundary a distance of 91.14 feet; thence deflect 61°23′ left a distance of 207.09 feet; thence deflect 90°00′ left a distance of 70 feet to meander corner number 4; thence deflect 21°00′ left a distance of 10.7 feet to the place of beginning, containing 0.42 acres, more or less, and all being in Lot 2 of Section 21, Township 11 North, Range 46 E.W.M., reserving an easement over, across and upon the west 30 feet of said tract for a roadway for the use of the parties hereto and the owners of adjacent properties, their assigns and successors.

Idaho:

23. Lots Seven (7) and Eight (8), Block "K", Town of Coeur d'Alene and King's Addition, Coeur d'Alene, Kootenai County, Idaho.

24. All that portion of Lots Sixteen (16), Seventeen (17), and Eighteen (18) in Block Sixteen (16) of Sunnyside Addition to the City of Moscow, Latah County, Idaho, as shown by the recorded plat thereof,

lying and being northerly of the State Highway known as the Moscow-Bovill Highway as now established and operating through said Block from the plats of the Highway Department.

Montana:

25. All those lands lying or situated in Sanders County, Montana, Conveyed to The Washington Water Power Company by deeds recorded as follows in Sanders County, Montana:

Date Recorded	Document Number	Book	Page
June 15, 1955	83746	62	495
June 29, 1955	83851	62	535
July 20, 1955	84011	63	40
Aug. 8, 1955	84121	63	99
Aug. 8, 1955	84122	63	101
Aug. 8, 1955	84123	63	103
Aug. 24, 1955	84239	63	161
Aug. 24, 1955	84240	63	163
Aug. 24, 1955	84241	63	165
Aug. 29, 1955	84273	63	169
Aug. 29, 1955	84274	63	171
Aug. 29, 1955	84275	63	173
Aug. 29, 1955	84276	63	175
Aug. 31, 1955	84314	63	188
Sept. 8, 1955	84351	63	201
Sept. 9, 1955	84359	63	203
Sept. 23, 1955	84464	63	243
Oct. 6, 1955	84560	63	285
Oct. 6, 1955	84562	63	287
Oct. 13, 1955	84611	63	318
Oct. 13, 1955	84612	63	320
Oct. 13, 1955	84639	63	337
Oct. 19, 1955	84686	63	371
Oct. 19, 1955	84687	63	373
Oct. 19, 1955	84688	63	375
Oct. 19, 1955	84689	63	377
Oct. 27, 1955	84740	63	405
Nov. 8, 1955	84807	63	437
Nov. 8, 1955	84810	63	455
Nov. 8, 1955	84811	63	457
Nov. 8, 1955	84812	63	459
Nov. 15, 1955	84903	63	479
Nov. 15, 1955	84904	63	481

Date Recorded	Document Number	Book	Page
Nov. 15, 1955	84905	63	483
Nov. 15, 1955	84906	63	485
Nov. 21, 1955	84936	63	501
Nov. 28, 1955	84982	63	521
Nov. 28, 1955	84983	63	523
Dec. 1, 1955	85010	63	538
Dec. 7, 1955	85062	64	9
Dec. 15, 1955	85119	64	28
Dec. 15, 1955	85120	64	30
Dec. 15, 1955	85121	64	32
Dec. 21, 1955	85148	64	45
Dec. 21, 1955	85149	64	47
Dec. 23, 1955	85154	64	51
Dec. 23, 1955	85155	64	53
Dec. 29, 1955	85179	64	57
Dec. 31, 1955	85216	64	61
Jan. 6, 1956	85230	64	67
Jan. 11, 1956	85254	64	75
Jan. 11, 1956	85255	64	77
Jan. 11, 1956	85256	64	79
Jan. 11, 1956	85257	64	81
Jan. 19, 1956	85296	64	95
Jan. 19, 1956	85297	64	97
Jan. 19, 1956	85298	64	99
Jan. 19, 1956	85299	64	101
Jan. 20, 1956	85317	64	111
Feb. 2, 1956	85382	64	147
Feb. 2, 1956	85383	64	149
Feb. 6, 1956	85406	64	157
Feb. 6, 1956	85407	64	159
Feb. 16, 1956	85459	64	175
Feb. 16, 1956	85460	64	177
Feb. 16, 1956	85461	64	180
Feb. 16, 1956	85463	64	182
Feb. 20, 1956	85471	64	188
Feb. 20, 1956	85472	64	190
Feb. 20, 1956	85473	64	192
Feb. 20, 1956	85474	64	194
Feb. 20, 1956	85476	64	197
Feb. 20, 1956	85477	64	199
Feb. 20, 1956	85478	64	201
Mar. 2, 1956	85558	64	238

Date Recorded	Document Number	Book	Page
Mar. 3, 1956	85573	64	244
Mar. 7, 1956	85592	64	259
Mar. 8, 1956	85603	64	261
Mar. 9, 1956	85620	64	273
Mar. 9, 1956	85621	64	275
Mar. 20, 1956	85672	64	299
Mar. 28, 1956	85717	64	319
Mar. 28, 1956	85718	64	321
Apr. 3, 1956	85750	64	343
Apr. 3, 1956	85752	64	347
Apr. 10, 1956	85810	64	365
Apr. 11, 1956	85827	64	537
Apr. 18, 1956	85856	64	389
Apr. 18, 1956	85857	64	391
Apr. 18, 1956	85858	64	393
Apr. 18, 1956	85859	64	395
Apr. 18, 1956	85860	64	397
Apr. 25, 1956	85916	64	427
Apr. 25, 1956	85917	64	428
Apr. 25, 1956	85922	64	429
Apr. 25, 1956	85923	64	431
Apr. 27, 1956	85938	64	437
May 3, 1956	85969	64	459
May 3, 1956	85970	64	461
May 3, 1956	85971	64	463
May 3, 1956	85972	64	465
May 3, 1956	85973	64	467
May 3, 1956	85974	64	469
May 3, 1956	85975	64	471
May 8, 1956	86017	64	490
May 10, 1956	86029	64	497
May 10, 1956	86030	64	499
May 16, 1956	86095	64	528
May 16, 1956	86096	64	530
May 16, 1956	86097	64	532
May 16, 1956	86098	64	534
May 29, 1956	86173	65	25
May 29, 1956	86174	65	27
May 31, 1956	86179	65	32
May 31, 1956	86180	65	34
June 7, 1956	86228	65	63
June 27, 1956	86410	65	124
June 27, 1956	86411	65	126
June 27, 1956	86412	65	128
June 27, 1956	86413	65	130
June 27, 1956	86414	65	132

Date Recorded	Document Number	Book	Page
June 27, 1956	86415	65	134
July 6, 1956	86519	65	181
July 6, 1956	86521	65	183
July 6, 1956	86522	65	185
July 9, 1956	86532	65	191
July 9, 1956	86533	65	194
July 9, 1956	86536	65	196
July 9, 1956	86537	65	198
July 9, 1956	86538	65	200
July 9, 1956	86539	65	202
July 14, 1956	86592	65	222
July 14, 1956	86593	65	225
July 14, 1956	86594	65	228
July 14, 1956	86595	65	231
July 14, 1956	86596	65	233
July 18, 1956	86621	65	246
July 27, 1956	86676	65	265
Aug. 18, 1956	86824	65	331
Aug. 22, 1956	86845	65	351
Aug. 22, 1956	86846	65	353
Aug. 29, 1956	86908	65	379
Aug. 29, 1956	86909	65	381
Aug. 31, 1956	86931	65	391
Sept. 7, 1956	86959	65	404
Sept. 7, 1956	86960	65	406
Sept. 7, 1956	86961	65	408
Sept. 12, 1956	86995	65	428
Sept. 17, 1956	87041	65	446
Sept. 21, 1956	87071	65	456
Sept. 26, 1956	87089	65	466
Sept. 26, 1956	87090	65	468
Oct. 4, 1956	87146	65	495
Oct. 4, 1956	87147	65	497
Oct. 4, 1956	87148	65	499
Oct. 11, 1956	87191	65	522
Oct. 11, 1956	87192	65	529
Nov. 21, 1956	87394	66	64
Nov. 21, 1956	87395	66	66
Dec. 3, 1956	87474	66	105
Dec. 5, 1956	87494	66	111
Dec. 5, 1956	87495	66	114
Dec. 26, 1956	87637	66	171

Date Recorded	Document Number	Book	Page
Dec. 26, 1956	87638	66	174
Dec. 26, 1956	87639	66	176
Jan. 14, 1957	87761	66	226
Jan. 19, 1957	87792	66	246
Jan. 23, 1957	87802	65	254
Mar. 14, 1957	88057	66	354
Apr. 15, 1957	88235	66	448
Apr. 15, 1957	88237	66	451
Apr. 24, 1957	88297	66	474
May 1, 1957	88329	66	489
May 1, 1957	88330	66	491
May 2, 1957	88335	66	495
May 9, 1957	88370	66	507
May 9, 1957	88369	66	505
May 15, 1957	88404	66	522
May 15, 1957	88405	66	524
May 15, 1957	88406	66	526
May 21, 1957	88439	67	1
May 21, 1957	88440	67	3
May 21, 1957	88441	67	5
May 22, 1957	88448	67	13
May 31, 1957	88506	67	35
May 31, 1957	88507	67	37
May 31, 1957	88508	67	39
June 17, 1957	88632	5	139

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by the Company after the date hereof (except any hereinbefore or hereinafter or in the Mortgage, as supplemented, expressly

excepted) shall be as fully embraced within the lien hereof and the lien of the Mortgage, as supplemented, as if such property, rights and franchises were now owned by the Company and were specifically described herein or in the Mortgage and conveyed hereby or thereby.

Provided that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Fifth Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, viz: (1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered under the Mortgage, as supplemented, or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for the consumption in the operation of any properties of the Company; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage, as supplemented, or this Fifth Supplemental Indenture or covenanted so to be; (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; and (5) any property heretofore released pursuant to any provisions of the Mortgage, as supplemented, and not heretofore disposed of by the Company; provided, however, that the property and rights expressly excepted from the lien and operation of this Fifth Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event that either or both of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII of the Mortgage by reason of the occurrence of a Completed Default as defined in said Article XII.

To HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Individual Trustee and (to the extent of its legal capacity to hold the same for the purposes hereof) unto the Corporate Trustee, and their successors, heirs and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as supplemented, this Fifth Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as supplemented, shall affect and apply to the property hereinbefore described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustees by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustees and their successor or successors in such trust under the Mortgage, as follows:

ARTICLE I.

Fourth Series of Bonds.

SECTION 1. There shall be a series of bonds designated "4⅞% Series due 1987" (herein sometimes referred to as the "Fourth Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof and of the appurtenant coupons,

which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Fourth Series shall mature on July 1, 1987, and shall be issued as coupon bonds in the denomination of One Thousand Dollars, registrable as to principal, and as fully registered bonds in denominations of One Thousand Dollars and Ten Thousand Dollars and, at the option of the Company, in any multiple or multiples of One Thousand Dollars (the exercise of such option to be evidenced by the execution and delivery thereof); they shall bear interest at the rate of four and seven-eighths per centum (4⅞%) per annum, payable semi-annually on January 1 and July 1 of each year until the principal thereof shall become due and payable (whether at maturity, by declaration, or otherwise) and at the rate of six per centum (6%) per annum on any overdue principal and (to the extent permitted by law) on any overdue installment of interest; and the principal of and interest on each such bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Coupon bonds of the Fourth Series shall be dated as of July 1, 1957, and fully registered bonds of the Fourth Series shall be dated as in Section 10 of the Mortgage provided.

(I) Bonds of the Fourth Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage, as supplemented, in whole at any time, or in part from time to time, prior to maturity, upon notice published as provided in Section 52 of the Mortgage, once on at least four different days before the date fixed for redemption, the first publication to be at least thirty (30) days prior to the date fixed for redemption, at the following general redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

GENERAL REDEMPTION PRICES

If redeemed during 12 months period ending June 30,

1958	105.00%	1968	103.28%	1978	101.56%
1959	104.83%	1969	103.11%	1979	101.38%
1960	104.66%	1970	102.94%	1980	101.21%
1961	104.49%	1971	102.76%	1981	101.04%
1962	104.32%	1972	102.59%	1982	100.87%
1963	104.14%	1973	102.42%	1983	100.69%
1964	103.97%	1974	102.25%	1984	100.52%
1965	103.80%	1975	102.07%	1985	100.35%
1966	103.63%	1976	101.90%	1986	100.18%
1967	103.45%	1977	101.73%	1987	100.00%

in each case, together with accrued interest to the date fixed for redemption; provided that no bonds of the Fourth Series shall be redeemable at the general redemption prices prior to July 1, 1962, with borrowed funds, or in anticipation of funds to be borrowed, having an interest cost (calculated in accordance with acceptable financial practice) of less than four and seven-eighths per centum (4⅞%) per annum.

(II) Bonds of the Fourth Series shall also be redeemable in whole at any time, or in part from time to time, prior to maturity, upon like notice, by the application (either at the option of the Company or pursuant to the requirements of the Mortgage) of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38, Section 39 or Section 64 of the Mortgage or with the Proceeds of Released Property; provided, however, that in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be prior to January 1 of the calendar year in which such deposit of cash shall become due under the provisions of Section 39 of the Mortgage, they shall be redeemable at the general redemption prices set forth in sub-

division (I) of this Section, together with accrued interest to the date fixed for redemption; and provided further, that

(1) in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be on or after January 1 of the calendar year in which such deposit of cash shall become due, or

(2) in the case of redemption by the application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38 or Section 64 of the Mortgage or with the Proceeds of Released Property,

they shall be redeemable at the special redemption price of the principal amount of the bonds to be redeemed, without premium, in each case, together with accrued interest to the date fixed for redemption.

(III) At the option of the holder, any coupon bonds of the Fourth Series, upon surrender thereof with all unmatured coupons appertaining thereto at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of fully registered bonds of the same series of authorized denominations. All such coupon bonds to be exchanged as aforesaid shall be in bearer form or, if registered, accompanied by a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney. At the option of the registered owner, any fully registered bonds of the Fourth Series, upon surrender thereof, for cancellation, at said office or agency of the Company, together with a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of coupon bonds of the same series, with all unmatured

coupons attached, or for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations.

The holder of any coupon bond of the Fourth Series may have the ownership thereof registered as to principal at the office or agency of the Company in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of such bond shall be valid unless made at said office or agency by the registered owner in person or by his duly authorized attorney and similarly noted on such bond; but (subject to the provisions of Section 12 of the Mortgage) the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer. Fully registered bonds of the Fourth Series shall also be transferable (subject to the provisions of Section 12 of the Mortgage) at said office or agency of the Company.

ARTICLE II.

Company Reserves Right to Amend Mortgage to Provide Special Provision for the Issuance of Additional Bonds Without Consent of Holders of Bonds Other Than Bonds of First, Second and Third Series.

SECTION 2. The Company reserves the right, without any consent or other action by holders of bonds of the Fourth Series or of any subsequent series, to make such amendments to the Mortgage, as supplemented, as shall be necessary at any time or from time to time in order to provide that:

> "bonds of any one or more series for the aggregate principal amount of Twenty-five Million Dollars ($25,000,000) may be executed by the Company and delivered to the Corporate Trus-

tee and shall be authenticated by the Corporate Trustee, and delivered from time to time, in accordance with the order or orders of the Company, evidenced by a writing or writings signed by the Company by its President or one of its Vice-Presidents and its Treasurer or one of its Assistant Treasurers, provided, however, that the Corporate Trustee shall have received (1) a Resolution requesting the Corporate Trustee to authenticate and deliver such bonds, (a) specifying the principal amount of bonds called for, the series thereof and any other matters with respect thereto required by the Mortgage, and (b) specifying the officer or officers of the Company to whom, or upon whose written order, such bonds shall be delivered; (2) a Treasurer's Certificate such as is described in Section 28(2) of the Mortgage; (3) a Net Earning Certificate showing the Net Earnings of the Company to be as required by Section 27 of the Mortgage; (4) an Opinion of Counsel such as is described in Section 28(8) of the Mortgage; and (5) the officially authenticated certificates, or other documents, if any, specified in the Opinion of Counsel provided for in subdivision (4) above."

ARTICLE III.

Dividend Covenant.

SECTION 3. So long as any of the Bonds of the Fourth Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Fourth Series Outstanding at the time of such waiver, the Company covenants that it will not declare or pay any dividend on its common stock or make any other distribution on shares of its common stock (other than dividends or distributions payable solely in shares of its common stock) or acquire (unless acquired without cost to the Company) any shares of the common stock of the Company, if the aggregate amount of all such payments, distributions and the cost of such acquisitions from and after July 1, 1957, shall exceed the aggregate net income of the Company applicable to common stock of the

Company from and after July 1, 1957, and prior to such proposed declaration, payment, distribution or acquisition, plus Six Million Dollars ($6,000,000), and plus an amount equal to the proceeds from the sale of common stock subsequent to July 1, 1957.

"Net income of the Company" shall, for the purposes of this Section and without regard to any other provision of the Mortgage, as supplemented, be determined in accordance with the system of accounts employed from time to time by the Company and which is in accordance with generally accepted accounting principles and practices for companies operating properties of like kind and character, provided, however, that the actual amounts deducted out of income for such cumulative period for expenditures and/or accruals for maintenance and/or appropriated for property retirement and/or appropriated for property amortization shall never be less than an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues of the Company (as defined in Section 38 of the Mortgage) for such cumulative period.

ARTICLE IV.

Miscellaneous Provisions.

SECTION 4. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Fifth Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 5. The Trustees hereby accept the trusts hereby declared, provided, created or supplemented and agree to perform the same upon the terms and conditions herein and in the Mortgage, as supplemented, set forth, including the following:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Fifth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. Each and every

term and condition contained in Article XVI of the Mortgage, as supplemented, shall apply to and form part of this Fifth Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Fifth Supplemental Indenture.

SECTION 6. Whenever in this Fifth Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XV and XVI of the Mortgage, as supplemented, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Fifth Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustees, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 7. Nothing in this Fifth Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Fifth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Fifth Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons Outstanding under the Mortgage.

SECTION 8. So long as any bonds of the Fourth Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Fourth Series Outstanding at the time of such waiver, notwithstanding the

provisions of the second paragraph of Section 7 of the Mortgage, in any Net Earning Certificate required to be delivered to the Corporate Trustee there shall be included in the operating expenses all interest on customers' deposits and an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues for the twelve (12) consecutive calendar months covered by such certificate after deducting from such amount an amount equal to the amount, included in operating expenses, expended for or accrued for repairs and maintenance.

SECTION 9. Section 39 of the Mortgage is hereby amended by inserting the words "; and provided further that the Company may not deposit cash prior to July 1, 1962, in anticipation of the requirements of this Section in respect of the 4⅞% Series due 1987 other than a requirement becoming due in the current calendar year, if the cash so deposited represents borrowed funds, or is in anticipation of funds to be borrowed, having an interest cost (calculated in accordance with acceptable financial practice) of less than four and seven-eighths per centum (4⅞%) per annum." after the words "whether or not such next available redemption date shall be earlier than January 1 of the year in which such deposit shall finally become due".

SECTION 10. The Company covenants that, so long as any bonds of the Fourth Series remain Outstanding (unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Fourth Series Outstanding at the time of such waiver), it will not convey or transfer any property which is subject to the lien of the Mortgage to any subsidiary of the Company except in accordance with the provisions of Article XV of the Mortgage or except such property as shall thereupon be released from the lien of the Mortgage under the provisions of Article XI thereof.

SECTION 11. The Company covenants that it will not request the cancelation and discharge of the lien of the Mortgage under the provisions of Section 106 thereof unless it shall have authorized the Corporate Trustee to give to the holders of bonds of the Fourth Series notice by publication in one Daily Newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York, that funds for the immediate payment of such bonds and the premium, if any, and interest thereon are on deposit with the Corporate Trustee.

SECTION 12. Section 143 of the Mortgage is hereby amended to insert the words "offered or" after the words "For the purposes of this Section the term 'underwriter' when used with reference to the Obligor means every person, who, within three years prior to the time as of which the determination is made, has purchased from the Obligor with a view to, or has".

SECTION 13. This Fifth Supplemental Indenture shall be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 14. The titles of the several Articles of this Fifth Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on this 10th day of July, 1957, THE WASHINGTON WATER POWER COMPANY, party hereto of the first part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and CITY BANK FARMERS TRUST COMPANY, one of the parties hereto of the second part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries, and FRANCIS M. PITT, one of the parties hereto of the

second part, has for all like purposes hereunto set his hand and affixed his seal, all in The City of New York, New York, as of the day and year first above written.

THE WASHINGTON WATER POWER COMPANY,

By .....
President.

Attest:

.....
Secretary.

Executed, sealed and delivered by THE WASHINGTON WATER POWER COMPANY, in the presence of:

.....

.....

CITY BANK FARMERS TRUST COMPANY,
As Trustee.

By .....
Vice-President.

Attest:

.....
Assistant Secretary.

Executed, sealed and delivered by CITY BANK FARMERS TRUST COMPANY, in the presence of:

.....

.....

.....(L. S.)
FRANCIS M. PITT

Executed, sealed and delivered by FRANCIS M. PITT, in the presence of:

.....

.....

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 10th day of July, 1957, before me personally appeared K. M. ROBINSON, to me known to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 10th day of July, in the year 1957, before me, VICTOR M. MARIN, a Notary Public in and for the State and County aforesaid, personally appeared K. M. ROBINSON, known to me to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Victor M. Marin
Notary Public.

VICTOR M. MARIN
Notary Public, State of New York
No. 31-2586300
Qualified in New York County
Commission Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 10th day of July, 1957, before me personally appeared S. L. SMITH, to me known to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 10th day of July, in the year 1957, before me, STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared S. L. SMITH, known to me to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Notary Public.

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On this 10th day of July, in the year 1957, before me STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared FRANCIS M. PITT, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me FRANCIS M. PITT, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 10th day of July, 1957.

Notary Public.

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

K. M. ROBINSON, being duly sworn, deposes and says that he is the President of THE WASHINGTON WATER POWER COMPANY, the Mortgagor named in the foregoing instrument, and makes this affidavit for and on its behalf; that said instrument is made in good faith and without any design to hinder, delay or defraud creditors.

K M Robinson

Subscribed and sworn to before me
this 10th day of July, 1957.

Victor M Marin
Notary Public

VICTOR M. MARIN
Notary Public, State of New York
No. 31-2586300
Qualified in New York County
Commission Expires March 30, 1959

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

S. L. SMITH, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that said mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000), subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without design to hinder, delay or defraud creditors, and that he makes this affidavit on behalf of said City Bank Farmers Trust Company.

.....

Subscribed and sworn to before me
this 10th day of July, 1957.

.....
Notary Public

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

FRANCIS M. PITT, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that the mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000) subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without any design to hinder, delay or defraud creditors.

Francis M. Pitt

Subscribed and sworn to before me }
this 10th day of July, 1957. }

Stanley A. Nelson

Notary Public

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

S. L. SMITH, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust and that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

Subscribed and sworn to before me }
this 10th day of July, 1957. }

Notary Public

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

FRANCIS M. PITT, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

Francis M. Pitt

Subscribed and sworn to before me }
this 10th day of July, 1957. }

Stanley A. Nelson

Notary Public

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1959

RECEIPT

The undersigned, THE WASHINGTON WATER POWER COMPANY, the mortgagor in the foregoing mortgage and deed of trust, hereby acknowledges surrender, without cost, by the mortgagees and trustees to the undersigned at the time of the execution of the foregoing mortgage and deed of trust of a correct copy of said original mortgage and deed of trust, as signed, with the acknowledgments shown thereon, and acknowledges receipt thereof.

Dated this 10th day of July, 1957.

THE WASHINGTON WATER POWER COMPANY

By .....
President.

Attest:

.....
Secretary.

EXECUTED IN 10 COUNTERPARTS OF WHICH THIS IS COUNTERPART No. 9

RECEIVED
MAR 18 1957
Department of Reclamation

THE WASHINGTON WATER POWER COMPANY

TO

CITY BANK FARMERS TRUST COMPANY

AND

RALPH E. MORTON, AS

TRUSTEES UNDER

THE WASHINGTON WATER POWER COMPANY'S

Mortgage and Deed of Trust

Dated as of June 1, 1939

AND

Indentures Supplemental Thereto

RESIGNATION OF MARC A. RIEFFEL INDIVIDUAL TRUSTEE AND APPOINTMENT OF FRANCIS M. PITT AS SUCCESSOR INDIVIDUAL TRUSTEE

Fourth Supplemental Indenture

Dated as of March 15, 1957

96 2179

FOURTH SUPPLEMENTAL INDENTURE

THIS INDENTURE dated as of March 15, 1957, between THE WASHINGTON WATER POWER COMPANY, a corporation organized and existing under the laws of the State of Washington (hereinafter called the "Company"), CITY BANK FARMERS TRUST COMPANY, a corporation organized and existing under the laws of the State of New York, as Corporate Trustee under a certain Mortgage and Deed of Trust made by the Company and under the various indentures supplemental thereto (which Mortgage and Deed of Trust dated as of June 1, 1939 together with the indentures supplemental thereto is hereinafter sometimes called the "Mortgage"), MARC A. RIEFFEL, as retiring Individual Trustee under the Mortgage, and FRANCIS M. PITT.

Pursuant to Article XVI, Section 100 of the Mortgage, Marc A. Rieffel hereby resigns as Individual Trustee under the Mortgage and hereby gives notice thereof to the Company and specifies that his said resignation shall take effect on March 15, 1957.

Pursuant to Article XVI, Sections 102, 103, and 104 of the Mortgage, and subject to the provisions therein set forth, the Company hereby appoints Francis M. Pitt, a citizen of the United States, successor to said Marc A. Rieffel as Individual Trustee under the Mortgage, effective March 15, 1957, and hereby notifies the Corporate Trustee of such appointment, and Francis M. Pitt hereby accepts such appointment as successor Individual Trustee under the Mortgage.

The Company and the Corporate Trustee hereby acknowledge receipt of due notice of the resignation of Marc A. Rieffel as Individual Trustee under the Mortgage and the Corporate Trustee hereby acknowledges receipt of due notice of the appointment of said Francis M. Pitt as successor Individual Trustee.

NOW, THEREFORE, in consideration of the premises and of the sum of One Dollar by each of the parties hereto to each of the others in hand paid, the receipt whereof is hereby severally acknowledged, and in pursuance of the authority contained in the Mortgage, Marc A.

96 2179

Rieffel as retiring Individual Trustee hereby conveys and assigns to Francis M. Pitt as successor Individual Trustee all the right, title, and interest which he has or may have as Individual Trustee in and to the Mortgaged and Pledged Property, described in or subject to the lien of the Mortgage, subject to all the trusts, conditions, and provisions expressed in the Mortgage; and to the fullest extent necessary or appropriate the Company and the Corporate Trustee confirm such conveyance and assignment and consent thereto.

IN WITNESS WHEREOF, the corporate parties hereto have caused their respective corporate names to be signed by their respective Presidents or Vice Presidents thereunto duly authorized and their respective corporate seals to be hereunto affixed and duly attested by their respective Secretaries or Assistant Secretaries and the individual parties hereto have hereunto set their hands and seals, all as of the day and year first above written.

THE WASHINGTON WATER POWER COMPANY,

By W L Thrasher
Vice President

Attest:

J. M. Wells
Secretary

Signed, sealed, and delivered
in the presence of:

Allan Keen

J. M. Coombs

96 2179

CITY BANK FARMERS TRUST COMPANY
as Corporate Trustee under the Mortgage

By _____
Vice President

Attest: _____
Assistant Secretary

Signed, sealed, and delivered in the presence of:

_____

_____

_____ (L. S.)

Marc A. Rieffel as retiring Individual Trustee under the Mortgage

Signed, sealed, and delivered in the presence of:

_____

_____

_____ (L. S.)

Francis M. Pitt

Signed, sealed, and delivered in the presence of:

_____

_____

STATE OF WASHINGTON,
COUNTY OF SPOKANE, } ss.:

On the 11th day of March, 1957, before me personally appeared W. L. THRAILKILL, to me known to be a Vice President of The Washington Water Power Company, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

On the 11th day of March, in the year 1957, before me, E. B. TALKINGTON, a Notary Public in and for the State and County aforesaid, personally appeared W. L. THRAILKILL, known to me to be a Vice President of The Washington Water Power Company, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such corporation executed the same.

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

E. B. Talkington

E. B. TALKINGTON
Notary Public, State of Washington
Term Expires September 6, 1957
Residing at Spokane, Washington

96 2179

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 27th day of February, 1957, before me personally appeared S. L. SMITH, to me known to be a Vice President of City Bank Farmers Trust Company, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

On the 27th day of February, in the year 1957, before me, STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared S. L. SMITH, known to me to be a Vice President of City Bank Farmers Trust Company, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such corporation executed the same.

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

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1957

Residing at Westbury, N. Y.

96 2179

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On this 27th day of February, in the year 1957, before me, STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared MARC A. RIEFFEL, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me, MARC A. RIEFFEL, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 27th day of February, 1957.

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1957

Residing at Westbury, N. Y.

96 2179

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On this 27th day of February, in the year 1957, before me, STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared FRANCIS M. PITT, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me, FRANCIS M. PITT, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 27th day of February, 1957.

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1957

Residing at Westbury, N. Y.

96 2179

(EXHIBIT A)

THE WASHINGTON WATER POWER COMPANY
MORTGAGE AND DEED OF TRUST DATED
AS OF JUNE 1, 1939
AND INDENTURES SUPPLEMENTAL THERETO

NOTICE OF RESIGNATION OF INDIVIDUAL TRUSTEE

Pursuant to Section 100 of Article XVI of Mortgage and Deed of Trust, dated as of June 1, 1939, and indentures supplemental thereto, from The Washington Water Power Company to City Bank Farmers Trust Company and Ralph E. Morton, as Trustees, the undersigned has given written notice to The Washington Water Power Company of his intention to resign as Individual Trustee under said Mortgage and Deed of Trust, as supplemented, said resignation to take effect on March 15, 1957.

MARC A. RIEFFEL,
As Individual Trustee, as aforesaid.

DATED: New York, N. Y.
, 1957.

96 2179

(EXHIBIT B)

THE WASHINGTON WATER POWER COMPANY
MORTGAGE AND DEED OF TRUST DATED
AS OF JUNE 1, 1939
AND INDENTURES SUPPLEMENTAL THERETO

NOTICE OF APPOINTMENT OF SUCCESSOR
INDIVIDUAL TRUSTEE

Pursuant to Section 102 of Article XVI of Mortgage and Deed of Trust, dated as of June 1, 1939, and indentures supplemental thereto, from The Washington Water Power Company to City Bank Farmers Trust Company and Ralph E. Morton (Marc A. Rieffel, successor), as Trustees, the undersigned has appointed Francis M. Pitt, as Individual Trustee under said Mortgage and Deed of Trust, as supplemented, effective March 15, 1957, as successor to Marc A. Rieffel, the former Individual Trustee, who has resigned.

THE WASHINGTON WATER POWER COMPANY

By W. L. THRAILKILL,
Vice President.

DATED: New York, N. Y.
, 1957.

96 2179

EXECUTED IN 102 COUNTERPARTS OF
WHICH THIS IS COUNTERPART No. 73

THE WASHINGTON WATER POWER COMPANY

TO

CITY BANK FARMERS TRUST COMPANY

AND

RALPH E. MORTON, AS
TRUSTEES UNDER

THE WASHINGTON WATER POWER COMPANY'S

Mortgage and Deed of Trust

Dated as of June 1, 1939

AND

Indentures Supplemental Thereto

RESIGNATION OF RALPH E. MORTON INDIVIDUAL TRUSTEE
AND APPOINTMENT OF MARC A. RIEFFEL AS
SUCCESSOR INDIVIDUAL TRUSTEE

Third Supplemental Indenture

Dated as of December 1, 1955

96 2179

THIRD SUPPLEMENTAL INDENTURE

THIS INDENTURE dated as of December 1, 1955, between THE WASHINGTON WATER POWER COMPANY, a corporation organized and existing under the laws of the State of Washington (hereinafter called the "Company"), CITY BANK FARMERS TRUST COMPANY, a corporation organized and existing under the laws of the State of New York, as Corporate Trustee under a certain Mortgage and Deed of Trust made by the Company and under the various indentures supplemental thereto (which Mortgage and Deed of Trust dated as of June 1, 1939 together with the indentures supplemental thereto is hereinafter sometimes called the "Mortgage"), RALPH E. MORTON, as retiring Individual Trustee under the Mortgage, and MARC A. RIEFFEL.

Pursuant to Article XVI, Section 100 of the Mortgage, Ralph E. Morton hereby resigns as Individual Trustee under the Mortgage and hereby gives notice thereof to the Company and specifies that his said resignation shall take effect on December 1, 1955.

Pursuant to Article XVI, Sections 102, 103, and 104 of the Mortgage, and subject to the provisions therein set forth, the Company hereby appoints Marc A. Rieffel, a citizen of the United States, successor to said Ralph E. Morton as Individual Trustee under the Mortgage, effective December 1, 1955, and hereby notifies the Corporate Trustee of such appointment, and Marc A. Rieffel hereby accepts such appointment as successor Individual Trustee under the Mortgage.

The Company and the Corporate Trustee hereby acknowledge receipt of due notice of the resignation of Ralph E. Morton as Individual Trustee under the Mortgage and the Corporate Trustee hereby acknowledges receipt of due notice of the appointment of said Marc A. Rieffel as successor Individual Trustee.

NOW, THEREFORE, in consideration of the premises and of the sum of One Dollar by each of the parties hereto to each of the others in

hand paid, the receipt whereof is hereby severally acknowledged, and in pursuance of the authority contained in the Mortgage, Ralph E. Morton as retiring Individual Trustee hereby conveys and assigns to Marc A. Rieffel as successor Individual Trustee all the right, title, and interest which he has or may have as Individual Trustee in and to the Mortgaged and Pledged Property, described in or subject to the lien of the Mortgage, subject to all the trusts, conditions, and provisions expressed in the Mortgage; and to the fullest extent necessary or appropriate the Company and the Corporate Trustee confirm such conveyance and assignment and consent thereto.

IN WITNESS WHEREOF, the corporate parties hereto have caused their respective corporate names to be signed by their respective Presidents or Vice Presidents thereunto duly authorized and their respective corporate seals to be hereunto affixed and duly attested by their respective Secretaries or Assistant Secretaries and the individual parties hereto have hereunto set their hands and seals, all as of the day and year first above written.

THE WASHINGTON WATER POWER COMPANY,

By .....
President

Attest:

.....
Secretary

Signed, sealed, and delivered
in the presence of:

.....

.....

CITY BANK FARMERS TRUST COMPANY
as Corporate Trustee under the Mortgage

By .....
Vice President

Attest:

.....
Assistant Secretary

Signed, sealed, and delivered
in the presence of:

.....

.....

.....(L. S.)
Ralph E. Morton as retiring Individual Trustee under the Mortgage

Signed, sealed, and delivered
in the presence of:

.....

.....

.....(L. S.)
Marc A. Rieffel

Signed, sealed, and delivered
in the presence of:

.....

.....

STATE OF WASHINGTON }
COUNTY OF SPOKANE } ss.:

On the 14th day of November, 1955, before me personally appeared K. M. ROBINSON, to me known to be the President of The Washington Water Power Company, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

On the 14th day of November, in the year 1955, before me, E. B. TALKINGTON, a Notary Public in and for the State and County aforesaid, personally appeared K. M. ROBINSON, known to me to be the President of The Washington Water Power Company, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such corporation executed the same.

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

E B Talkington

E. B. TALKINGTON
Notary Public, State of Washington
Term Expires September 6, 1957

Residing at Spokane, Washington

96 2179

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 21 day of November, 1955, before me personally appeared S. L. SMITH, to me known to be a Vice President of City Bank Farmers Trust Company, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

On the 21 day of November, in the year 1955, before me, STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared S. L. SMITH, known to me to be a Vice President of City Bank Farmers Trust Company, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such corporation executed the same.

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

Stanley A. Nelson

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1957

Residing at Westbury, N. Y.

96 2179

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On this 21 day of November, in the year 1955, before me, STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared RALPH E. MORTON, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me, RALPH E. MORTON, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 21 day of November, 1955.

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1957

Residing at Westbury, N. Y.

96 2179

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On this 21 day of November, in the year 1955, before me, STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared MARC A. RIEFFEL, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me, MARC A. RIEFFEL, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 21 day of November, 1955.

Stanley A. Nelson

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificate filed with New York County Clerk
Term Expires March 30, 1957

Residing at Westbury, N. Y.

96 2179

(EXHIBIT A)

THE WASHINGTON WATER POWER COMPANY
MORTGAGE AND DEED OF TRUST DATED
AS OF JUNE 1, 1939
AND INDENTURES SUPPLEMENTAL THERETO

NOTICE OF RESIGNATION OF INDIVIDUAL TRUSTEE

Pursuant to Section 100 of Article XVI of Mortgage and Deed of Trust, dated as of June 1, 1939, and indentures supplemental thereto, from The Washington Water Power Company to City Bank Farmers Trust Company and Ralph E. Morton, as Trustees, the undersigned has given written notice to The Washington Water Power Company of his intention to resign as Individual Trustee under said Mortgage and Deed of Trust, as supplemented, said resignation to take effect on December 1, 1955.

RALPH E. MORTON,
As Individual Trustee, as aforesaid.

DATED: New York, N. Y.
, 1955.

(EXHIBIT B)

THE WASHINGTON WATER POWER COMPANY
MORTGAGE AND DEED OF TRUST DATED
AS OF JUNE 1, 1939
AND INDENTURES SUPPLEMENTAL THERETO

NOTICE OF APPOINTMENT OF SUCCESSOR INDIVIDUAL TRUSTEE

Pursuant to Section 102 of Article XVI of Mortgage and Deed of Trust, dated as of June 1, 1939, and indentures supplemental thereto, from The Washington Water Power Company to City Bank Farmers Trust Company and Ralph E. Morton, as Trustees, the undersigned has appointed Marc A. Rieffel, as Individual Trustee under said Mortgage and Deed of Trust, as supplemented, effective December 1, 1955, as successor to Ralph E. Morton, the former Individual Trustee, who has resigned.

THE WASHINGTON WATER POWER COMPANY

By K. M. ROBINSON,
President.

DATED: New York, N. Y.
, 1955.

96 2179

THE WASHINGTON WATER POWER COMPANY

TO

CITY BANK FARMERS TRUST COMPANY

AND

RALPH E. MORTON,
As Trustees under The Washington Water Power Company's Mortgage and Deed of Trust, Dated as of June 1, 1939

First Supplemental Indenture

Dated as of October 1, 1952

96 2179

completely filmed

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FIRST SUPPLEMENTAL INDENTURE

THIS INDENTURE, dated as of the first day of October, 1952, made and entered into by and between THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington, whose post office address is West 825 Trent Avenue, Spokane, Washington (hereinafter sometimes called the Company), party of the first part, and CITY BANK FARMERS TRUST COMPANY, a corporation of the State of New York, whose post office address is 22 William Street, New York, New York (hereinafter sometimes called the Corporate Trustee), and RALPH E. MORTON, of Glenville Road, Greenwich, Connecticut (hereinafter sometimes called the Individual Trustee), parties of the second part (the Corporate Trustee and the Individual Trustee being hereinafter together sometimes called the Trustees), as Trustees under the Mortgage and Deed of Trust, dated as of June 1, 1939 (hereinafter called the Mortgage), executed and delivered by The Washington Water Power Company to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, this indenture (hereinafter called First Supplemental Indenture) being supplemental thereto.

WHEREAS the Mortgage was filed for record, and was recorded, as a mortgage of both real and personal property, in the official records of the several counties in the states of Washington, Idaho and Montana listed below, as follows:

Washington

Date Filed for Record	County	Office of	Real Estate Mortgage Records — Book	Real Estate Mortgage Records — Page	Chattel Mortgage Records — Auditor's File No.
7/ 1/39	Adams	Auditor	77	1	2695
7/ 1/39	Asotin	Auditor	33	366	6830
6/30/39	Chelan	Auditor	267	290	300309
7/ 1/39	Douglas	Auditor	70	174	38815
7/ 1/39	Ferry	Auditor	11	73	84148
7/ 1/39	Franklin	Auditor	42	90	85690
7/ 1/39	Garfield	Auditor	43	528	9535
7/ 1/39	Grant	Auditor	37	409	27288
6/30/39	Lincoln	Auditor	86	1	30884
7/ 1/39	Okanogan	Auditor	39	350	282750
7/ 1/39	Pend Oreille	Auditor	12	455	5939
6/30/39	Spokane	Auditor	477	78	394675A
7/ 1/39	Stevens	Auditor	61	1	34368
7/ 1/39	Whitman	Auditor	239	1	50474

Idaho

Date Filed for Record	County	Real Estate Mortgage Records — Book	Real Estate Mortgage Records — Page	Chattel Mortgage File No.
7/ 5/39	Benewah	P	301	52152
7/ 5/39	Bonner	26	273	98623
7/ 5/39	Clearwater	13A	1	40502
7/ 6/39	Idaho	49	1	126835
6/30/39	Kootenai	50	91	116371
7/ 6/39	Latah	64	1	138572
7/ 5/39	Lewis	25	476	43749
6/30/39	Nez Perce	130	444	168946
7/ 5/39	Shoshone	8	7	110380

Montana

Date Filed for Record	County	Real Estate Mortgage Records — Book	Real Estate Mortgage Records — Page	Chattel Mortgage File No.
9/12/52	Sanders	31	107	12915

and

WHEREAS the Mortgage has been or will be recorded in all counties in which this First Supplemental Indenture is to be recorded; and

WHEREAS by the Mortgage the Company covenanted that it would execute and deliver such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired intended to be subject to the lien thereof; and

WHEREAS in addition to the property described in the Mortgage, the Company has acquired certain other property, rights and interests in property; and

WHEREAS the Company has heretofore issued, in accordance with the provisions of the Mortgage, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1964 (hereinafter called the bonds of the First Series); and

WHEREAS Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder and of the coupons to be attached to the coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company; that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof; and that such Series may also contain such provisions not inconsistent with the provisions of the Mortgage as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage; and

WHEREAS Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or

the Company may cure any ambiguity contained therein, or in any supplemental indenture, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS the Company now desires to create a new series of bonds and to add to its covenants and agreements contained in the Mortgage certain other covenants and agreements to be observed by it and to supplement and amend in certain respects the covenants and provisions contained in the Mortgage and, in addition, to reserve the right to amend certain other covenants and provisions therein without the consent or other action by holders of bonds of such new series or of any subsequent series; and

WHEREAS the execution and delivery by the Company of this First Supplemental Indenture, and the terms of the bonds of the Second Series hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors, and all things necessary to make this First Supplemental Indenture a valid, binding and legal instrument for the security of the bonds have been performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That The Washington Water Power Company, in consideration of the premises and of one dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustees and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, as supplemented, according to their tenor and effect and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of such bonds, and to confirm the lien of the Mortgage on certain after acquired prop-

erty, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms unto Ralph E. Morton and (to the extent of its legal capacity to hold the same for the purposes hereof) unto City Bank Farmers Trust Company, as Trustees under the Mortgage, and to their successor or successors in said trust, and to said Trustees and their successors, heirs and assigns forever, all the following described properties of the Company, acquired by the Company since the execution and delivery of the Mortgage, whether now owned or hereafter acquired—that is to say:

All of the property, real, personal and mixed, of every character and wheresoever situated (except any hereinafter or in the Mortgage expressly excepted) which the Company now owns or, subject to the provisions of Section 87 of the Mortgage, may hereafter acquire prior to the satisfaction and discharge of the Mortgage, as fully and completely as if herein or in the Mortgage specifically described, and including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this First Supplemental Indenture) all lands, real estate, easements, servitudes, rights of way and leasehold and other interests in real estate; all rights to the use or appropriation of water, flowage rights, water storage rights, flooding rights, and other rights in respect of or relating to water; all plants for the generation of electricity, power houses, dams, dam sites, reservoirs, flumes, raceways, diversion works, head works, waterways, water works, water systems, gas plants, steam heat plants, hot water plants, ice or refrigeration plants, stations, substations, offices, buildings and other works and structures and the equipment thereof and all improvements, extensions and additions thereto; all generators, machinery, engines, turbines, boilers, dynamos, transformers, motors, electric machines, switchboards, regulators, meters, electrical and mechanical appliances, conduits, cables, pipes and mains; all lines and systems for the transmission and distribution of electric current, gas, steam heat or water for any purpose; all towers, mains, pipes, poles, pole lines, conduits, cables, wires, switch racks, insulators, compressors, pumps, fittings, valves and connections; all motor vehicles and automobiles; all tools, implements, apparatus, furni-

ture, stores, supplies and equipment; all franchises (except the Company's franchise to be a corporation), licenses, permits, rights, powers and privileges; and (except as hereinafter or in the Mortgage expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature.

The property so conveyed or intended to be so conveyed hereunder shall include, but shall not be limited to, the following property, the particular description of which is intended only to aid in the identification thereof and shall not be construed as limiting the force, effect and scope of the foregoing, namely:

FIRST.

THE ADDITIONAL ELECTRIC GENERATING PLANTS OF THE COMPANY, in the States of Washington, Idaho and Montana, including all power houses, dams, reservoirs, flumes, raceways, diversion works, head works, waterways, buildings, and other works and structures forming a part of or appertaining to said generating plants and stations, or any of them, or used or enjoyed or capable of being used or enjoyed in conjunction therewith and all lands of the Company on which the same are situated, and all the Company's lands, easements and flowage rights permitting the storage of water for reservoir purposes and the flowage of lands lying along or adjacent to the Spokane River, Coeur d'Alene Lake, Coeur d'Alene River, St. Joe River, St. Maries River, Chelan River, Chelan Lake, Colville River, Asotin Creek, Clearwater River, South Fork Clearwater River, Calispell Creek, and Clark Fork River, and the tributaries thereof in the States of Washington, Idaho and Montana, and all other of the Company's real estate and interests therein, rights in respect of or relating to water, machinery, equipment, appurtenances, supplies, franchises, licenses, permits and other rights and other property forming a part of or appertaining to said generating plants and stations, or any of them, or used or enjoyed or capable of being used or enjoyed in conjunction therewith, including, but not limited to, the following in the State of Idaho:

1. The Cabinet Gorge Hydro-Electric Plant, situated on the Clark Fork River, in Section Twenty-seven (27), Township Fifty-five (55) North, Range Three (3), E.B.M., in Bonner County and that certain license issued by the Federal Power Commission, Project No. 2058, Idaho, January 10, 1951.

SECOND.

THE ADDITIONAL ELECTRIC SUBSTATIONS AND SUBSTATION SITES OF THE COMPANY, in the States of Washington and Idaho, including all buildings, structures, towers, poles, equipment, appliances and devices for transforming, converting and distributing electric energy, and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits and other rights and other property forming a part of said substations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including, but not limited to, the following situated in the States of Washington and Idaho:

1. The Sunset Substation, situated on or near 29th Avenue, in the City of Spokane, Spokane County.

2. The Beacon Substation, situated on Havana Street, east of the City limits, near the City of Spokane, Spokane County.

3. The W. S. C. Substation, situated in the City of Pullman, in Whitman County.

4. The Cheney Regulator Station, situated in the City of Cheney, in Spokane County.

5. The Francis & Cedar 110/13 Kv. Substation, situated on Francis Ave., N. of City limits near the City of Spokane, Spokane County.

6. Orin Electric Substation near Colville in Stevens County, Washington.

7. Metro Electric Substation near Lincoln Street in Spokane, Washington.

8. Second and Scott Electric Substation at the intersection of Second Avenue and Scott Street in Spokane, Washington.

9. Ewan Electric Substation near Ewan in Whitman County, Washington.

10. Plummer Electric Substation near Plummer, Idaho.

11. Marengo Electric Substation near Marengo, Washington.

12. Valley Electric Substation near Valley in Stevens County, Washington.

13. Fairchild Electric Substation, at Fairchild Air Force Base near Spokane, Washington.

14. North Lewiston Electric Substation north of Lewiston, Idaho.

15. Pine Creek Electric Substation near Pinehurst in Shoshone County, Idaho.

16. Pierce Electric Substation in Pierce, Idaho.

17. Cabinet Gorge Construction Substation at Cabinet Gorge Power Station near Clark Fork, Idaho.

18. Potlatch Electric Substation near Potlatch, Idaho.

19. Potlatch Mill Electric Substation at Potlatch, Idaho.

20. Craigmont Electric Substation in Craigmont, Idaho.

21. Lapwai Electric Substation in Lapwai, Idaho.

22. Weippe Electric Substation near Weippe, Idaho.

THIRD.

THE ADDITIONAL ELECTRIC TRANSMISSION LINES OF THE COMPANY, in the States of Washington and Idaho, including towers, poles, pole lines, wires, switch racks, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal, or mixed, forming a part of or used, occupied or enjoyed in connection with or in anywise appertaining to said transmission lines or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof through, over, under or upon any public streets or highways or other lands, public or private, including, but not limited to, the following:

1. The Sunset-Metro single circuit 60 kv. transmission line, extending from the Company's Sunset Electric Substation 2.8 miles to the Company's Metro Electric Substation. All in the City of Spokane, Washington.

2. The Beacon-Opportunity single circuit 60 kv. transmission line, extending from Beacon Substation in an easterly direction, in Spokane County, Washington, about 8 miles to the Company's Opportunity Electric Substation.

3. The Beacon-Sunset single circuit 110 kv. transmission line, extending in a northeasterly direction, in Spokane County, Washington, from the Sunset Electric Substation to the Beacon Electric Substation, for a distance of about 12 miles.

4. The Little Falls-Sunset double circuit 60 kv. transmission line, extending from the Company's Little Falls Hydro-Electric Plant in a southeasterly direction, in Stevens, Lincoln and Spokane Counties, Washington, for a distance of about 28 miles, to the Company's Sunset Electric Substation, in the City of Spokane.

5. The Chewelah-Colville single circuit 60 kv. transmission line, extending from the Company's Magnesite Electric Sub-station, in a northerly direction, in Stevens County, Washington, for a distance of about 26 miles to the Colville Electric Substation near Colville.

6. The Long Lake-Beacon double circuit 110 kv. transmission line (each circuit on a separate structure), extending from the Company's Long Lake Hydro-Electric Plant, in a southeasterly direction, in Spokane and Lincoln Counties, Washington, for a distance of about 30 miles to the Company's Beacon Electric Substation in the City of Spokane.

7. The Montana-Beacon single circuit 110 kv. transmission line, extending from the Company's Montana Electric Substation near Burke, Idaho, in a northwesterly direction, in Shoshone and Kootenai Counties, Idaho, and Spokane County, Washington, for a distance of about 84 miles to the Company's Beacon Electric Substation in the City of Spokane.

8. The Post Falls-Newport single circuit 110 kv. transmission line, extending from the Company's Post Falls Hydro-Electric Station, near Post Falls, Idaho, in a northerly direction, in Kootenai and Bonner Counties, Idaho, for a distance of about 43 miles to the Company's Newport Electric Substation.

9. The Latah Junction-Montana single circuit 110 kv. transmission line, extending from the Company's Latah-Junction Electric Substation through the City of Kellogg, in Shoshone County, Idaho, in an easterly direction, in Spokane County, Washington, and Kootenai, Benewah and Shoshone Counties, Idaho, for a distance of about 75 miles to the Company's Montana Electric Substation near Burke, Idaho.

10. The Latah Junction-Moscow single circuit 110 kv. transmission line, extending from the Latah Junction Substation, in a southeasterly

direction, in Spokane and Whitman Counties, Washington, for a distance of about 50 miles, to the Company's Moscow and Latah County, Idaho Electric Substation.

11. The North Lewiston-Leon Junction single circuit 110 kv. transmission line, extending in a northerly direction from the North Lewiston Substation near Lewiston, Idaho, to the Leon Junction Electric Substation located just south of the north line of Nez Perce County, Idaho, a distance of about 7 miles in Nez Perce County, Idaho.

12. The Lewiston-Nez Perce single circuit 60 kv. transmission line, extending from the Lewiston Hydro-Electric Plant at Lewiston, Idaho, in a southeasterly direction about 46 miles through the Towns of Lapwai, Culdesac, Reubens and Craigmont to the Company's Nez Perce Electric Substation near Nez Perce, Idaho.

13. The Nez Perce-Grangeville single circuit 60 kv. transmission line, extending from the Nez Perce Substation near Nez Perce, Idaho, in a southerly direction to the Grangeville Substation near Grangeville, Idaho, a distance of approximately 27 miles, in Lewis and Idaho Counties, Idaho.

14. The Moscow-Elk River single circuit 22 kv. transmission line, extending from the Company's Moscow Electric Substation, in an easterly direction in Latah and Clearwater Counties, Idaho, a distance of about 48 miles through the Towns of Troy and Bovill to Elk River.

15. The Palouse-Potlatch single circuit 60 kv. transmission line, extending from the Company's Palouse Electric Substation near the City of Palouse, in an easterly direction, about 11 miles to the Company's Potlatch Substation in Potlatch, Idaho, in Whitman County, Washington and Latah County, Idaho.

16. The Galena Tap single circuit 60 kv. transmission line from a point on the Little Falls-Sunset line in Section 12, Township 25 North, Range 41, E.W.M., southwesterly to the Government owned substation in Fairchild Air Base near Galena, Washington, a distance of about 5.6 miles all in Spokane County, Washington.

17. The Francis-Cedar Tap single circuit 110 kv. transmission line from a point on the Long Lake-Beacon line in Section 13, Township 26 North, Range 42, E.W.M., southerly to the Company's Francis-Cedar Substation, a distance of about 3 miles all in Spokane County, Washington.

18. The Beacon-Mead double circuit 110 kv. transmission line (each circuit on separate structures) from the Company's Beacon Substation near Spokane to the Bonneville Power Administration's Substation near Mead, a distance of about 6 miles all in Spokane County, Washington.

19. The Pullman-Colfax single circuit 110 kv. transmission line, extending from the Company's Pullman Electric Substation, in a northwesterly direction, in Whitman County, Washington, for a distance of about 17 miles to the Company's Colfax Electric Substation.

20. The Sunset-Colfax single circuit 110 kv. transmission line from the Company's Sunset Substation in Spokane in a southerly direction about 53 miles to the East Colfax Substation near Colfax, Washington in Spokane and Whitman Counties.

21. The Beacon-Ross Park single circuit 110 kv. transmission line from the Company's Beacon Substation westerly about 2.4 miles to the Ross Park Substation all in Spokane, Washington.

22. The Meyers Falls-Colville-Marble single circuit 33 kv. transmission line from the Meyers Falls Hydro-Electric Station to the Company's Substation at Colville with a branch to the Substation of the Spokane Portland Cement Company near Marble, Washington, a total length of about 36 miles all in Stevens County, Washington.

23. The Nez Perce-Kamiah single circuit 60 kv. transmission line from the Nez Perce Substation in Nez Perce, Idaho to the Kamiah Substation in Kamiah, Idaho, a distance of about 10 miles all in Lewis County, Idaho.

24. The Orofino-Nez Perce single circuit 60 kv. transmission line from the Company's Orofino Substation in a southeasterly direction through Greer, Idaho to the Nez Perce Substation near Nez Perce, Idaho a distance of about 19 miles in Clearwater and Lewis Counties.

25. The Greer-Pierce single circuit 60 kv. transmission line from Greer Substation near Greer, Idaho in a northeasterly direction to the Company's Pierce Substation in Pierce, Idaho, a distance of about 23 miles in Lewis and Clearwater Counties.

26. The Newport-Silver Birch single circuit 60 kv. transmission line from the Company's Newport Substation southeasterly to the R.E.A. Silver Birch Substation, a distance of about 2 miles all in Bonner County, Idaho.

27. Sandpoint-Cabinet Gorge 110 kv. transmission line from a point 3 miles north of Sandpoint, Idaho, to the Company's substation at Cabinet Gorge Power Station, a distance of 32 miles.

28. Cabinet-Beacon 230 kv. transmission line from Cabinet Power Station to Beacon Substation near Spokane, Washington.

29. The 110 kv. transmission line from the switching station at Eighth and Fancher east of Spokane, Washington, to the substation at Second Avenue and Scott Street in Spokane, Washington.

FOURTH.

THE ADDITIONAL ELECTRIC DISTRIBUTING SYSTEMS OF THE COMPANY, in the States of Washington and Idaho, including towers, poles, pole lines, wires, cables, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal, or mixed, forming a part of or used, occupied, or enjoyed in connection with or in anywise appertaining to said distributing systems or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents and rights for or relating to the construction, maintenance or operation thereof through, over, under or upon any public streets or highways, or other lands, public or private, including, but not limited to, the following:

1. The Elk River Distributing System as constructed and equipped in the Town of Elk River, Clearwater County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about December 3, 1947, and expires on December 3, 1972.

2. The Pierce Distributing System as constructed and equipped in the Town of Pierce, Clearwater County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about August 25, 1947, and expires on August 25, 1973.

3. The Clarksville Distributing System as constructed and equipped in the Town of Clarksville, Kootenai County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about September 3, 1947, and expires on September 2, 1972.

4. The Eddiville Distributing System as constructed and equipped in the Town of Eddiville, Kootenai County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about August 4, 1947, and expires on August 4, 1972.

5. The Hayden Lake Distributing System as constructed and equipped in the Town of Hayden Lake, Kootenai County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about October 6, 1947, and expires on October 5, 1972.

6. The Harrison Distributing System as constructed and equipped in the City of Harrison, Kootenai County, Idaho, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about May 26, 1947, and expires on May 25, 1972.

7. The Huetter Distributing System as constructed and equipped in the Town of Huetter, Kootenai County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about August 11, 1947, and expires on August 10, 1972.

8. The Spirit Lake Distributing System as constructed and equipped in the City of Spirit Lake, Kootenai County, Idaho, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about August 6, 1940, and expires on August 6, 1965.

9. The State Line Distributing System as constructed and equipped in the Town of State Line, Kootenai County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about September 2, 1947, and expires on September 1, 1972.

10. The Polaris Distributing System as constructed and equipped in the Town of Polaris, Shoshone County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about November 15, 1949, and expires on November 14, 1974.

FIFTH.

Miscellaneous Real Estate in the States of Washington, Idaho and Montana.

1. That part of Tract "D", Dennis and Bradley's Addition to Spokane Falls (now Spokane) described as follows: Beginning at a point on the east line of said Tract "D", 250 feet north of the southeast corner thereof; thence west 370 feet to a point; thence northwesterly 10 feet along a line, which if extended would intersect the southerly line of the right of way of the N. P. Railway Co., at a point 100 feet easterly from the intersection of the south line of said right of way with the west line of said Tract "D"; thence northeasterly 122 feet more or less, to a point in the southerly line of said N. P. Railway Co.'s right of way, 250 feet easterly from the point of intersection of said

south line of said right of way with the west line of said Tract "D"; thence northeasterly along the southerly line of said right of way to the intersection of the south line of said right of way with the east line of said Tract "D"; thence south along the east line of said Tract to the place of beginning.

2. That part of the Northeast quarter of the Northeast Quarter (NE¼ NE¼) of Section thirty-six (36), Township twenty-five (25) North, Range forty-two (42) E.W.M., described as follows: Beginning at the Northeast corner of Section thirty-six (36), Township twenty-five (25) North, Range forty-two (42) E.W.M.; thence west along the north line of said section 370 feet more or less to the point where it intersects the easterly right of way line of the Northern Pacific Railway Company; thence in a southwesterly direction along said right of way line 1089.15 feet; thence in a straight line in an easterly direction for a distance of 716.4 feet to a point on the east line of said section thirty-six (36) which lies 1034.7 feet south of the Northeast corner of Section thirty-six (36); thence north along the section line to point of beginning in County of Spokane and city of Spokane.

3. That part of Lot 4 of Section 25, Township 36 North, Range 6 West, B.M., described as follows: Beginning at the northwest corner of Lot 4 of said Section 25, thence N. 89° 33′ E. along the north line of said Lot 4, a distance of 1162.6 feet to the true point of beginning; thence S. 42° 50′ W. 255.5 feet, thence N. 63° 28′ W. 216.4 feet to the easterly line of Down River County Road, thence N. 63° 56′ E. along said easterly line 203.1 feet to the said north line of Lot 4, thence along said north line N. 89° 33′ E. 184.8 feet to the true point of beginning containing 0.78 acres more or less in Nez Perce County, Idaho.

4. Part of the Northwest Quarter of the Southwest Quarter of Section 11, Township 25 North, Range 43, E.W.M., more particularly described as follows: Beginning at the northwest corner of the Northwest Quarter of said Southwest Quarter; thence south along the west line thereof, 692.3 feet; thence southeasterly to a point 430 feet east of the west line and 749.32 feet south of the north line of said Southwest Quarter; thence north on a line parallel to the west line of said Southwest Quarter, 430 feet east thereof when measured at right angles thereto, to the north line of said Southwest Quarter; thence west along the north line thereof to the place of beginning in Spokane County, Washington.

5. An irregular tract of land in the Northwest Quarter of the Southeast Quarter (NW¼SE¼) of Section Twenty-five (25), Township Thirty-six (36) North, Range Six (6) West of the Boise Meridian, in the City of Lewiston, Nez Perce County, Idaho, described as follows:

Beginning at a point on the South line of the Northwest Quarter of the Southeast Quarter (NW¼SE¼) of said Section Twenty-five (25) which lies 1162.6 feet North 89° 33′ East from the Southwest corner thereof; thence North 42° 50′ East to a point on the southeasterly line of Down River Road; thence in a southwesterly direction along the southeasterly line of said road to its intersection with the south line of said Northwest Quarter of the Southeast Quarter (NW¼SE¼) of Section Twenty-five (25); thence North 89° 33′ East 184.8 feet along said south line to the point of beginning.

6. Lots 1 and 2 of Block 103 in Third Addition to Railroad Addition to Spokane Falls (now Spokane), in the City of Spokane, County of Spokane, State of Washington, together with the building thereon and the appurtenances thereunto belonging, except that part of said lots included in the following description: Beginning at the southeast corner of Lot 2 in said block, thence north on the east line of said lot, 22.6 feet; thence in a westerly direction in a straight line to a point in the west line of said Lot 1, 75.5 feet north of the southwest corner thereof; thence south to the southwest corner of said lot 1; thence northeasterly along the southeasterly line of said Block 103 to the place of beginning.

7. All of Lots Seven (7) and Eight (8) in Block One Hundred Four (104) of the Third Addition to the Railroad Addition to the Town of Spokane Falls (now City of Spokane), in the City of Spokane, County of Spokane and State of Washington.

8. The West 430 feet of the South 750 feet of the Southwest Quarter (SW¼) of the Northwest Quarter (NW¼) of Section Eleven (11), Township Twenty-five (25) North, Range Forty-three (43), East of the Willamette Meridian, Except the west 30 feet thereof in Spokane County, Washington.

9. Situate in County of Lewis, State of Idaho, to-wit:

That portion of Lots 18, 19 and 20 of Lawyer's Tracts lying East of State Highway #9 and adjacent thereto which is in the South half of Government Lot 2 of Section 2, Township 33 North, Range 3 East of the Boise Meridian, described as follows: Beginning at a point 25 feet South of the point of intersection of the North line of Lot 20 of Lawyer's Tract and the East line of said State Highway #9; thence East parallel to the North line thereof a distance of 115 feet; thence South parallel to the East line of said State Highway a distance of 150 feet; thence West 115 feet to the point of intersection with the East line of said State Highway #9; thence North a distance of 150 feet to the point of beginning.

10. The East Half (E½) of Lots Nine (9) and Ten (10) in Block Eight (8) of Chandler's Second Addition to Spokane Falls (now Spokane), in the City of Spokane, Washington, according to the recorded Plat thereof.

11. A tract of land in Asotin County, Washington, described as follows: Beginning at a point on the west line of Lot 2, Block F.O. of Clarkston Heights which lies 138 feet south of the northwest corner of said Lot 2; thence in a northeasterly direction approximately 285.19 feet to the most easterly corner of Lot 2 lying in Section 29, Township 11 North, Range 46 E.W.M.; thence in a southwesterly direction approximately 240 feet to a point in said Lot 2 which lies 198 feet south of and 100 feet east of the northwest corner of said Lot 2; thence due west 100 feet to a point on the west line of said Lot 2; thence north 60 feet along the west line of said Lot to the point of beginning.

12. Lot 2, Block 26 of Railroad Addition to the City of Spokane, Spokane County, State of Washington.

13. A tract of land lying in the Southwest quarter of the Southwest quarter (SW¼SW¼) of Section Twenty-nine (29), Township Eighteen (18) North, Range Thirty-seven (37) E.W.M., Adams County, Washington, described as: Beginning at a point 1035 feet North of the Southwest corner of said Section Twenty-nine (29) and 28.8 feet East of the West section line the true point of beginning; thence North 200 feet parallel to the West line of Section Twenty-nine (29); thence East 150 feet parallel to the North Section line; thence South 200 feet parallel to the West line; thence West 150 feet to the true Point of Beginning.

14. Lots 11 and 12 in Block 10 of Central Park Addition to Spokane Falls (now Spokane), in the County of Spokane and State of Washington, as per map thereof recorded in Book "C" of Plats, page 14, in the office of the County Auditor of said County.

15. The north 60 feet of the west 150 feet of Lot 4 in Block 6 of Garden Park Addition to Spokane Falls (now Spokane), in the City of Spokane, County of Spokane and State of Washington, as per map thereof recorded in Book "A" of Plats, page 153, in the office of the County Auditor of said County.

16. Lot 7, Block 5, Heath's Subdivision in Heath's Addition to Spokane Falls (now Spokane), Washington.

17. A tract of land in Section 11, T 25 N, R 43 E.W.M. in Spokane County, Washington, described as follows: Beginning at a point

on the east and west center line of Section 11, T 25 N, R 43 E.W.M. which lies 660 feet east of the quarter section corner on the west line of said Section 11; thence north parallel to the west line of said Section 11, a distance of 750 feet; thence east parallel to the centerline of said Section 430 feet; thence north parallel to the west line of said Section 550 feet more or less to the south line of County Road No. 345 "O"; thence east along the south line of said road 230 feet; thence south parallel to the west line of said Section 11 to the northerly line of Upriver Drive (County permanent highway No. 84), thence in a southwesterly direction along the northerly line of said road to a point which is 660 feet east of the west line of said Section 11, thence north to the point of beginning.

18. The east 200 feet of Vacated Block 15 and adjacent south 30 feet of Vacated First Avenue in the plat of Riverton in the NW¼ of Section 11, T 25 N, R 43 E.W.M. in the County of Spokane, State of Washington, as recorded in Book "B" of Plats on Page 50 in the office of the County Auditor.

19. The east 200 feet of Vacated Block 8 and adjacent north 30 feet of Vacated First Avenue in the Plat of Riverton in the NW ¼ of Section 11, T 25 N, R 43 E.W.M. in the County of Spokane, State of Washington, as recorded in Book "B" of Plats on Page 50 in the office of the County Auditor.

20. Lots Twenty-two, Twenty-three and Twenty-four (22, 23 and 24) in Block Five (5) of Riverton, in the County of Spokane and State of Washington, as per map thereof recorded in Book "B" of Plats, page 50, in the office of the County Auditor of said County.

21. That part of the SW¼ of Sec. 2, T. 25 N., R. 43 E.W.M., County of Spokane and State of Washington, described as follows: Beginning at the SE corner of the SW¼ of the SW¼ of said Sec. 2; thence W. on S. boundary line of said Sec. 2, 195 feet to a point; thence N. 228.05 feet to a point; thence N. 21°35′ E. 81.5 feet to a point; thence E. 690.5 feet to a point; thence S. 301.6 feet to a point on the S. boundary line of Sec. 2; thence W. on said S. boundary line 525.5 feet to the place of beginning.

Subject to easement for pipe lines and reservation for spring dated August 23, 1909 recorded in Book 226 of Deeds, page 620, Records of Spokane County, Washington.

Also, that part of the NW¼ of the NW¼ of Sec. 11, T. 25 N., R. 43 E.W.M., County of Spokane, State of Washington described as follows: Beginning at a point on the N. line of said Sec. 11, 373 feet E. of the NW corner of said section; and running thence S. 215 feet more or less to the N. line of Third Avenue (now Frederick) in Riverton, as per map thereof recorded in Book "B" of Plats, page 50, thence E. along

the N. line of said Third Avenue 897 feet to the true point of beginning; thence northwesterly 252.65 feet more or less to a point on the N. line of said Sec. 11, 1136.6 feet E. from the NW corner thereof; thence E. along the N. line of said section to the E. line of said NW¼ of NW¼; thence S. 215 feet more or less to the N. line of Third Avenue; thence W. to the true point of beginning. Subject to easement for private drive over strip of land 25 feet wide parallel to and immediately adjoining said property on the E., subject to the right of The Washington Water Power Company's predecessor in title to dedicate said strip of land for public road. Deed dated May 1, 1920, recorded in Book 375 of Deeds, page 424, Spokane County, Washington.

22. Lots One, Two and Three (1, 2 and 3) in Block Five (5) of Riverton, in the County of Spokane and State of Washington, as per map thereof recorded in Book "B" of Plats, page 50, in the office of the County Auditor of said County.

23. Lots four (4) and twenty-one (21) of Block five (5) of Riverton in the County of Spokane, State of Washington, as recorded in Book "B" of Plats, page 50, in the office of the County Auditor of said County; also a tract of land in the Northwest Quarter (NW¼) of Section eleven (11), Township twenty-five (25) North, Range forty-three (43) E.W.M. described as follows:

Beginning at a point on the north line of Section 11, Township 25 North, Range 43 E.W.M. which lies 1090 feet east of the northwest corner of said Section 11, thence running east on said Section line 46.6 feet; thence in a southeasterly direction 252.65 feet to a point on the north line of Third (now Frederick Avenue) Avenue which is 1270 feet east of the west line of said Section 11; thence west along the north line of said Avenue 180 feet, thence north 215 feet more or less to the point of beginning.

24. A tract of land in the Northeast Quarter of the Southeast Quarter (NE¼) (SE¼) of Section Nineteen (19), Township Thirty-six (36) North, Range Thirty-nine (39) E.W.M., in Stevens County, Washington.

Beginning at the southwest corner of the (NW¼) (NE¼) (SE¼) of Section 19, Township 36 North, Range 39 E.W.M.; thence north 50 feet; thence east 178 feet to a point on the northwesterly side of Prairie Road; thence south 51° 07′ west 79.6 feet along the northwesterly side of said road; thence west 116 feet to the point of beginning.

25. A tract of land in Bonner County, Idaho, described as follows: Those parts of the northeast quarter of southwest quarter (NE¼ of SW¼) and south half of south half (S½ of S½) of Section twenty-nine (29), in Township fifty-five (55) North, Range three (3)

East of the Boise Meridian, which lie within a strip of land one hundred (100) feet in width lying on the southerly side of and adjacent to the five hundred (500) foot wide Bonneville Power line right of way as now established, said Bonneville Power line right of way being shown on maps of definite location Miles 77 and 78 of Bonneville Power Administration's Spokane-Hot Springs transmission line, Serial Numbers 44777 and 44778, as conveyed by deed dated December 13, 1950.

26. A tract of land in the Southwest Quarter of the Northeast Quarter (SW¼ NE¼) of Section Two (2), Township Thirty-five (35) North, Range Four (4) E.B.M. in Clearwater County, State of Idaho, described as follows:

Beginning at a point marked by a stone which bears south 34° 00′ west 1,128 feet from the northeast corner of said SW¼ NE¼ of Section 2, said point being in the northerly line of State Highway No. 11; thence north 52° 00′ west 125 feet to a point marked by a stone; thence south 38° 00′ west 75 feet to a point marked by a stone; thence south 52° 00′ east to a point marked by a stone and being in the northerly line of said State Highway No. 11; thence in a northeasterly direction along the northerly line of said Highway, a distance of 76.3 feet to the point of beginning.

27. All those lands lying or situate in Sanders County, Montana, conveyed to The Washington Water Power Company by deeds recorded as follows in Sanders County, Montana:

Date Recorded	Document No.	Book	Page
June 14, 1951	75573	56	73
July 18, 1951	75795	56	94
June 14, 1951	75575	55	557
June 14, 1951	75574	55	555
June 14, 1951	75576	55	555
June 28, 1951	75679	55	591
June 28, 1951	75678	55	589
May 14, 1952	77382-A	57	247
May 14, 1952	77381	57	245
July 18, 1951	75793	56	92
June 21, 1951	75619	55	575
June 21, 1951	75618	55	573
August 2, 1951	75881	56	115
August 16, 1951	75950	56	138
August 2, 1951	75882	56	116
August 2, 1951	75885	56	120
July 18, 1951	75794	56	93
August 16, 1951	75949	56	137
August 16, 1951	75951	56	139

Date Recorded	Document No.	Book	Page
August 2, 1951	75883	56	118
August 31, 1951	76022	56	160
August 31, 1951	76019	56	157
August 31, 1951	76020	56	158
August 31, 1951	76021	56	159
July 18, 1951	75796	56	96
August 2, 1951	75880	56	114
August 22, 1951	75984	56	147
August 2, 1951	75884	56	119
September 13, 1951	76088	56	179
September 27, 1951	76161	56	220
September 27, 1951	76159	56	217
September 27, 1951	76160	56	219
September 27, 1951	76162	56	221
September 13, 1951	76091	56	205
September 27, 1951	76157	56	216
October 5, 1951	76194	56	234
October 5, 1951	76195	56	235
October 24, 1951	76284	56	275
November 28, 1951	76464	56	352
November 28, 1951	76465	52	354
April 3, 1952	77112	57	107
December 12, 1951	76554	56	397
December 12, 1951	76552	56	393
May 1, 1952	77318	57	206
December 12, 1951	76555	56	399
December 12, 1951	76556	56	401
March 19, 1952	77001	57	73
February 13, 1952	76847	56	578
January 24, 1952	76760	56	529
February 13, 1952	76846	56	574
March 19, 1952	76998	57	69
June 4, 1952	77485	57	294
September 19, 1951	76103	56	188
April 10, 1952	77186	57	142
April 10, 1952	77187	57	144
March 5, 1952	76932	57	33
March 19, 1952	76997	57	67
February 19, 1952	76880	56	598
February 19, 1952	76879	56	596
February 19, 1952	76878	56	594
March 5, 1952	76931	57	31
March 5, 1952	76930	57	30

Date Recorded	Document No.	Book	Page
March 14, 1952	77379	57	241
February 19, 1952	76877	56	592
March 19, 1952	77000	57	71
April 3, 1952	77111	57	105
April 25, 1952	77266	57	173
May 1, 1952	77317	57	204
May 14, 1952	77380	57	243
May 21, 1952	77419	57	267
July 3, 1952	77669	57	376
July 17, 1952	77744	57	420
July 23, 1952	77775	57	445
July 23, 1952	77776	57	447
July 9, 1952	77692	57	385
July 9, 1952	77693	57	383
July 23, 1952	77777	57	449
July 6, 1951	75743	55	609

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by the Company after the date hereof (except any hereinbefore or hereinafter or in the Mortgage expressly excepted) shall be as fully embraced within the lien hereof and the lien of the Mortgage, as if such property, rights and franchises were now owned by the Company and were specifically described herein or in the Mortgage and conveyed hereby or thereby.

Provided that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned,

transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this First Supplemental Indenture and from the lien and operation of the Mortgage, viz: (1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered under the Mortgage or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for the consumption in the operation of any properties of the Company; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage or this First Supplemental Indenture or covenanted so to be; (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; provided, however, that the property and rights expressly excepted from the lien and operation of this First Supplemental Indenture and from the lien and operation of the Mortgage in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event that either or both of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII of the Mortgage by reason of the occurrence of a Completed Default as defined in said Article XII.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Individual Trustee and (to the extent of its legal capacity to hold the same for the purposes hereof) unto the Corporate Trustee, and their successors, heirs and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, this First Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage shall affect and apply to the property hereinbefore described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustees by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustees and their successor or successors in such trust under the Mortgage, as follows:

ARTICLE I.

Second Series of Bonds.

SECTION 1. There shall be a series of bonds designated "3½% Series due 1982" (herein sometimes referred to as the "Second Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof and of the appurtenant coupons, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Second Series shall mature on October 1, 1982, and shall be issued as coupon bonds in the denomination of One Thousand Dollars, registerable as to principal, and as fully registered bonds in denominations of One Thousand Dollars and Ten Thousand Dollars and, at the option of the Company, as to either coupon bonds or fully registered bonds, in the denomination of One Hundred Dollars or in any multiple or multiples thereof (the exercise of such option to be evidenced by the execution and delivery thereof); they shall bear interest at the rate

of three and one-half per centum (3½%) per annum, payable semi-annually on April 1 and October 1 of each year; and the principal of and interest on each such bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Coupon bonds of the Second Series shall be dated as of October 1, 1952, and fully registered bonds of the Second Series shall be dated as in Section 10 of the Mortgage provided.

(I) Bonds of the Second Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage in whole at any time, or in part from time to time, prior to maturity, upon notice published as provided in Section 52 of the Mortgage, once on at least four different days before the date fixed for redemption, the first publication to be at least thirty (30) days prior to the date fixed for redemption, at the following general redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

GENERAL REDEMPTION PRICES

If redeemed during 12 months period ending September 30,

1953	104.88%	1963	103.20%	1973	101.52%
1954	104.72%	1964	103.03%	1974	101.35%
1955	104.55%	1965	102.87%	1975	101.18%
1956	104.38%	1966	102.70%	1976	101.01%
1957	104.21%	1967	102.53%	1977	100.85%
1958	104.04%	1968	102.36%	1978	100.68%
1959	103.88%	1969	102.19%	1979	100.51%
1960	103.71%	1970	102.02%	1980	100.34%
1961	103.54%	1971	101.86%	1981	100.20%
1962	103.37%	1972	101.69%	1982	100.00%

in each case, together with accrued interest to the date fixed for redemption.

(II) Bonds of the Second Series shall also be redeemable in whole at any time, or in part from time to time, prior to maturity, upon like notice, by the application (either at the option of the Company or pursuant to the requirements of the Mortgage) of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38, Section 39 or Section 64 of the Mortgage or with the Proceeds of Released Property; provided, however, that in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be prior to January 1 of the calendar year in which such deposit of cash shall become due under the provisions of Section 39 of the Mortgage, they shall be redeemable at the general redemption prices set forth in subdivision (I) of this Section, together with accrued interest to the date fixed for redemption; and provided further, that

(1) in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be on or after January 1 of the calendar year in which such deposit of cash shall become due, or

(2) in the case of redemption by the application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38 or Section 64 of the Mortgage or with the Proceeds of Released Property,

they shall be redeemable at the following special redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

SPECIAL REDEMPTION PRICES

If redeemed during 12 months period ending September 30,

1953	101.88%	1963	101.45%	1973	100.85%
1954	101.84%	1964	101.40%	1974	100.77%
1955	101.80%	1965	101.34%	1975	100.70%
1956	101.76%	1966	101.29%	1976	100.62%
1957	101.72%	1967	101.23%	1977	100.54%
1958	101.68%	1968	101.17%	1978	100.46%
1959	101.64%	1969	101.11%	1979	100.38%
1960	101.59%	1970	101.05%	1980	100.29%
1961	101.54%	1971	100.98%	1981	100.20%
1962	101.50%	1972	100.92%	1982	100.00%

in each case, together with accrued interest to the date fixed for redemption.

(III) At the option of the holder, any coupon bonds of the Second Series, upon surrender thereof with all unmatured coupons appertaining thereto at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of fully registered bonds of the same series of authorized denominations. All such coupon bonds to be exchanged as aforesaid shall be in bearer form or, if registered, accompanied by a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney. At the option of the registered owner, any fully registered bonds of the Second Series, upon surrender thereof, for cancellation, at said office or agency of the Company, together with a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of coupon bonds of the same series, with all unmatured coupons attached, or for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations.

The holder of any coupon bond of the Second Series may have the ownership thereof registered as to principal at the office or agency of the Company in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of such bond shall be valid unless made at said office or agency by the registered owner in person or by his duly authorized attorney and similarly noted on such bond; but (subject to the provisions of Section 12 of the Mortgage) the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer. Fully registered bonds of the Second Series shall also be transferable (subject to the provisions of Section 12 of the Mortgage) at said office or agency of the Company.

ARTICLE II.

Definition of "Proceeds of Released Property".

SECTION 2. The term "Proceeds of Released Property" shall mean the aggregate of the cash held by the Corporate Trustee pursuant to the provisions of Section 58, Section 59, Section 60, Section 61 (except such cash as is to be paid over to the Company under the provisions of Section 61), or Section 62 of the Mortgage.

ARTICLE III.

Company Reserves Right to Make Certain Amendments of Mortgage Without Consent of Holders of Bonds Other Than Bonds of First Series.

SECTION 3. The Company reserves the right, without any consent or other action by holders of bonds of the Second Series or of any subsequent series, to make such amendments to the Mortgage, as supplemented, as shall be necessary at any time or from time to time in order

(I) to amend Section 20 and Section 121 thereof so that the aggregate principal amount of bonds which may be secured by the Mortgage, to wit, the maximum amount of the obligations to be secured thereby, may be increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000),

(II) to amend Section 39 of the Mortgage by deleting subdivision (A) and the first paragraph of subdivision (B) thereof and substituting therefor the following:

"(A) A Treasurer's Certificate which shall state as to each series of bonds then Outstanding:

(a) the greatest principal amount of all bonds of such series prior to January 1 of such year at any one time Outstanding;

(b) the aggregate principal amount of all bonds of such series which have ceased to be Outstanding prior to the date of such Treasurer's Certificate: (i) pursuant to the provisions of subdivision (3) or subdivision (4) of Section 61 hereof by use or application of the proceeds of insurance on, the release or other disposition of, or the taking by eminent domain of, property; (ii) pursuant to the provisions of Section 64 hereof; or (iii) pursuant to any provisions of this Indenture to the extent and to the extent only that such bonds have been made the basis under the provisions of Section 29 hereof of the authentication and delivery of other bonds or (if the Company irrevocably

waives its right to a credit under this Section for the other bonds that may be authenticated and delivered on the basis of the bonds which have so ceased to be Outstanding) are available to be made the basis under the provisions of Section 29 hereof of the authentication and delivery of other bonds;

(c) the aggregate principal amount of bonds the right to the authentication and delivery of which (on the basis of the retirement of bonds of such series) shall have been waived prior to the date of such Treasurer's Certificate pursuant to the provisions of clause (c) of subdivision (4) of Section 59 hereof as the basis of the release of property or pursuant to the provisions of subdivision (2) of Section 61 hereof as the basis of the withdrawal of cash representing proceeds of insurance on, the release or other disposition of, or the taking by eminent domain of property;

(d) as to each respective series of such bonds the amount remaining after deducting the sum of the amounts stated pursuant to clauses (b) and (c) above with respect to such series from the amount stated pursuant to clause (a) above with respect to such series;

(e) one per centum (1%) of the amount required to be stated by clause (d) above in the Treasurer's Certificate due on or before October 1 of such year pursuant to the provisions of this Section; and

(f) an aggregate principal amount of bond(s) or fraction of a bond to the authentication and delivery of which the Company shall then be entitled under any of the provisions of this Indenture (other than on a basis of a deposit of cash) by virtue of compliance with all applicable provisions of this Indenture (except as hereinafter in this Section otherwise provided); and that the Company elects to make its right to the authentication and delivery of such bond(s) or fraction of a bond the basis of a credit under this Section, specifying the series with respect to which it is so to be credited.

(B) As to each series of bonds then Outstanding, an amount in cash and/or principal amount of bonds of such series equivalent

to the amount stated in the Treasurer's Certificate (due on or before October 1 of such year) provided for by this Section pursuant to the requirements of clause (e) of subdivision (A) of this Section; provided, however, that, against the amount of cash or bonds payable or deliverable pursuant to this paragraph (B), there shall be credited the principal amount of the bonds which shall be stated in such Treasurer's Certificate pursuant to the requirements of clause (f) of subdivision (A) of this Section with respect to such series.", and/or

(III) to amend Section 64 thereof so as to change the figure "One Million Dollars ($1,000,000)" appearing therein to an amount not in excess of Fifteen Million Dollars ($15,000,000),

and the holders and owners of any bonds of the Second Series or of any subsequent series outstanding under the Mortgage, as supplemented, by acceptance of such bonds, agree and consent to the making of any such amendments.

ARTICLE IV.

Miscellaneous Provisions.

SECTION 4. Subject to the amendments provided for in this First Supplemental Indenture, the terms defined in the Mortgage shall, for all purposes of this First Supplemental Indenture, have the meanings specified in the Mortgage.

Section 14 of the Mortgage is hereby amended to read as follows:

"SECTION 14. All bonds issued hereunder shall, from time to time, be executed on behalf of the Company by its President or one of its Vice-Presidents, whose signature, except on bonds of the 1964 Series, may be facsimile, and its corporate seal or a facsimile thereof shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. The coupons to be attached to coupon bonds shall bear the facsimile signature of the present or any future Treasurer of the Company. In case any of the officers who shall have signed any bonds or attested

the seal thereon, or whose facsimile signature appears on any bonds or coupons, shall cease to be such officers of the Company before the bonds so signed and/or sealed shall have been actually authenticated and delivered by the Corporate Trustee or issued by the Company, such bonds nevertheless may be authenticated, delivered and/or issued with the same force and effect as though the person or persons who signed such bonds and/or attested the seal thereon and/or whose facsimile signature appears on any bonds or coupons had not ceased to be such officer or officers of the Company. Before authenticating any coupon bonds, the Corporate Trustee shall cut off, cancel and cremate all matured coupons thereto attached, and shall deliver to the Company a certificate evidencing the cremation thereof."

Subdivision (1) of Section 58 of the Mortgage is hereby amended by inserting the word "similar" after the words "implements or other".

SECTION 5. The Trustees hereby accept the trusts hereby declared, provided, created or supplemented, and agree to perform the same upon the terms and conditions herein and in the Mortgage set forth, including the following:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this First Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. Each and every term and condition contained in Article XVI of the Mortgage shall apply to and form part of this First Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this First Supplemental Indenture.

SECTION 6. Whenever in this First Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the

provisions of Articles XV and XVI of the Mortgage, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this First Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustees, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 7. Nothing in this First Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons outstanding under the Mortgage, any right, remedy or claim under or by reason of this First Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this First Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons Outstanding under the Mortgage.

SECTION 8. This First Supplemental Indenture shall be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9. The titles of the several Articles of this First Supplemental Indenture shall not be deemed to be any part thereof.

ARTICLE V.

SECTION 10. For the purpose of qualification of the Mortgage, as supplemented, under the Trust Indenture Act of 1939, the Mortgage is hereby amended by adding thereto new Articles XX to XXV (both inclusive) comprising Sections 125 to 150 (both inclusive) to read as follows:

ARTICLE XX.

DEFINITION OF CERTAIN TERMS—ADDITIONAL COVENANTS WITH RESPECT TO RECORDING AND FILING, PAYING AGENTS AND COMPLIANCE WITH CONDITIONS.

Section 125. Any term defined in Section 303 of the Trust Indenture Act of 1939 and not defined in this Indenture shall have the meaning assigned to such term in such Section 303 as in force on the date of the execution of the First Supplemental Indenture dated as of October 1, 1952, hereinafter sometimes called "First Supplemental Indenture".

Section 126. The Company covenants and agrees that, in addition to any Opinions of Counsel heretofore furnished to the Corporate Trustee with respect to recording, filing, re-recording and refiling, it will furnish to the Corporate Trustee (a) promptly after the execution and delivery of the First Supplemental Indenture or any other indenture supplemental to this Indenture, executed and delivered subsequently to the First Supplemental Indenture, an Opinion of Counsel either stating that in the opinion of such counsel the Mortgage and Deed of Trust dated as of June 1, 1939 and each indenture supplemental thereto, including this First Supplemental Indenture, have been properly recorded and filed so as to make effective any lien intended to be created thereby, and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to make such lien effective; and (b) on or before the first day of October in each year commencing with the year 1953, an Opinion of Counsel either stating that in the opinion of such counsel such action has been taken with respect to recording, filing, re-recording and refiling of the Mortgage and Deed of Trust dated as of June 1, 1939 and of each indenture supplemental thereto as is necessary to maintain the lien thereof, and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to maintain such lien.

Section 127. (a) The Company covenants that, if it shall appoint a paying agent other than the Corporate Trustee, it will

cause such paying agent to execute and deliver to the Corporate Trustee an instrument in which it shall agree with the Corporate Trustee, subject to the provisions of this Section 127, (1) that such paying agent shall hold in trust for the benefit of the bondholders or the Corporate Trustee all sums held by such paying agent for the payment of the principal of or interest on the bonds; and (2) that such paying agent shall give the Corporate Trustee notice of any default by the Obligor in the making of any deposit with it for the payment of the principal of or interest on the bonds and of any default by the Obligor in the making of any such payment. Such paying agent shall not be obligated to segregate such sums from other funds of such paying agent, except to the extent required by law.

(b) The Company covenants that if the Company acts as its own paying agent, it will, on or before each due date of the principal of or of any instalment of interest on the bonds, set aside and segregate and hold in trust for the benefit of the bondholders or the Corporate Trustee a sum sufficient to pay such principal or interest so becoming due on the bonds and will notify the Corporate Trustee of such action, or of any failure to take such action.

(c) Anything in this Section to the contrary notwithstanding, the Company may at any time, for the purpose of obtaining a release or satisfaction of this Indenture or for any other reason, pay or cause to be paid to the Corporate Trustee all sums held in trust by it or any paying agent as required by this Section, such sums to be held by the Corporate Trustee upon the trusts in this Indenture contained.

(d) Anything in this Section to the contrary notwithstanding, the holding of sums in trust as provided in this Section is subject to the provisions of Section 119 of this Indenture.

Section 128. In the case of conditions precedent provided for in this Indenture (including any covenants compliance with which constitutes a condition precedent) which relate to the authentication and delivery of bonds, to the release or the release and substitution of property subject to the lien of this Indenture, to

the satisfaction and discharge of this Indenture, or to any other action to be taken by the Corporate Trustee at the request or upon the application of the Company, the Company covenants to furnish to the Corporate Trustee, as evidence of compliance with such conditions precedent, in addition to or as a part of the certificates or opinions of officers of the Company or other persons required in such cases by the other applicable provisions of this Indenture:

(a) a Treasurer's Certificate stating that in the opinion of the persons making such certificate such conditions precedent have been complied with; and

(b) an Opinion of Counsel stating that in his or their opinion such conditions precedent have been complied with.

In any case where a Net Earning Certificate is required as a condition precedent to the authentication and delivery of bonds, such certificate shall also be made and signed by an independent public accountant selected or approved by the Corporate Trustee in the exercise of reasonable care, if the aggregate principal amount of bonds then applied for plus the aggregate principal amount of bonds authenticated and delivered hereunder since the commencement of the then current calendar year (other than those with respect to which a Net Earning Certificate is not required, or with respect to which a Net Earning Certificate made and signed by an independent public accountant has previously been furnished to the Corporate Trustee) is ten per centum (10%) or more of the aggregate amount of the bonds at the time Outstanding; but no Net Earning Certificate need be made and signed by any person other than the President or a Vice-President and an accountant, as to dates or periods not covered by annual reports required to be filed by the Company, in the case of conditions precedent which depend upon a state of facts as of a date or dates or for a period or periods different from that required to be covered by such annual reports but, in any event, one of the signers thereof shall be an accountant.

Section 129. Notwithstanding the provisions of Sections 37, 49, 59, 60 and 61 hereof, the Company covenants and agrees that, as hereinafter provided, it will furnish to the Corporate Trustee,

in addition to or as a part of certificates or opinions of officers of the Company or other persons required by the applicable provisions of this Indenture, the following certificates or opinions:

(a) In the event that the Company shall make application to the Corporate Trustee for the release from the lien of this Indenture of any property or any securities, the Company shall furnish to the Corporate Trustee a certificate or opinion of an engineer, appraiser, or other expert as to the fair value of such property or securities to be released, which certificate or opinion shall state that in the opinion of the person making the same the proposed release will not impair the security under this Indenture in contravention of the provisions thereof. If the fair value of such property or securities and of all other property or securities released since the commencement of the then current calendar year, as set forth in the certificates or opinions required by this subdivision (a), is ten per centum (10%) or more of the aggregate principal amount of the bonds outstanding under this Indenture at the time, such certificate or opinion shall be made by an independent engineer, appraiser, or other expert; provided, however, that such certificate or opinion of an independent engineer, appraiser, or other expert shall not be required in the case of any release of property or securities, if the fair value thereof as set forth in the certificate or opinion required by this subdivision (a) is less than Twenty-five Thousand Dollars ($25,000) or less than one per centum (1%) of the aggregate principal amount of the bonds Outstanding under this Indenture at the time.

(b) Notwithstanding the provisions of Sections 59 and 61 hereof, in the event that the deposit with the Corporate Trustee of any securities (other than bonds issued under this Indenture and securities secured by a lien prior to the Lien of this Indenture upon property subject to the Lien of this Indenture) is to be made the basis for the withdrawal of cash constituting a part of the trust estate or the release of property or securities subject to the Lien of this Indenture, the Company shall furnish to the Corporate Trustee a certificate or opinion of an engineer, appraiser, or other expert as to the fair value to the Company

of such securities. If the fair value to the Company of such securities and of all other such securities made the basis of any such withdrawal of cash or release of property or securities since the commencement of the then current calendar year, as set forth in the certificates or opinions required by this subdivision (b), is ten per centum (10%) or more of the aggregate principal amount of the bonds outstanding under this Indenture at the time, such certificate or opinion shall be made by an independent engineer, appraiser, or other expert; provided, however, that such a certificate of an independent engineer, appraiser, or other expert shall not be required with respect to any securities so deposited, if the fair value thereof to the Company as set forth in the certificate or opinion required by this subdivision (b) is less than Twenty-five Thousand Dollars ($25,000) or less than one per centum (1%) of the aggregate principal amount of bonds Outstanding under this Indenture at the time.

(c) If the Company shall make application to the Corporate Trustee for the authentication and delivery of bonds, the withdrawal of cash, constituting a part of the trust estate, or the release of property or securities subject to the lien of this Indenture, there shall be furnished to the Corporate Trustee, a certificate or opinion of an engineer, appraiser or other expert as to the fair value to the Company of any property the subjection of which to the Lien of this Indenture is to be made the basis for such authentication and delivery of bonds, withdrawal of cash or release of property or securities and if

(A) within six months prior to the date of acquisition thereof by the Company the property so subjected has been used or operated by a person or persons other than the Company, in a business similar to that in which it has been or is to be used by the Company, and

(B) the fair value to the Company of such property as set forth in such certificate or opinion is not less than Twenty-five Thousand Dollars ($25,000) and not less than one per centum (1%) of the aggregate principal amount of the bonds at the time outstanding,

such certificate or opinion shall be made by an independent engineer, appraiser or other expert and, in the case of the authentication and delivery of bonds, shall cover the fair value to the Company of any property so used or operated which has been so subjected to the Lien of this Indenture since the commencement of the then current year, and as to which a certificate or opinion of an independent engineer, appraiser or other expert has not previously been furnished.

(d) Any certificate or opinion required under the provisions of this Section may be made by an officer or employee of the Company who is an engineer, appraiser, accountant, or other expert, appointed by the Board of Directors of the Company and approved by the Corporate Trustee, except in cases in which this Section requires that such certificate or opinion be made by an independent person. In cases in which such certificate or opinion is required to be made by an independent person, such certificate or opinion shall be made by an engineer, appraiser, accountant, or other expert who is in fact independent and who is selected by the Company and approved by the Corporate Trustee in the exercise of reasonable care. The approval by the Corporate Trustee of the maker of such certificate or opinion shall be sufficiently evidenced by the acceptance of such certificate or opinion.

If, in any case within the provisions of this Section, a qualified officer or employee of the Company or an independent engineer, appraiser, accountant, or other expert is permitted or required by another applicable provision of this Indenture to make or join in the signing of a certificate with respect to the fair value of property or securities covered by the provisions of this Section, the certificate or opinion required under this Section may be incorporated into and included in such certificate or opinion required under such other applicable provision of this Indenture.

Section 130. The Company covenants and agrees that each certificate or opinion which is specifically required by the provisions of this Indenture to be delivered to the Corporate Trustee with respect to compliance with a condition or covenant provided for in

this Indenture shall, among other things, include (1) a statement that the person making such certificate or opinion has read such covenant or condition; (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (3) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and (4) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with.

ARTICLE XXI.

Bondholders' Lists and Reports by the Company and the Trustees.

Section 131. The second and third paragraphs of Section 43 of this Indenture are hereby deleted.

The Company covenants and agrees that it will furnish or cause to be furnished to the Corporate Trustee, between November 15 and December 1 and between May 15 and June 1, in each year, and at such other times as the Corporate Trustee may request in writing, a list in such form as the Corporate Trustee may reasonably require containing all the information in the possession or control of the Company or of its paying agents as to the names and addresses of the holders of bonds outstanding under this Indenture obtained since the date as of which the next previous list, if any, was furnished. Any such list may be dated as of a date not more than fifteen (15) days prior to the time such information is furnished or caused to be furnished, and need not include information received after such date.

Section 132. (a) The Corporate Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the holders of bonds outstanding under this Indenture (1) contained in the most recent list furnished to it as provided in Section 131 hereof, (2) received by it in the capacity of paying agent for the bonds, and (3) filed with

it within two preceding years pursuant to the provisions of paragraph (2) of subsection (c) of Section 134 hereof. The Corporate Trustee may (i) destroy any list furnished to it as provided in Section 131 hereof upon receipt of a new list so furnished; (ii) destroy any information received by it as paying agent upon delivering to itself as Corporate Trustee, not earlier than forty-five (45) days after an interest payment date of the bonds, a list containing the names and addresses of the holders of bonds obtained from such information since the delivery of the next previous list, if any; (iii) destroy any list delivered to itself as Corporate Trustee which was compiled from information received by it as paying agent upon the receipt of a new list so delivered; and (iv) destroy any information received by it pursuant to the provisions of paragraph (2) of subsection (c) of Section 134 hereof, but not until two years after such information has been filed with it.

(b) In case three or more holders of bonds (hereinafter referred to as "Applicants") apply in writing to the Corporate Trustee, and furnish to the Corporate Trustee reasonable proof that each such Applicant has owned a bond for a period of at least six months preceding the date of such application, and such application states that the Applicants desire to communicate with other holders of bonds with respect to their rights under this Indenture or under the bonds, and is accompanied by a copy of the form of proxy or other communication which such Applicants propose to transmit, then the Corporate Trustee shall, within five business days after the receipt of such application, at its election, either

(1) afford to such Applicants access to the information preserved at the time by the Corporate Trustee in accordance with the provisions of subsection (a) of this Section; or

(2) inform such Applicants as to the approximate number of holders of bonds whose names and addresses appear in the information preserved at the time by the Corporate Trustee, in accordance with the provisions of subsection (a) of this Section, and as to the approximate cost of mailing to such holders of bonds the form of proxy or other communication, if any, specified in such application.

If the Corporate Trustee shall elect not to afford to such Applicants access to such information, the Corporate Trustee shall, upon the written request of such Applicants, mail to each bondholder whose name and address appears in the information preserved at the time by the Corporate Trustee in accordance with the provisions of subsection (a) of this Section, a copy of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to the Corporate Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing, unless within five days after such tender the Corporate Trustee shall mail to such Applicants and file with the Securities and Exchange Commission together with a copy of the material to be mailed a written statement to the effect that, in the opinion of the Corporate Trustee, such mailing would be contrary to the best interests of the holders of bonds or would be in violation of applicable law. Such written statement shall specify the basis of such opinion. If said Commission, after opportunity for a hearing upon the objections specified in the written statement so filed, shall enter an order refusing to sustain any of such objections, or if, after the entry of an order sustaining one or more of such objections, said Commission shall find, after notice and opportunity for a hearing, that all the objections so sustained have been met, and shall enter an order so declaring, the Corporate Trustee shall mail copies of such material to all such bondholders with reasonable promptness after the entry of such order and the renewal of such tender; otherwise the Corporate Trustee shall be relieved of any obligation or duty to such Applicants respecting their application.

(c) Neither the Corporate Trustee, nor any paying agent shall be held accountable by reason of the disclosure of information as to names and addresses or mailing of any material pursuant to any request made under subsection (b) of this Section.

Section 133. The Company covenants and agrees

(1) to file with the Corporate Trustee, within fifteen (15) days after the Company is required to file the same with the Securities and Exchange Commission, copies of the annual

reports and of the information, documents, and other reports (or copies of such portions of any of the foregoing as such Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with such Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934; or, if the Company is not required to file information, documents, or reports pursuant to either of such sections, then to file with the Corporate Trustee and the Securities and Exchange Commission in accordance with rules and regulations prescribed from time to time by said Commission, such of the supplementary and periodic information, documents, and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(2) to file with the Corporate Trustee and the Securities and Exchange Commission, in accordance with the rules and regulations prescribed from time to time by said Commission, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants provided for in this Indenture as may be required from time to time by such rules and regulations, including, in the case of annual reports, if required by such rules and regulations, certificates or opinions of independent public accountants, conforming to the requirements of Section 130 hereof, as to compliance with conditions or covenants, compliance with which is subject to verification by accountants; but no such certificate or opinion shall be required as to (A) dates or periods not covered by annual reports required to be filed by the Company, in the case of conditions precedent which depend upon a state of facts as of a date or dates or for a period or periods different from that required to be covered by such annual reports or (B) the amount and value of property additions, except as provided in paragraph (c) of Section 129 hereof, or (C) the adequacy of depreciation, maintenance or repairs;

(3) to transmit to the holders of bonds, in the manner and to the extent provided in subsection (c) of Section 134 hereof, with respect to reports pursuant to subsection (a) of said Section 134, such summaries of any information, documents and reports required to be filed by the Company pursuant to subsections (1) and (2) of this Section as may be required by rules and regulations prescribed from time to time by the Securities and Exchange Commission; and

(4) to furnish to the Corporate Trustee (a) with or as a part of each annual report and each other document or report filed with the Corporate Trustee pursuant to subdivision (1) or subdivision (2) of this Section, a Treasurer's Certificate stating that in the opinion of the signers such annual report or other document or report complies with the requirements of such subdivision (1) or subdivision (2) and (b), after the Company shall have transmitted to the holders of bonds any summary of information, documents or reports pursuant to subdivision (3) of this Section, a Treasurer's Certificate stating that in the opinion of the signers such summary complies with the requirements of such subdivision (3).

Each certificate furnished to the Corporate Trustee pursuant to the provisions of this Section shall conform to the requirements of Section 130 hereof.

Section 134. (a) Each Trustee shall transmit, either jointly or severally as they may determine, within sixty (60) days after May 15 in each year to the bondholders as hereinafter in this Section provided, a brief report dated as of May 15 of each such year, with respect to

(1) its or his eligibility and qualifications under Section 102 and Section 143 hereof, or in lieu thereof, if to the best of its or his knowledge such Trustee has continued to be eligible and qualified under such Sections, a written statement to such effect;

(2) the character and amount of any advances (and if such Trustee elects so to state, the circumstances surrounding the

making thereof) made by such Trustee, as such, which remain unpaid on the date of such report, and for the reimbursement of which such Trustee claims or may claim a lien or charge, prior to that of the bonds, on the trust estate, or on property or funds held or collected by it or him as Trustee, provided that such Trustee shall not be required (but may elect) to state such advances, if such advances so remaining unpaid aggregate not more than one-half of one percentum (½ of 1%) of the principal amount of the bonds outstanding on the date of such report;

(3) the amount, interest rate, and maturity date of all other indebtedness owing by the Obligor to such Trustee in its or his individual capacity on the date of such report, with a brief description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in paragraphs (2), (3), (4) or (6) of subsection (b) of Section 144 of this Indenture;

(4) the property and funds physically in the possession of such Trustee, as such Trustee, on the date of such report;

(5) any release, or release and substitution, of property subject to the Lien of this Indenture, since the date of the First Supplemental Indenture, (and the consideration therefor, if any) which has not been previously reported, provided, however, that to the extent that the aggregate value as shown by the release papers of any or all of such released properties does not exceed an amount equal to one percentum (1%) of the principal amount of bonds then Outstanding, the report need only indicate the number of such releases, the total value of property released as shown by the release papers, the aggregate amount of cash received and the aggregate value of property received in substitution therefor as shown by the release papers;

(6) any additional issue of bonds which has not been previously reported; and

(7) any action taken by such Trustee in the performance of its or his duties under this Indenture, since the date of the First

Supplemental Indenture, which it or he has not previously reported and which in its or his opinion materially affects the bonds or the trust estate, except action in respect of a default, notice of which has been or is to be withheld in accordance with the provisions of Section 135 of this Indenture.

(b) Each Trustee shall transmit to the bondholders as hereinafter provided a brief report with respect to—

(1) the release, or release and substitution, of property subject to the Lien of this Indenture (and the consideration therefor, if any) unless the fair value of such property, as set forth in the certificate or opinion required by subsection (a) of Section 129 of this Indenture is less than ten per centum (10%) of the principal amount of bonds Outstanding at the time of such release, or such release and substitution, such report to be so transmitted within ninety (90) days after such time; and

(2) the character and amount of any advances (and if such Trustee elects so to state, the circumstances surrounding the making thereof) made by such Trustee, as such, since the date of the last report transmitted pursuant to the provisions of subsection (a) of this Section (or if no such report has yet been so transmitted, since the date of execution of the First Supplemental Indenture), for the reimbursement of which it or he claims or may claim a lien or charge, prior to that of the bonds on the trust estate or on property or funds held or collected by it or him as Trustee, and which it has not previously reported pursuant to this paragraph, provided that such Trustee shall not be required (but may elect) to state such advances, if such advances remaining unpaid at any time aggregate not more than ten per centum (10%) of the principal amount of bonds Outstanding at such time, such report to be transmitted within ninety (90) days after such time.

(c) Reports pursuant to this Section shall be transmitted by mail—

(1) to all registered holders of bonds, as the names and addresses of such holders appear upon the registration books of the Company;

(2) to such holders of bonds as have, within two years preceding such transmission, filed their names and addresses with the Corporate Trustee for that purpose; and

(3) except in the case of reports pursuant to subsection (b) of this Section, to each bondholder whose name and address is preserved at the time by the Corporate Trustee, as provided in subsection (a) of Section 132 hereof.

(d) A copy of each such report shall, at the time of such transmission to bondholders, be filed by the Trustee with each stock exchange upon which the bonds are listed and also with the Securities and Exchange Commission. The Company shall notify the Corporate Trustee of the name and address of each stock exchange on which the bonds are listed.

(e) The provisions of this Section which have been made specifically applicable to a Trustee, shall apply to the Corporate Trustee, the Individual Trustee, and, if a separate or co-trustee is appointed pursuant to Section 103 hereof, to any separate or co-trustee. Notwithstanding any of the provisions of this Section which require the Individual Trustee or any such separate or co-trustee to transmit reports to the bondholders and to file such reports with each stock exchange upon which the bonds are listed and also with the Securities and Exchange Commission, the Individual Trustee or any such separate or co-trustee may, if it so elects, furnish to the Corporate Trustee all information concerning himself or itself which he or it is required to report, and the Corporate Trustee shall transmit and file such information, in accordance with the provisions of this Section, on his or its behalf.

(f) For the purpose of this Section, all bonds which have been authenticated and delivered and not returned to the Corporate Trustee and cancelled, shall be deemed to be Outstanding.

(g) The Company hereby covenants and agrees to pay all expenses of the Trustees incurred in preparing, transmitting, filing and mailing reports pursuant to this Section.

The Opinion of Counsel provided for in Section 62 hereof shall state the amount of net proceeds received or to be received for the

property taken or purchased and the amount so stated shall be deemed to be the fair value of such property for the purpose of subdivision (b) of this Section.

Section 135. The Trustees shall, within ninety (90) days after the occurrence thereof, give to the holders of bonds, in the manner and to the extent provided in subsection (c) of Section 134 hereof, notice of all defaults known to the Trustees, unless such defaults shall have been cured before the giving of such notice (the term "defaults" for the purposes of this Section being hereby defined to be the events specified in Section 65 of this Indenture not including any periods of grace provided for in said Section 65); but in the case of any default, as specified in subdivision (e) of Section 65 hereof, no such notice shall be given until at least sixty (60) days after the occurrence thereof; provided that, except in the case of default in the payment of the principal of or interest on any of the bonds, or in the payment of any installment of any fund required to be applied to the purchase or redemption of any of the bonds hereby secured, the Corporate Trustee shall be protected in withholding such notice if and so long as the board of directors, executive committee, or a trust committee of directors and/or Responsible Officers, of the Corporate Trustee in good faith determines that the withholding of such notice is in the interest of the bondholders and the Individual Trustee and any separate or co-trustee shall be protected in withholding such notice if and so long as such Individual Trustee or separate or co-trustee in good faith determines that the withholding of such notice is in the interest of the bondholders.

The term *"Responsible Officers" of the Corporate Trustee* shall mean and include the chairman of the board of directors, the president, every vice-president, every assistant vice-president, every trust officer, the secretary, the treasurer, and every officer and assistant officer of the Corporate Trustee, other than those specifically above mentioned, to whom any corporate trust matter is referred because of his knowledge of, and familiarity with, a particular subject; and the term "Responsible Officer", as used in this Indenture, shall mean and include any of said officers.

ARTICLE XXII.

Section 136. If any provision of this Indenture limits, qualifies, or conflicts with another provision of this Indenture which has been required to be included pursuant to any requirements of Sections 310 to 317, inclusive, of the Trust Indenture Act of 1939, such required provision shall control.

The Trustees or either of them may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustees or either of them and of the bondholders allowed in any judicial proceedings relative to the Obligor, or its creditors, or its property. If any provision of Section 77 of this Indenture limits, qualifies, or conflicts with any provision of this paragraph, such provision of this paragraph shall control.

ARTICLE XXIII.

Concerning the Trustees.

Section 137. The Trustees undertake and, if a separate or co-trustee is appointed pursuant to Section 103 hereof, such separate or co-trustee undertakes, prior to a Completed Default, as defined in Section 65 hereof, and after the curing of all such Completed Defaults which may have occurred, to perform such duties and only such duties as are specifically set forth in this Indenture, and in case of such Completed Default (which has not been cured) to exercise such of the rights and powers vested in them by this Indenture, and to use the same degree of care and skill in their exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. For the purposes of this Section 137 and of Section 138 hereof a Completed Default shall be deemed cured when the act or omission or other event giving rise to such Completed Default shall have been cured, remedied or terminated or any such Completed Default shall have been waived as provided in this Indenture.

The Corporate Trustee, upon receipt of evidence furnished to it by or on behalf of the Company pursuant to any provision of

this Indenture, will examine the same to determine whether or not such evidence conforms to the requirements of this Indenture.

Section 138. No provision of this Indenture shall, or shall be construed to, relieve the Trustees or either of them from liability for their, its or his own negligent action, their, its or his own negligent failure to act or their, its or his own wilful misconduct except that:

(a) prior to a Completed Default, as defined in Section 65 hereof, and after the curing of all such Completed Defaults which may have occurred, the Trustees or either of them shall not be liable except for the performance of such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustees or either of them but the duties and obligations of the Trustees or either of them prior to a Completed Default, as defined in Section 65 hereof, and after the curing of all such Completed Defaults which may have occurred, shall be determined solely by the express provisions of this Indenture; and

(b) prior to a Completed Default, as defined in Section 65 hereof, and after the curing of all such Completed Defaults which may have occurred, and in the absence of bad faith on the part of the Trustees or either of them, the Trustees or either of them may conclusively rely as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions conforming to the requirements of this Indenture;

(c) no Trustee which is a corporation shall be personally liable for any error of judgment made in good faith by a Responsible Officer or Responsible Officers (as defined in Section 135 hereof) of such Trustee unless it shall be proved that such Trustee was negligent in ascertaining the pertinent facts and no Trustee who is an individual shall be personally liable for any error of judgment made in good faith by him unless it shall be proved that he was negligent in ascertaining the pertinent facts; and

(d) the Trustees or either of them shall not be personally liable with respect to any action taken or omitted to be taken

by them, it or him in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the bonds at the time Outstanding relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustees or either of them, or exercising any trust or power conferred upon the Trustees or either of them, under this Indenture.

The provisions of this Section, which have been made specifically applicable to the Trustees, shall apply to the Trustees and, if a separate or co-trustee is appointed pursuant to Section 103 hereof, to any separate or co-trustee.

Section 139. Sections 16, 37, 38, 41, 43 (as amended), 60, 86, 90, 91, 92, 94, 95, 103, 113 and 121 hereof shall be subject to Sections 137 and 138 hereof. The words "to the knowledge of the Corporate Trustee" are hereby deleted in all instances in which such words appear in Sections 59, 61 and 118 hereof and the words "to the knowledge of the Trustees or either of them" are hereby deleted in all instances in which such words appear in Section 60 hereof, and any punctuation immediately preceding or following such words is hereby deleted. The words ", nor shall the Trustees be otherwise answerable or accountable under any circumstances whatsoever, except for their own negligence or bad faith" are hereby deleted from Section 91 hereof.

Section 140. Nothing in this Indenture shall be deemed to modify the obligation of the Trustees to exercise, during the continuance of a Completed Default, as defined in Section 65 hereof, the rights and powers vested in it by this Indenture with the degree of care and skill specified in Section 137 hereof.

Section 141. The certificate provided for in Section 98 of this Indenture to prove or establish a matter shall be full warrant to the Trustees or the Corporate Trustee for any action taken or suffered by them or it under the provisions hereof upon the faith thereof only prior to a Completed Default as defined in Section 65 hereof, or after all such Completed Defaults have been cured.

Section 142. None of the provisions contained in this Indenture shall require the Trustees or either of them to expend or risk

their, its or his own funds or otherwise incur personal financial liability in the performance of any of their, its or his duties or in the exercise of any of their, its or his rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to them, it or him.

Section 99 of this Indenture is hereby deleted.

Subject to the provisions of Section 143 and Section 144, hereof, the Corporate Trustee, Individual Trustee or other trustee hereunder and any successor hereafter appointed may each acquire and hold bonds and coupons secured by this Indenture in the same manner and to the same extent and with like effect as though they, he or it were not a Corporate Trustee, Individual Trustee or other trustee hereunder.

Section 143. (a) If any Trustee has or acquires any conflicting interest, as defined by subsection (d) of this Section, such Trustee shall, within ninety (90) days after ascertaining that it has such conflicting interest, either eliminate such conflicting interest or resign by giving written notice to the Company, but such resignation shall not become effective until the appointment of a successor trustee and such successor's acceptance of such appointment. The Company covenants to take prompt steps to have a successor appointed in the manner provided in Section 102 hereof. Upon giving such notice of resignation, the resigning Trustee shall publish notice thereof in one newspaper printed in the English language and customarily published on each business day and of general circulation in the Borough of Manhattan, The City of New York, once in each of three successive calendar weeks, in each case on any business day of the week. If the resigning Trustee fails to publish such notice within ten days after giving written notice of its resignation to the Company, the Company shall publish such notice.

(b) In the event that any Trustee shall fail to comply with the provisions of subsection (a) of this Section, such Trustee shall, within ten days after the expiration of such ninety (90) day period, transmit notice of such failure to the bondholders in the manner and to the extent provided in subsection (c) of Section 134 of this

Indenture with respect to reports pursuant to subsection (a) of said Section 134.

(c) Any bondholder who has been, for at least six months, a bona fide holder of one or more bonds may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of any Trustee, and the appointment of a successor, if such Trustee fails, after written request therefor by such holder, to comply with the provisions of subsection (a) of this Section.

(d) A Trustee shall be deemed to have a conflicting interest if—

(1) such Trustee is trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the Obligor, are outstanding unless such other indenture is a collateral trust indenture under which the only collateral consists of bonds issued under this Indenture, provided that there shall be excluded from the operation of this paragraph (1) any indenture or indentures under which other securities, or certificates of interest or participation in other securities, of the Obligor are outstanding, if the Obligor shall have sustained the burden of proving, on application to the Securities and Exchange Commission and after opportunity for hearing thereon, that trusteeship under this Indenture and such other indenture is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify such Trustee from acting as such under one of such indentures;

(2) such Trustee or any of its directors or executive officers is the obligor upon the bonds or an underwriter for the Obligor;

(3) such Trustee directly or indirectly controls or is directly or indirectly controlled by or is under direct or indirect common control with the Obligor or an underwriter for the Obligor;

(4) such Trustee or any of its directors or executive officers is a director, officer, partner, employee, appointee, or representative of the Obligor, or of an underwriter (other than such Trustee

itself) for the Obligor who is currently engaged in the business of underwriting, except that (A) one individual may be a director and/or an executive officer of such Trustee and a director and/or an executive officer of the Obligor, but may not be at the same time an executive officer of both a Trustee and the Obligor; (B) if and so long as the number of directors of a Trustee in office is more than nine, one additional individual may be a director and/or an executive officer of such Trustee and a director of the Obligor; and (C) any Trustee may be designated by the Obligor or by any underwriter for the Obligor, to act in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent, or depositary, or in any other similar capacity, or, subject to the provisions of paragraph (1) of this subsection, to act as trustee, whether under an indenture or otherwise;

(5) ten per centum (10%) or more of the voting securities of such Trustee is beneficially owned either by the Obligor or by any director, partner or executive officer thereof, or twenty per centum (20%) or more of such voting securities is beneficially owned, collectively, by any two or more of such persons; or ten per centum (10%) or more of the voting securities of such Trustee is beneficially owned either by an underwriter for the Obligor or by any director, partner or executive officer thereof, or is beneficially owned, collectively, by any two or more such persons;

(6) such Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default as hereinafter in this Section defined, (A) five per centum (5%) or more of the voting securities, or ten per centum (10%) or more of any other class of security, of the Obligor, not including the bonds issued under this Indenture and securities issued under any other indenture under which such Trustee is also trustee, or (B) ten per centum (10%) or more of any class of security of an underwriter for the Obligor;

(7) such Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default as hereinafter in this Section defined, five per centum (5%) or more of the voting securities of any person who, to the knowledge of such Trustee, owns ten per centum (10%) or more of the voting secu-

rities of, or controls directly or indirectly or is under direct or indirect common control with the Obligor;

(8) such Trustee is the beneficial owner of or holds as collateral security for an obligation which is in default as hereinafter in this Section defined, ten per centum (10%) or more of any class of security of any person who, to the knowledge of such Trustee, owns fifty per centum (50%) or more of the voting securities of the Obligor; or

(9) such Trustee owns on May 15 in any calendar year, in the capacity of executor, administrator, testamentary or *inter vivos* trustee, guardian, committee or conservator, or in any other similar capacity, an aggregate of twenty-five per centum (25%) or more of the voting securities, or of any class of security, of any person, the beneficial ownership of a specified percentage of which would have constituted a conflicting interest under paragraph (6), (7), or (8) of this subsection. As to any such securities of which such Trustee acquired ownership through becoming executor, administrator, or testamentary trustee of an estate which included them, the provisions of the preceding sentence shall not apply, for a period of two years from the date of such acquisition, to the extent that such securities included in such estate do not exceed twenty-five per centum (25%) of such voting securities or twenty-five per centum (25%) of any such class of security. Promptly after May 15, in each calendar year, such Trustee shall make a check of its holdings of such securities in any of the above-mentioned capacities as of May 15. If the Obligor fails to make payment in full of principal or interest upon the bonds when and as the same become due and payable, and such failure continues for thirty (30) days thereafter, such Trustee shall make a prompt check of its holdings of such securities in any of the above-mentioned capacities as of the date of the expiration of such thirty-day period, and after such date, notwithstanding the foregoing provisions of this paragraph, all such securities so held by such Trustee, with sole or joint control over such securities vested in it, shall, but only so long as such failure shall continue, be considered as though beneficially owned by such Trustee, for the purposes of paragraphs (6), (7), and (8) of this subsection.

The specifications of percentages in paragraphs (5) to (9), inclusive, of this subsection shall not be construed as indicating that the ownership of such percentages of the securities of a person is or is not necessary or sufficient to constitute direct or indirect control for the purposes of paragraph (3) or (7) of subsection (d) of this Section.

For the purposes of paragraphs (6), (7), (8), and (9) of subsection (d) of this Section only, (A) the terms "security" and "securities" shall include only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay moneys lent to a person by one or more banks, trust companies, or banking firms, or any certificate of interest or participation in any such note or evidence of indebtedness; (B) an obligation shall be deemed to be in default when a default in payment of principal shall have continued for thirty (30) days or more and shall not have been cured; and (C) a Trustee shall not be deemed to be the owner or holder of (i) any security which it holds as collateral security (as trustee or otherwise) for an obligation which is not in default as above defined, or (ii) any security which it holds as collateral security under this Indenture, irrespective of any default hereunder, or (iii) any security which it holds as agent for collection, or as custodian, escrow agent or depositary, or in any similar representative capacity.

For the purposes of this Section the term "underwriter" when used with reference to the Obligor means every person, who, within three years prior to the time as of which the determination is made, has purchased from the Obligor with a view to, or has sold for the Obligor in connection with, the distribution of any security of the Obligor outstanding at such time, or has participated or has had a direct or indirect participation in any such undertaking, or has participated or has had a participation in the direct or indirect underwriting of any such undertaking; but such term shall not include a person whose interest was limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors' or sellers' commission.

The percentages of voting securities and other securities specified in this Section shall be calculated in accordance with the following provisions:

(i) A specified percentage of the voting securities of any Trustee, the Obligor or any other person referred to in this Section (each of whom is referred to as a "person" in this paragraph) means such amount of the outstanding voting securities of such person as entitles the holder or holders thereof to cast such specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such person are entitled to cast in the direction or management of the affairs of such person.

(ii) A specified percentage of a class of securities of a person means such percentage of the aggregate amount of securities of the class outstanding.

(iii) The term "amount", when used in regard to securities, means the principal amount if relating to evidences of indebtedness, the number of shares if relating to capital shares, and the number of units if relating to any other kind of security.

(iv) The term "outstanding" means issued and not held by or for the account of the issuer. The following securities shall not be deemed outstanding within the meaning of this definition:

(w) Securities of an issuer held in a sinking fund relating to securities of the issuer of the same class;

(x) Securities of an issuer held in a sinking fund relating to another class of securities of the issuer, if the obligation evidenced by such other class of securities is not in default as to principal or interest or otherwise;

(y) Securities pledged by the issuer thereof as security for an obligation of the issuer not in default as to principal or interest or otherwise;

(z) Securities held in escrow if placed in escrow by the issuer thereof;

provided, however, that any voting securities of an issuer shall be deemed outstanding if any person other than the issuer is entitled to exercise the voting rights thereof.

(v) A security shall be deemed to be of the same class as another security if both securities confer upon the holder or holders thereof substantially the same rights and privileges; provided, however, that, in the case of secured evidences of indebtedness, all of which are issued under a single indenture, differences in the interest rates or maturity dates of various series thereof shall not be deemed sufficient to constitute such series different classes; and provided, further, that, in the case of unsecured evidences of indebtedness, differences in the interest rates or maturity dates thereof shall not be deemed sufficient to constitute them securities of different classes, whether or not they are issued under a single indenture.

The provisions of this Section which have been made specifically applicable to a Trustee, shall apply to the Corporate Trustee, the Individual Trustee and, if a separate or co-trustee is appointed pursuant to Section 103 hereof, to any separate or co-trustee, except that in case of the resignation of a separate or co-trustee the appointment of a successor shall (subject to the provisions of subdivision (c) of this Section) be governed by the provisions of Section 103 hereof.

Section 144. (a) Subject to the provisions of subsection (b) of this Section, if any Trustee shall be, or shall become, a creditor, directly or indirectly, secured or unsecured, of the Obligor within four months prior to a default as defined in the last paragraph of this subsection, or subsequent to such a default, then, unless and until such default shall be cured, such Trustee shall set apart and hold in a special account for the benefit of such Trustee individually and the holders of the bonds and the holders of any other indenture securities (as in the last paragraph of this subsection (a) defined)

(1) an amount equal to any and all reductions in the amount due and owing upon any claim as such creditor in respect of principal or interest, effected after the beginning of such four months' period and valid as against the Obligor and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in paragraph (2) of

this subsection (a), or from the exercise of any right of set-off which such Trustee could have exercised if a petition in bankruptcy had been filed by or against the Obligor upon the date of such default; and

(2) all property received in respect of any claim as such creditor, either as security therefor, or in satisfaction or composition thereof, or otherwise, after the beginning of such four months' period, or an amount equal to the proceeds of any such property, if disposed of, subject, however, to the rights, if any, of the Obligor and its other creditors in such property or such proceeds.

Nothing herein contained, however, shall affect the right of a Trustee

(A) to retain for its or his own account (i) payments made on account of any such claim by any person (other than the Obligor) who is liable thereon, and (ii) the proceeds of the bona fide sale of any such claim by such Trustee to a third person, and (iii) distributions made in cash, securities, or other property in respect of claims filed against the Obligor in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law;

(B) to realize, for its or his own account, upon any property held by it or him as security for any such claim, if such property was so held prior to the beginning of such four months' period;

(C) to realize, for its or his own account, but only to the extent of the claim hereinafter mentioned, upon any property held by it or him as security for any such claim, if such claim was created after the beginning of such four months' period and such property was received as security therefor simultaneously with the creation thereof, and if such Trustee shall sustain the burden of proving that at the time such property was so received such Trustee had no reasonable cause to believe that a default as defined in the last paragraph of this subsection would occur within four months; or

(D) to receive payment on any claim referred to in paragraph (B) or (C), against the release of any property held as

security for such claim as provided in paragraph (B) or (C), as the case may be, to the extent of the fair value of such property.

For the purposes of paragraphs (B), (C), and (D), property substituted after the beginning of such four months' period for property held as security at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the property released, and, to the extent that any claim referred to in any such paragraphs is created in renewal of or in substitution for or for the purpose of repaying or refunding any preexisting claim of a Trustee as such creditor, such claim shall have the same status as such preexisting claim.

If a Trustee shall be required to account, the funds and property held in such special account and the proceeds thereof shall be apportioned between such Trustee, the bondholders and the holders of other indenture securities in such manner that such Trustee, the bondholders and the holders of other indenture securities realize, as a result of payments from such special account and payments of dividends on claims filed against the Obligor in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law, the same percentage of their respective claims, figured before crediting to the claim of such Trustee anything on account of the receipt by it or him from the Obligor of the funds and property in such special account and before crediting to the respective claims of such Trustee, the bondholders, and the holders of other indenture securities dividends on claims filed against the Obligor in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law, but after crediting thereon receipts on account of the indebtedness represented by their respective claims from all sources other than from such dividends and from the funds and property so held in such special account. As used in this paragraph, with respect to any claim, the term "dividends" shall include any distribution with respect to such claim, in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law, whether such distribution is made in cash, securities, or other property, but shall not include any such distribution with respect to the secured portion, if any, of such claim. The court in which

such bankruptcy, receivership or proceeding for reorganization is pending shall have jurisdiction (i) to apportion between such Trustee, the bondholders, and the holders of other indenture securities, in accordance with the provisions of this paragraph, the funds and property held in such special account and the proceeds thereof, or (ii) in lieu of such apportionment, in whole or in part, to give to the provisions of this paragraph due consideration in determining the fairness of the distributions to be made to such Trustee, the bondholders, and the holders of other indenture securities, with respect to their respective claims, in which event it shall not be necessary to liquidate or to appraise the value of any securities or other property held in such special account or as security for any such claim, or to make a specific allocation of such distributions as between the secured and unsecured portions of such claims, or otherwise to apply the provisions of this paragraph as a mathematical formula.

Any Trustee who has resigned or been removed after the beginning of such four months' period shall be subject to the provisions of this subsection as though such resignation or removal had not occurred. If any Trustee has resigned or been removed prior to the beginning of such four months' period, it or he shall be subject to the provisions of this subsection if and only if the following conditions exist—

(i) the receipt of property or reduction of claim which would have given rise to the obligation to account, if such Trustee had continued as trustee, occurred after the beginning of such four months' period; and

(ii) such receipt of property or reduction of claim occurred within four months after such resignation or removal.

As used in this Section, the term "default" means any failure to make payment in full of the principal of or interest upon the bonds or upon any other indenture securities when and as such principal or interest becomes due and payable; and the term "other indenture securities" means securities upon which the Obligor is an obligor (as defined in the Trust Indenture Act of 1939) outstanding under any other indenture (a) under which such Trustee

is also trustee, (b) which contains provisions substantially similar to the provisions of this subsection (a), and (c) under which a default exists at the time of the apportionment of the funds and property held in said special account.

(b) There shall be excluded from the operation of subsection (a) of this Section a creditor relationship arising from—

(1) the ownership or acquisition of securities issued under any indenture, or any security or securities having a maturity of one year or more at the time of acquisition by such Trustee;

(2) advances authorized by a receivership or bankruptcy court of competent jurisdiction, or by this Indenture for the purpose of preserving the property subject to the Lien of this Indenture or of discharging tax liens or other prior liens or encumbrances on the trust estate, if notice of such advance and of the circumstances surrounding the making thereof is given to the bondholders, as provided in subsections (a), (b) and (c) of Section 134 of this Indenture with respect to advances by any Trustee as such;

(3) disbursements made in the ordinary course of business in the capacity of trustee under an indenture, transfer agent, registrar, custodian, paying agent, fiscal agent or depositary, or other similar capacity;

(4) an indebtedness created as a result of services rendered or premises rented; or an indebtedness created as a result of goods or securities sold in a cash transaction, as defined in the last paragraph of this subsection (b);

(5) the ownership of stock or of other securities of a corporation organized under the provisions of Section 25(a) of the Federal Reserve Act, as amended, which is directly or indirectly a creditor of the Obligor; or

(6) the acquisition, ownership, acceptance, or negotiation of any drafts, bills of exchange, acceptances or obligations which fall within the classification of self-liquidating paper, as defined in the last paragraph of this subsection.

As used in this Section, the term "security" shall have the meaning assigned to such term in the Securities Act of 1933, as amended and in force on the date of the execution of the First Supplemental Indenture; the term "cash transaction" shall mean any transaction in which full payment for goods or securities sold is made within seven days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable on demand; the term "self-liquidating paper" shall mean any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred by the Obligor for the purpose of financing the purchase, processing, manufacture, shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of or a lien upon, the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security, provided the security is received by such Trustee simultaneously with the creation of the creditor relationship with the Obligor arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation; and the term "Trustee" shall include the Corporate Trustee, the Individual Trustee and any separate trustee or co-trustee appointed pursuant to Section 103 hereof.

Section 145. In case at any time the Corporate Trustee or the Individual Trustee shall cease to be eligible in accordance with the provisions of Section 143, then such Trustee shall resign immediately in the manner and with the effect in Section 100 hereof provided; and, in the event that it or he does not resign immediately in such case, then it or he may be removed forthwith as provided in Section 101 hereof.

The third paragraph of Section 102 of this Indenture is hereby amended to read as follows:

"Any Corporate Trustee (whether or not appointed under the provisions of this Section in succession to the Corporate Trustee or succeeding the Corporate Trustee under Section 105 hereof) shall be a corporation and shall be a trust company organized under the laws of the State of New York and doing business in the Borough of Manhattan, The City of New York, or a national

banking association organized and doing business under the laws of the United States and doing business in the Borough of Manhattan, The City of New York, having a capital and surplus aggregating at least Five Million Dollars ($5,000,000) and which (A) is authorized under such laws to exercise corporate trust powers, and (B) is subject to supervision or examination by Federal or State authority."

The Company covenants that, whenever necessary to avoid or fill a vacancy in the office of Corporate Trustee, the Company will in the manner provided in Section 102 hereof appoint a Corporate Trustee so that there shall at all times be a Corporate Trustee under this Indenture, qualified under the provisions of Section 102 hereof.

Every separate trustee, every co-trustee and every successor trustee, other than any trustee which may be appointed as successor to the Corporate Trustee, shall, to the extent permitted by law, but to such extent only, be appointed subject to the following provisions and conditions, namely: the rights, powers, duties and obligations conferred or imposed upon trustees hereunder or any of them shall be conferred or imposed upon and exercised or performed by the Corporate Trustee, or the Corporate Trustee and such separate trustee or separate trustees or co-trustee or co-trustees jointly, as shall be provided in the instruments and agreements appointing such separate trustee or separate trustees or co-trustee or co-trustees, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Corporate Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed by such separate trustee or separate trustees or co-trustee or co-trustees.

Section 146. For all purposes of this Indenture, the term "Obligor" shall mean the Company and any other obligor on the bonds secured hereby. For all purposes of the first paragraph of Section 77 hereof, the term "Company" shall mean "Obligor".

ARTICLE XXIV.

Miscellaneous Provisions.

Section 147. Wherever reference is made in this Indenture to the Trust Indenture Act of 1939, reference is made to such Act as it was in force on the date of the execution of the First Supplemental Indenture.

Section 148. Notwithstanding any other provision of this Indenture, the right of any holder of any bond to receive payment of the principal of and interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such holder.

Section 149. Section 108 of this Indenture is hereby amended by deleting the words "to each holder of any bond then Outstanding hereunder payable to bearer whose name and address appear on the last list of bondholders furnished to the Corporate Trustee by the Company pursuant to the provisions of Section 43 hereof" and by inserting in lieu thereof the following: "to all other holders of bonds then Outstanding hereunder the names and addresses of whom are then preserved by the Corporate Trustee as required by the provisions of Section 132 hereof", and Section 112 of this Indenture is hereby amended by deleting the words "to each holder of any bond then Outstanding hereunder payable to bearer whose name and address appear upon the last list of bondholders furnished to the Corporate Trustee by the Company pursuant to the provisions of Section 43 hereof" and by inserting in lieu thereof the following: "to all other holders of bonds then Outstanding hereunder the names and addresses of whom are then preserved by the Corporate Trustee as required by the provisions of Section 132 hereof".

Notwithstanding the provisions of Section 113 hereof, no modification or alteration permitted by said Section 113 shall, without the consent of the holder of any bond issued hereunder affected thereby, impair or affect the right of such holder to receive payment of the principal of (and premium, if any) and interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates.

Any instrument supplemental to this Indenture executed pursuant to the provisions of Section 115 hereof shall comply with all applicable provisions of the Trust Indenture Act of 1939 as in force on the date of the execution of such supplemental indenture.

The Company reserves the right without any consent or other action by holders of bonds of the Second Series or of any subsequent series to make such amendments of this Indenture as shall be necessary from time to time in order to qualify this Indenture under the Trust Indenture Act of 1939 as in force on the date of the making of any such amendment, provided that no such amendment shall, without the consent of the holder of any bond issued under this Indenture affected thereby, impair or affect the right of such holder to receive payment of the principal of (and premium, if any) and interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates, or permit the creation of any lien ranking prior to, or on a parity with, the Lien of this Indenture with respect to any of the property mortgaged and pledged thereunder or permit the deprivation of such bondholder of a lien upon the Mortgaged and Pledged Property for the security of his bonds (subject only to the lien of taxes for the then current year, the lien of taxes, assessments or governmental charges not then due and delinquent and to any mortgage or other liens existing upon said property which are prior to this Indenture at the time of such amendment), and the holders and owners of any bonds of the Second Series or any subsequent series outstanding under this Indenture by acceptance of such bonds, agree and consent to the making of any such amendments.

ARTICLE XXV.

Further Amendments Effective When Bonds of First Series Retired.

Effective from and after the time all bonds of the First Series shall have ceased to have been Outstanding, as defined in Section 2 hereof, (a) Sections 37, 38, 41, 43, 65, 68, 92, 95 and 108 hereof are hereby amended so that wherever the figure "twenty-five per centum (25%)" or "fifteen per centum (15%)" appears therein such figure is deleted and there is substituted therefor the words "a majority", and (b) this Indenture shall be amended by adding to Article XXIV thereof the following new Section:

"Section 150. Notwithstanding any other provisions of this Indenture to the contrary, including but not limited to the provisions of Sections 65, 69 and 113 hereof, in determining whether the holders of the required principal amount of bonds have concurred or participated in any direction or consent under any provisions hereof with respect to the time, method, and place of conducting any proceeding for any remedy available to the Corporate Trustee hereunder, or exercising any trust or power conferred upon the Corporate Trustee hereunder, or with respect to the waiver on behalf of the holders of all bonds outstanding hereunder, of any Completed Default and its consequences, bonds owned by any Obligor upon the bonds, or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with any such Obligor, shall be disregarded, except that for the purposes of determining whether the Corporate Trustee shall be protected in relying on any such direction or consent, only bonds which such Corporate Trustee knows are so owned shall be so disregarded. Bonds so owned which have been pledged in good faith may be regarded as outstanding for the purposes of this paragraph if the pledgee establishes to the satisfaction of the Corporate Trustee the pledgee's right to vote or give consents with respect to such bonds and that the pledgee is not a person directly or indirectly

controlling or controlled by or under direct or indirect common control with any Obligor upon the bonds. In case of a dispute as to such right, any decision by the Corporate Trustee taken upon the advice of counsel shall be full protection to the Corporate Trustee."

In Witness Whereof, on this 3rd day of October, 1952, The Washington Water Power Company, party hereto of the first part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and City Bank Farmers Trust Company, one of the parties hereto of the second part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries, and Ralph E. Morton, one of the parties hereto of the second part, has for all like purposes hereunto set his hand and affixed his seal, all in The City of New York, New York, as of the day and year first above written.

The Washington Water Power Company,

By.....

Attest: *President.*

.....

Secretary.

Executed, sealed and delivered by The Washington Water Power Company, in the presence of:

.....

.....

CITY BANK FARMERS TRUST COMPANY,
As Trustee.

By.....
Vice-President.

Attest:

.....
Assistant Secretary.

Executed, sealed and delivered by CITY BANK FARMERS TRUST COMPANY, in the presence of:

.....

.....

.....(L. S.)
RALPH E. MORTON

Executed, sealed and delivered by RALPH E. MORTON, in the presence of:

.....

.....

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 3rd day of October, 1952, before me personally appeared K. M. ROBINSON, to me known to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 3rd day of October, in the year 1952, before me, ALICE M. POWELL, a Notary Public in and for the State and County aforesaid, personally appeared K. M. ROBINSON, known to me to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

.....
Notary Public.

ALICE M. POWELL
Notary Public, State of New York
Qualified in Queens County
No. 41-3145500
Cert. filed in Queens, New York
Kings & Westchester
Register's Office-Queens, N. Y. & Kings
Commission Expires March 30, 1953

Residing at Jackson Heights, N. Y.

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On the 3rd day of October, 1952, before me personally appeared GEO. J. KENNY, to me known to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 3rd day of October, in the year 1952, before me, FRANCIS M. PITT, a Notary Public in and for the State and County aforesaid, personally appeared GEO. J. KENNY, known to me to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

Notary Public

FRANCIS M. PITT
Notary Public, State of New York
No. 44-3111800
Qualified in Rockland County
Certificates filed in offices of
County Clerk and Register, New York County
Term Expires March 30, 1953

Residing at Pearl River, N. Y.

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On this 3rd day of October, in the year 1952, before me FRANCIS M. PITT, a Notary Public in and for the State and County aforesaid, personally appeared RALPH E. MORTON, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me RALPH E. MORTON, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 3rd day of October, 1952.

Notary Public

FRANCIS M. PITT
Notary Public, State of New York
No. 44-3111800
Qualified in Rockland County
Certificates filed in offices of
County Clerk and Register, New York County
Term Expires March 30, 1953

Residing at Pearl River, N. Y.

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

K. M. ROBINSON, being duly sworn, deposes and says that he is the President of THE WASHINGTON WATER POWER COMPANY, the Mortgagor named in the foregoing instrument, and makes this affidavit for and on its behalf; that said instrument is made in good faith and without any design to hinder, delay or defraud creditors.

.....

Subscribed and sworn to before me
this 3rd day of October, 1952.

.....

Notary Public

ALICE M. POWELL
Notary Public, State of New York
Qualified in Queens County
No. 41-3145500
Cert. filed in Queens, New York
Kings & Westchester
Register's Office-Queens, N. Y. & Kings
Commission Expires March 30, 1953

Residing at Jackson Heights, N. Y.

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

GEO. J. KENNY, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that said mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000), subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without design to hinder, delay or defraud creditors, and that he makes this affidavit on behalf of said City Bank Farmers Trust Company.

.....

Subscribed and sworn to before me
this 3rd day of October, 1952.

.....

Notary Public

FRANCIS M. PITT
Notary Public, State of New York
No. 44-3111800
Qualified in Rockland County
Certificates filed in offices of
County Clerk and Register, New York County
Term Expires March 30, 1953

Residing at Pearl River, N. Y.

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

RALPH E. MORTON, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and trustees named in the foregoing mortgage and deed of trust; that the mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000), subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without any design to hinder, delay or defraud creditors.

.....

Subscribed and sworn to before me
this 3rd day of October, 1952.

.....

Notary Public

FRANCIS M. PITT
Notary Public, State of New York
No. 44-3111800
Qualified in Rockland County
Certificates filed in offices of
County Clerk and Register, New York County
Term Expires March 30, 1953

Residing at Pearl River, N. Y.

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

GEO. J. KENNY, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust and that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

.....

Subscribed and sworn to before me
this 3rd day of October, 1952.

.....

Notary Public

FRANCIS M. PITT
Notary Public, State of New York
No. 44-3111800
Qualified in Rockland County
Certificates filed in offices of
County Clerk and Register, New York County
Term Expires March 30, 1953

Residing at Pearl River, N. Y.

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

RALPH E. MORTON, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

.....

Subscribed and sworn to before me
this 3rd day of October, 1952.

.....

Notary Public

FRANCIS M. PITT
Notary Public, State of New York
No. 44-3111800
Qualified in Rockland County
Certificates filed in offices of
County Clerk and Register, New York County
Term Expires March 30, 1953

Residing at Pearl River, N. Y.

RECEIPT

The undersigned, THE WASHINGTON WATER POWER COMPANY, the mortgagor in the foregoing mortgage and deed of trust, hereby acknowledges surrender, without cost, by the mortgagees and trustees to the undersigned at the time of the execution of the foregoing mortgage and deed of trust of a correct copy of said original mortgage and deed of trust, as signed, with the acknowledgments shown thereon, and acknowledges receipt thereof.

Dated this 3rd day of October, 1952.

THE WASHINGTON WATER POWER COMPANY

By .....
President.

Attest:

.....
Secretary.

I, E. B. Talkington, Assistant Secretary of The Washington Water Power Company, hereby certify that the following is a true and complete copy of the First Supplemental Indenture, dated as of October 1, 1952, of The Washington Water Power Company and that said Indenture is in full force and effect as of this 18th day of November, 1952.

WITNESS my hand and the seal of said Company, at Spokane, Washington, this 18th day of November, 1952.

E B Talkington

Assistant Secretary of
The Washington Water Power Company

THE WASHINGTON WATER POWER COMPANY

TO

CITY BANK FARMERS TRUST COMPANY

AND

RALPH E. MORTON

TRUSTEES

Mortgage and Deed of Trust

Dated as of June 1, 1939

96 2179
Complete book filmed

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INDENTURE, dated as of the 1st day of June, 1939, made and entered into by and between THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington (hereinafter sometimes called the Company), party of the first part, and CITY BANK FARMERS TRUST COMPANY, a corporation of the State of New York, whose post office address is 22 William Street, New York, New York (hereinafter sometimes called the Corporate Trustee), and RALPH E. MORTON (hereinafter sometimes called the Individual Trustee), as Trustees, parties of the second part, (the Corporate Trustee and the Individual Trustee being hereinafter together sometimes called the Trustees); Parties*

WHEREAS, the Company has deemed it necessary to borrow money for its corporate purposes and to issue its bonds therefor from time to time in one or more series, and to mortgage and pledge its property hereinafter described or mentioned, to secure the payment of the same, such bonds to be coupon bonds and/or fully registered bonds, authenticated by the certificate of the Corporate Trustee and issuable as in this Indenture hereinafter provided, such coupon bonds, coupons, fully registered bonds and Corporate Trustee's certificate to be substantially in the forms following, respectively, with such insertions, omissions and variations as the Board of Directors of the Company may determine in accordance with the provisions of this Indenture: Recitals

Description of bonds

[GENERAL FORM OF COUPON BOND] General form of coupon bond

THE WASHINGTON WATER POWER COMPANY

..... MORTGAGE BOND

No. .... Series ..... $.....

THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington (hereinafter called the Company), for value received, hereby promises to pay to the bearer, or, if this bond be registered, to the registered owner hereof, on .....,.....,

* The marginal notes were not a part of the Mortgage as executed.

at the office or agency of the Company in.....,
.....dollars in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts, and to pay interest thereon from the date hereof at the rate of ..... per centum per annum in like coin or currency at said office or agency on ..... and ..... in each year, until the Company's obligation with respect to the payment of such principal shall have been discharged. Until maturity, such interest shall be paid only upon presentation and surrender of the interest coupons therefor hereto attached as they severally mature.

This bond is one of an issue of bonds of the Company issuable in series and is one of a series known as its ..... Mortgage Bonds, ... Series ....., all bonds of all series issued and to be issued under and equally secured (except in so far as any sinking or other fund, established in accordance with the provisions of the Mortgage hereinafter mentioned, may afford additional security for the bonds of any particular series) by a Mortgage and Deed of Trust (herein, together with any indenture supplemental thereto, called the Mortgage), dated as of June 1, 1939, executed by the Company to City Bank Farmers Trust Company, and Ralph E. Morton, as Trustees. Reference is made to the Mortgage for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of the bonds and of the Trustees in respect thereof, the duties and immunities of the Trustees and the terms and conditions upon which the bonds are and are to be secured and the circumstances under which additional bonds may be issued. With the consent of the Company and to the extent permitted by and as provided in the Mortgage, the rights and obligations of the Company and/or the rights of the holders of the bonds and/or coupons and/or the terms and provisions of the Mortgage may be modified or altered by affirmative vote of the holders of at least seventy-five per centum (75%) in principal amount of the bonds then outstanding under the Mortgage and, if the rights of one or more, but less than all, series of bonds then outstanding are to be affected, then also by affirmative vote of the holders of at least seventy-five per centum (75%) in principal amount of the series of bonds so to be affected (excluding in any case bonds challenged and disqualified from voting by reason of the Company's interest therein

as provided in the Mortgage); provided that, without the consent of the holder hereof, no such modification or alteration shall permit an extension of the maturity of the principal of, or interest on, this bond or a reduction in such principal or the rate of interest hereon or any other modification in the terms of payment of such principal or interest or the creation of any lien equal or prior to the lien of the Mortgage or deprive the holder of a lien on the mortgaged and pledged property.

The principal hereof may be declared or may become due prior to the maturity date hereinbefore named on the conditions, in the manner and at the time set forth in the Mortgage, upon the occurrence of a completed default as in the Mortgage provided.

This bond is negotiable and shall pass by delivery unless registered as to principal at the office or agency of the Company in ....., and such registration noted hereon, after which no valid transfer hereof can be made, except at such office or agency, until after registered transfer to bearer, but after such registered transfer to bearer this bond shall be again transferable by delivery. Such registration, however, shall not affect the negotiability of the coupons, which shall always remain payable to bearer and transferable by delivery. The Company and the Trustees may deem and treat the bearer of this bond if it be not registered as to principal, or, if this bond is registered as herein authorized, the person in whose name the same is registered, as the absolute owner hereof, and the bearer of any coupon hereunto appertaining as the absolute owner thereof, for the purpose of receiving payment and for all other purposes.

No recourse shall be had for the payment of the principal of or interest on this bond against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any predecessor or successor corporation, as such, either directly or through the Company or any predecessor or successor corporation, under any rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors being released by the holder or owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

Neither this bond nor the coupons hereto attached shall become obligatory until City Bank Farmers Trust Company, the Corporate

Trustee under the Mortgage, or its successor thereunder, shall have signed the form of certificate endorsed hereon.

IN WITNESS WHEREOF, The Washington Water Power Company has caused this bond to be signed in its corporate name by its President or one of its Vice-Presidents and its corporate seal to be affixed hereto and attested by its Secretary or one of its Assistant Secretaries, and interest coupons bearing the facsimile signature of its Treasurer to be attached hereto, as of ....., ...

THE WASHINGTON WATER POWER COMPANY,

By.....
President.

Attest:

.....
Secretary.

[GENERAL FORM OF COUPON]

No. ..... $.....

General form of coupon

On ....., ..., THE WASHINGTON WATER POWER COMPANY will pay to bearer at its office or agency in....., ... dollars in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts, being six months' interest then due on its ..... Mortgage Bond, ... Series ....., No. .....

This coupon will not be payable if said bond shall have been called for previous redemption and payment of the redemption price thereof duly provided for.

.....
Treasurer.

The words "This coupon will not be payable if said bond shall have been called for previous redemption and payment of the redemption price thereof duly provided for," will appear only upon coupons to which they are applicable by reason of provisions for redemption prior to maturity contained in the bonds to which such coupons are attached.

[GENERAL FORM OF FULLY REGISTERED BOND]

General form of fully registered bond

THE WASHINGTON WATER POWER COMPANY

..... Mortgage Bond

No..... ..... Series ..... $.....

THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington (hereinafter called the Company), for value received, hereby promises to pay to.....,
or registered assigns on ....., ..., at the office or agency of the Company in .....
..... dollars in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts, and to pay to the registered owner hereof interest thereon from the .....
..... or ..... next preceding the date of this bond, at the rate of ..... per centum per annum in like coin or currency, at said office or agency on .....
and ..... in each year, until the Company's obligation with respect to the payment of such principal shall have been discharged.

This bond is one of an issue of bonds of the Company issuable in series and is one of a series known as its ..... Mortgage Bonds, ... Series ....., all bonds of all series issued and to be issued under and equally secured (except in so far as any sinking or other fund, established in accordance with the provisions of the Mortgage hereinafter mentioned, may afford additional security for the bonds of any particular series) by a Mortgage and Deed of Trust (herein, together with any indenture supplemental thereto, called the

Mortgage), dated as of June 1, 1939, executed by the Company to City Bank Farmers Trust Company and Ralph E. Morton, as Trustees. Reference is made to the Mortgage for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of the bonds and of the Trustees in respect thereof, the duties and immunities of the Trustees and the terms and conditions upon which the bonds are and are to be secured and the circumstances under which additional bonds may be issued. With the consent of the Company and to the extent permitted by and as provided in the Mortgage, the rights and obligations of the Company and/or the rights of the holders of the bonds and/or coupons and/or the terms and provisions of the Mortgage may be modified or altered by affirmative vote of the holders of at least seventy-five per centum (75%) in principal amount of the bonds then outstanding under the Mortgage and, if the rights of one or more, but less than all, series of bonds then outstanding are to be affected, then also by affirmative vote of the holders of at least seventy-five per centum (75%) in principal amount of the series of bonds so to be affected (excluding in any case bonds challenged and disqualified from voting by reason of the Company's interest therein as provided in the Mortgage); provided that, without the consent of the holder hereof, no such modification or alteration shall permit an extension of the maturity of the principal of, or interest on, this bond or a reduction in such principal or the rate of interest hereon or any other modification in the terms of payment of such principal or interest or the creation of any lien equal or prior to the lien of the Mortgage or deprive the holder of a lien on the mortgaged and pledged property.

The principal hereof may be declared or may become due prior to the maturity date hereinbefore named on the conditions, in the manner and at the time set forth in the Mortgage, upon the occurrence of a completed default as in the Mortgage provided.

This bond is transferable as prescribed in the Mortgage by the registered owner hereof in person, or by his duly authorized attorney, at the office or agency of the Company in .....,
upon surrender and cancellation of this bond, and upon payment, if the Company shall require it, of the transfer charges provided for in the Mortgage, and, thereupon, a new fully registered bond of the same series for a like principal amount will be issued to the transferee in

exchange herefor as provided in the Mortgage. The Company and the Trustees may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment and for all other purposes.

No recourse shall be had for the payment of the principal of or interest on this bond against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any predecessor or successor corporation, as such, either directly or through the Company or any predecessor or successor corporation, under any rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors being released by the holder or owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

This bond shall not become obligatory until City Bank Farmers Trust Company, the Corporate Trustee under the Mortgage, or its successor thereunder, shall have signed the form of certificate endorsed hereon.

In Witness Whereof, The Washington Water Power Company has caused this bond to be signed in its corporate name by its President or one of its Vice-Presidents and its corporate seal to be affixed hereto and attested by its Secretary or one of its Assistant Secretaries on .....,.....

The Washington Water Power Company,

By.....
President.

Attest:

.....
Secretary.

Form of Corporate Trustee's certificate

[FORM OF CORPORATE TRUSTEE'S CERTIFICATE ON ALL BONDS]

This bond is one of the bonds, of the series herein designated, described or provided for in the within-mentioned Mortgage.

CITY BANK FARMERS TRUST COMPANY,
Corporate Trustee,

By.....

and

Compliance with legal requirements

WHEREAS, all things necessary to make this Indenture a valid, binding and legal instrument for the security of said bonds, have been performed, and the issue of said bonds, subject to the terms of this Indenture, has been in all respects duly authorized;

Granting clause

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That The Washington Water Power Company, in consideration of the premises and of one dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in order to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued hereunder, according to their tenor and effect and the performance of all the provisions hereof (including any instruments supplemental hereto and any modification made as in this Indenture provided) and of said bonds, hath granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and by these presents doth grant, bargain, sell, release, convey, assign, transfer, mortgage, pledge, set over and confirm unto Ralph E. Morton, and (to the extent of its legal capacity to hold the same for the purposes hereof) unto City Bank Farmers Trust Company, as Trustees, and to their successor

or successors in said trust, and to them and *their* successors, heirs and assigns forever, all the following described properties of the Company—that is to say:

General property description, including after-acquired property

All of the property, real, personal and mixed, of every character and wheresoever situated (except any hereinafter expressly excepted) which the Company now owns or, subject to the provisions of Section 87 hereof, may hereafter acquire prior to the satisfaction and discharge of this Indenture, as fully and completely as if herein specifically described, and including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Indenture), all lands, real estate, easements, servitudes, rights of way and leasehold and other interests in real estate; all rights to the use or appropriation of water, flowage rights, water storage rights, flooding rights, and other rights in respect of or relating to water; all plants for the generation of electricity, power houses, dams, dam sites, reservoirs, flumes, raceways, diversion works, head works, waterways, water works, water systems, gas plants, steam heat plants, hot water plants, ice or refrigeration plants, stations, substations, offices, buildings and other works and structures and the equipment thereof and all improvements, extensions and additions thereto; all generators, machinery, engines, turbines, boilers, dynamos, transformers, motors, electric machines, switchboards, regulators, meters, electrical and mechanical appliances, conduits, cables, pipes and mains; all lines and systems for the transmission and distribution of electric current, gas, steam heat or water for any purpose; all towers, mains, pipes, poles, pole lines, conduits, cables, wires, switch racks, insulators, compressors, pumps, fittings, valves and connections; all motor vehicles and automobiles; all tools, implements, apparatus, furniture, stores, supplies and equipment; all franchises (except the Company's franchise to be a corporation), licenses, permits, rights, powers and privileges; and (except as hereinafter expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature.

The property so conveyed or intended to be so conveyed hereunder shall include, but shall not be limited to, the following property, the particular description of which is intended only to aid

in the identification thereof and shall not be construed as limiting the force, effect and scope of the foregoing, namely:

FIRST.

Electric generating plants

THE ELECTRIC GENERATING PLANTS OF THE COMPANY, in the States of Washington and Idaho, including all power houses, dams, reservoirs, flumes, raceways, diversion works, head works, waterways, buildings and other works and structures forming a part of or appertaining to said generating plants and stations, or any of them, or used or enjoyed or capable of being used or enjoyed in conjunction therewith and all lands of the Company on which the same are situated, and all the Company's lands, easements and flowage rights permitting the storage of water for reservoir purposes and the flowage of lands lying along or adjacent to the Spokane River, Coeur d'Alene Lake, Coeur d'Alene River, St. Joe River, St. Maries River, Chelan River, Chelan Lake, Colville River, Similkameen River, Asotin Creek, Clearwater River, South Fork Clearwater River and Calispell Creek, and the tributaries thereof in the States of Washington and Idaho, and all other of the Company's real estate and interests therein, rights in respect of or relating to water, machinery, equipment, appurtenances, supplies, franchises, licenses, permits and other rights and other property forming a part of or appertaining to said generating plants and stations, or any of them, or used or enjoyed or capable of being used or enjoyed in conjunction therewith, including the following situated in the State of Washington:

Monroe Street Plant

1. THE MONROE STREET HYDRO-ELECTRIC PLANT, situated on the Spokane River, at or near Monroe Street, in the City of Spokane, in Spokane County.

Upper Falls Plant

2. THE UPPER FALLS HYDRO-ELECTRIC PLANT, situated on the Spokane River, a short distance east of Post Street, in the City of Spokane, in Spokane County.

Nine Mile Plant

3. THE NINE MILE HYDRO-ELECTRIC PLANT, situated on the Spokane River in Spokane County, and about 9 miles down the river from the City of Spokane.

Long Lake Plant

4. THE LONG LAKE HYDRO-ELECTRIC PLANT, situated on the Spokane River in Lincoln and Stevens Counties, and about 24 miles below the Nine Mile Hydro-Electric Plant mentioned above.

Little Falls Plant

5. THE LITTLE FALLS HYDRO-ELECTRIC PLANT, situated on the Spokane River in Lincoln and Stevens Counties about 5 miles below the Long Lake Hydro-Electric Plant mentioned above.

Dalkena Plant

6. THE DALKENA HYDRO-ELECTRIC PLANT, situated in the Northwest ¼ of the Northwest ¼ of the Northwest ¼ of Section 35, Township 32 North, Range 43, E.W.M., in Pend Oreille County.

Meyers Falls Plant

7. THE MEYERS FALLS HYDRO-ELECTRIC PLANT, situated on the Colville River in Sections 20 and 29, Township 36 North, Range 38, E.W.M., in Stevens County and that certain lease dated September 22, 1925 between Jacob A. Meyers, Elizabeth V. M. Cagle and Jessie L. Cagle, lessors, and Stevens County Power and Light Company, lessee, assigned to the Company July 1, 1931, leasing said property and the right to use falling water at said plant.

Chelan Plant

8. THE CHELAN HYDRO-ELECTRIC PLANT, situated on the Chelan River, in Chelan County and that certain license issued by the Federal Power Commission, Project No. 637, Washington, May 8, 1926, expiring May 8, 1976.

Oroville Plant

9. THE OROVILLE HYDRO-ELECTRIC PLANT, situated on the Similkameen River, in Okanogan County and that certain Department of the Interior permit, Serial No. Waterville 012740 issued January 9, 1918, expiring July 9, 1963.

And the following situated in the State of Idaho:

Post Falls Plant

10. THE POST FALLS HYDRO-ELECTRIC PLANT, situated on the Spokane River, near the City or Town of Post Falls, in Kootenai County.

Lewiston Plant

11. THE LEWISTON HYDRO-ELECTRIC PLANT, situated on the Clearwater River in the vicinity of the City of Lewiston, in Nez Perce County, and that certain license issued by the Federal Power Commission, Project No. 621, Idaho, June 8, 1926, expiring June 8, 1976.

Grangeville Plant

12. THE GRANGEVILLE HYDRO-ELECTRIC PLANT, situated on the South Fork of the Clearwater River in Section 30, Township 30 North, Range 4, East Boise Meridian, in Idaho County and that certain license issued by the Federal Power Commission, Project No. 204 Idaho, January 19, 1923, expiring January 19, 1973.

SECOND.

Undeveloped power sites

THE UNDEVELOPED OR ONLY PARTIALLY DEVELOPED POWER SITES OF THE COMPANY, including all dams, reservoirs, flumes, raceways, diversion works, head works, waterways, buildings and other works and structures forming a part of or appertaining to said sites, or any of them, or used or enjoyed or capable of being used or enjoyed in conjunction therewith, and all lands of the Company on which the same are situated, and all other of the Company's real estate and interests therein, rights in respect of or relating to water, machinery, equipment, appurtenances, supplies, franchises, licenses, permits and other rights and other property forming a part of or appertaining to said sites, or any of them, or used or enjoyed or capable of being used or enjoyed in conjunction therewith, including the following, situated in the State of Washington:

Kettle Falls Site

1. THE KETTLE FALLS POWER SITE, in and on the Columbia River, part in Stevens County and part in Ferry County, and in Sections 11, 12, 13 and 14, Township 36 North, Range 37, E.W.M.

Station "K" Site

2. THE STATION "K" POWER SITE, in and on the Spokane River, in Lincoln County, in Sections 10, 14 and 15, Township 27 North, Range 37, E.W.M.

Bowl and Pitcher Site

3. THE BOWL AND PITCHER POWER SITE, in and on the Spokane River, in Spokane County, west of and near the City of Spokane, in Sections 3 and 4, Township 25 North, Range 42, E.W.M.

Stoolfire Site

4. THE STOOLFIRE POWER SITE, in and on the Spokane River, in Spokane County, west of and near the City of Spokane, in Lots 6 to 12, both inclusive, in Section 28 and Lots 1 to 5,

both inclusive, in Section 33, and the S. E. ¼ of S. E. ¼ of Section 33 and Lot 2 of Section 34, all in Township 26 North, Range 42, E.W.M.

Methow Site

5. THE METHOW POWER SITE, in and on the Methow River, in Okanogan County, in Lots 2 and 3 in Section 34, Township 30 North, Range 23, E.W.M.

THIRD.

Electric Sub-Stations and Sub-Station Sites

THE ELECTRIC SUB-STATIONS AND SUB-STATION SITES OF THE COMPANY, in the States of Washington and Idaho, including all buildings, structures, towers, poles, equipment, appliances and devices for transforming, converting and distributing electric energy, and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits and other rights and other property forming a part of said sub-stations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including the following situated in the State of Washington:

1. THE POST STREET ELECTRIC SUB-STATION, situated on the west side of Post Street in the City of Spokane, Spokane County.

2. THE 29TH AVENUE ELECTRIC SUB-STATION, situated on 29th Avenue, in the City of Spokane, Spokane County.

3. THE EAST SIDE ELECTRIC SUB-STATION, situated in the eastern part of the City of Spokane, Spokane County.

4. THE ERIE STREET ELECTRIC SUB-STATION, situated on or near Erie Street, and near the center of the City of Spokane, Spokane County.

5. THE ROSS PARK ELECTRIC SUB-STATION, situated in Ross Park Addition, in the City of Spokane, Spokane County.

6. THE NORTHWEST ELECTRIC SUB-STATION, situated on King's Hill, north of the City limits, near the City of Spokane, Spokane County.

Electric Sub-Stations and Sub-Station Sites (Continued)

7. The Spokane Central Heating Electric Sub-Station, situated on or near Post Street, in the City of Spokane, Spokane County.

8. The Opportunity Electric Sub-Station, situated in a suburb of the City of Spokane, known as Opportunity, Spokane County.

9. The Latah Junction Electric Sub-Station, situated near the City of Latah, in Spokane County.

10. The Brewster Electric Sub-Station in or near the City of Brewster, in Okanogan County.

11. The Okanogan Electric Sub-Station, situated adjacent to the City of Okanogan, in Okanogan County.

12. The Stratford Electric Sub-Station, situated in or near the City of Stratford, in Grant County.

13. The Neppel Electric Sub-Station, situated in or near the City of Moses Lake (formerly Neppel), in Grant County.

14. The Coulee City Electric Sub-Station, situated adjacent to the City of Coulee, in Grant County.

15. The Lind Electric Sub-Station, situated in or near the City of Lind, in Adams County.

16. The Colfax Electric Sub-Station, situated in the City of Colfax, in Whitman County.

17. The Clarkston Electric Sub-Station, situated in the City of Clarkston, in Asotin County.

18. The Davenport Electric Sub-Station, situated in the City of Davenport, in Lincoln County.

19. The Pullman Electric Sub-Station, situated adjacent to the City of Pullman, in Whitman County.

20. The Leon Junction Electric Sub-Station, situated near Leon Junction, in Whitman County.

21. The Palouse Electric Sub-Station, situated in the City of Palouse, in Whitman County.

22. The Diamond Electric Sub-Station, situated near Diamond, in Whitman County.

Electric Sub-Stations and Sub-Station Sites (Continued)

23. The Uniontown Electric Sub-Station, situated in the City of Uniontown, in Whitman County.

24. The Endicott Electric Sub-Station, situated in the City of Endicott, in Whitman County.

25. The La Crosse Electric Sub-Station, situated in the City of La Crosse, in Whitman County.

26. The Tekoa Electric Sub-Station, situated in the City of Tekoa, in Whitman County.

27. The Rockford Electric Sub-Station, situated in the City of Rockford, in Spokane County.

28. The Sprague Junction Electric Sub-Station, situated near the City of Sprague, in Lincoln County.

29. The Ritzville Electric Sub-Station, situated in the City of Ritzville, in Adams County.

30. The Garfield Electric Sub-Station, situated adjacent to the City of Garfield, in Whitman County.

31. The St. John Electric Sub-Station, situated adjacent to the City of St. John, in Whitman County.

32. The Albion Electric Sub-Station, situated adjacent to the City of Albion, in Whitman County.

33. The Almira Electric Sub-Station, situated adjacent to the City of Almira, in Lincoln County.

34. The Cheney Electric Sub-Station, situated in the City of Cheney, in Spokane County.

35. The Odessa Electric Sub-Station, situated in the City of Odessa, in Lincoln County.

36. The Harrington Electric Sub-Station, situated adjacent to the City of Harrington, in Lincoln County.

37. The Pullman City Electric Sub-Station, situated in the City of Pullman, in Whitman County.

And the following situated in the State of Idaho:

38. The Wallace Electric Sub-Station, situated in or near the City of Wallace, in Shoshone County.

Electric Sub-Stations and Sub-Station Sites (Continued)

39. THE GOVERNMENT GULCH ELECTRIC SUB-STATION, situated on Government Gulch, in Shoshone County.

40. THE CLEARWATER TIMBER COMPANY ELECTRIC SUB-STATION, situated near the City of Lewiston, in Nez Perce County.

41. THE MOSCOW ELECTRIC SUB-STATION, situated in or near the City of Moscow, in Latah County.

42. THE JULIAETTA ELECTRIC SUB-STATION, situated in the Town of Juliaetta, in Latah County.

43. THE TROY ELECTRIC SUB-STATION, situated in the Town of Troy, in Latah County.

44. THE BOVILL ELECTRIC SUB-STATION, situated in the Town of Bovill, in Latah County.

45. THE GENESSEE ELECTRIC SUB-STATION, situated in the town of Genessee, in Latah County.

46. THE COEUR D'ALENE ELECTRIC SUB-STATION, situated adjacent to the City of Coeur d'Alene, in Kootenai County.

47. THE COEUR D'ALENE CITY ELECTRIC SUB-STATION, situated in the City of Coeur d'Alene, in Kootenai County.

48. THE GRANGEVILLE ELECTRIC SUB-STATION, situated in the Town of Grangeville, in Idaho County.

49. THE OROFINO CITY ELECTRIC SUB-STATION, situated in the Town of Orofino, in Clearwater County.

50. THE OROFINO ELECTRIC SUB-STATION, adjacent to the Town of Orofino, in Clearwater County.

51. THE O'GARA ELECTRIC SUB-STATION, situated near the Town of Harrison, in Kootenai County.

FOURTH.

Electric Transmission Lines

THE ELECTRIC TRANSMISSION LINES OF THE COMPANY, in the States of Washington and Idaho, including towers, poles, pole lines, wires, switch racks, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal, or mixed, forming a part of or used, occupied or

enjoyed in connection with or in anywise appertaining to said transmission lines or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof through, over, under or upon any public streets or highways or other lands, public or private, including the following:

Electric Transmission Lines (Continued)

Nine Mile-Northwest Sub-Station

1. THE NINE MILE-NORTHWEST SUB-STATION single circuit 60 kv. transmission line, extending from the Company's Nine Mile Hydro-Electric Plant 5.5 miles in a southeasterly direction, in Spokane County, Washington, to the Company's Northwest Electric Sub-station near the City of Spokane.

29th Avenue-Spokane Central Heating Plant

2. THE 29TH AVENUE-SPOKANE CENTRAL HEATING PLANT single circuit 60 kv. transmission line, extending from the Company's 29th Avenue Electric Sub-station about 2 miles to the Company's Spokane Central Heating Electric Sub-station, all in the City of Spokane, Washington.

Spokane-Opportunity

3. THE SPOKANE-OPPORTUNITY single circuit 60 kv. transmission line, extending from a point on the 29th Avenue-East Side line, in an easterly direction, in Spokane County, Washington, about 5 miles to the Company's Opportunity Electric Sub-station.

29th Avenue-East Side

4. THE 29TH AVENUE-EAST SIDE single circuit 60 kv. transmission line, extending in a northeasterly direction, in Spokane County, Washington, from the 29th Avenue Electric Sub-station to the East Side Electric Sub-station, for a distance of about 8 miles.

Long Lake-Little Falls

5. THE LONG LAKE-LITTLE FALLS single circuit 60 kv. transmission line, extending from the Company's Long Lake Hydro-Electric Plant, in a westerly direction, in Stevens County and Lincoln County, Washington, for a distance of about 4 miles to the Company's Little Falls Hydro-Electric Plant.

Little Falls-29th Avenue

6. THE LITTLE FALLS-29TH AVENUE double circuit 60 kv. transmission line, extending from the Company's Little Falls Hydro-Electric Plant in a southeasterly direction, in Stevens, Lincoln and Spokane Counties, Washington, for a distance of

Electric Transmission Lines (Continued)

about 28 miles, to the Company's 29th Avenue Electric Sub-station, in the City of Spokane.

Little-Falls-Chewelah

7. THE LITTLE FALLS-CHEWELAH single circuit 60 kv. transmission line, extending north in Lincoln and Stevens Counties, Washington, from the Company's Little Falls Hydro-Electric Plant, through the City of Ford for a distance of about 33 miles to the Company's Chewelah Electric Sub-station.

Chewelah-Evans

8. THE CHEWELAH-EVANS single circuit 33 kv. transmission line, extending from the Company's Chewelah Electric Sub-station, in a northerly direction, in Stevens County, Washington, for a distance of about 48 miles through the City of Colville to the Portland Cement Company's Quarry located in Section 15, Township 37 North, Range 38, E.W.M., and with tap to the Company's Meyers Falls Hydro-Electric Plant.

Long Lake-East Side

9. THE LONG LAKE-EAST SIDE double circuit 110 kv. transmission line (each circuit on a separate structure), extending from the Company's Long Lake Hydro-Electric Plant, in a southeasterly direction, in Spokane and Lincoln Counties, Washington, for a distance of about 30 miles to the Company's East Side Electric Sub-station, in the City of Spokane.

Kellogg-East Side

10. THE KELLOGG-EAST SIDE single circuit 110 kv. transmission line, extending from the Company's Bunker Hill Electric Sub-station at Kellogg, Idaho, in a northwesterly direction, in Shoshone and Kootenai Counties, Idaho, and Spokane County, Washington, for a distance of about 65.18 miles to the Company's East Side Electric Sub-station in the City of Spokane.

Post Falls-East Side

11. THE POST FALLS-EAST SIDE single circuit 60 kv. transmission line, extending from the Company's Post Falls Hydro-Electric Plant, in a general westerly direction, in Kootenai County, Idaho, and Spokane County, Washington, for a distance of about 20 miles to the Company's East Side Electric Sub-station.

Post Falls-Hayden Lake

12. THE POST FALLS-HAYDEN LAKE single circuit 60 kv. transmission line, extending in a northeasterly direction, in Kootenai County, Idaho, from the Company's Post Falls Hydro-Electric Plant through Hayden Junction, for a distance of about

Electric Transmission Lines (Continued)

11 miles to the electric sub-station of the Post Falls Irrigation District at Hayden Lake, Idaho.

Hayden Junction-Newport

13. THE HAYDEN JUNCTION-NEWPORT single circuit 60 kv. transmission line, extending from the Company's Hayden Junction Electric Switching Station, near Coeur d'Alene, Idaho, in a northwesterly direction, in Kootenai and Bonner Counties, Idaho, and Pend Oreille County, Washington, for a distance of about 36 miles to the Mountain States Power Company's Newport Electric Sub-station.

East Side-Latah Junction

14. THE EAST SIDE-LATAH JUNCTION single circuit 110 kv. transmission line, extending in a southerly direction, in Spokane County, Washington, from the Company's East Side Electric Sub-station, in the City of Spokane, for a distance of about 29 miles to the Company's Latah Junction Electric Sub-station, situated near the City of Latah, in Spokane County.

Latah Junction-Wallace

15. THE LATAH JUNCTION-WALLACE single circuit 110 kv. transmission line, extending from the Company's Latah Junction Electric Sub-station through the City of Kellogg, in Shoshone County, Idaho, in an easterly direction, in Spokane County, Washington, and Kootenai, Benewah and Shoshone Counties, Idaho, for a distance of about 69 miles to the Company's Wallace Electric Sub-station.

Wallace-Burke

16. THE WALLACE-BURKE single circuit 110 kv. transmission line, extending in a northeasterly direction, in Shoshone County, Idaho, from the Company's Wallace Electric Sub-station, for a distance of about 6.78 miles, through the Hecla Electric Sub-station to the Company's Burke Electric Sub-station, where connection is made with the electric system of The Montana Power Company.

Long Lake-Taunton

17. THE LONG LAKE-TAUNTON single circuit 110 kv. transmission line, extending from the Company's Long Lake Hydro-Electric Plant, in a general south and southwesterly direction, in Lincoln, Adams and Grant Counties, Washington, for a distance of about 112.859 miles through the Cities of Ritzville and Lind to the Company's Electric Switching Station at Taunton, Washington.

Electric Transmission Lines (Continued)

Long Lake-Stratford

18. THE LONG LAKE-STRATFORD single circuit 110 kv. transmission line, extending from the Company's Long Lake Hydro-Electric Plant, in a general west and southwesterly direction, in Lincoln and Grant Counties, Washington, for a distance of about 87 miles to the Company's Stratford Electric Sub-station.

Stratford-Taunton

19. THE STRATFORD-TAUNTON single circuit 110 kv. transmission line, extending from the Company's Stratford Electric Sub-station, in a southerly direction, in Grant and Adams Counties, Washington, for a distance of about 44 miles through the City of Moses Lake (formerly Neppel) to the Company's Electric Switching Station at Taunton.

No. 1 Chelan-Stratford

20. THE No. 1 CHELAN-STRATFORD single circuit 110 kv. transmission line, extending from the Company's Chelan Hydro-Electric Plant, through Coulee City and in a general southeasterly direction, in Chelan, Douglas and Grant Counties, Washington, for a distance of about 50 miles to the Company's Stratford Electric Sub-station.

No. 2 Chelan-Stratford

21. THE No. 2 CHELAN-STRATFORD single circuit 110 kv. transmission line, extending from the Company's Chelan Hydro-Electric Plant, in a general southeasterly direction, in Chelan, Douglas and Grant Counties, Washington, for a distance of about 49 miles to the Company's Stratford Electric Sub-station.

Chelan-Okanogan

22. THE CHELAN-OKANOGAN single circuit 110 kv. transmission line, extending from the Company's Chelan Hydro-Electric Plant, through the Town of Brewster, in a northwesterly direction in Chelan and Okanogan Counties, Washington, for a distance of about 48 miles to the Company's Electric Sub-station near the City of Okanogan, in Okanogan County, Washington.

Okanogan-Oroville

23. THE OKANOGAN-OROVILLE single circuit 33 kv. transmission line, extending from the Company's Oroville Hydro-Electric Plant, on the Similkameen River in Section 13, Township 40 North, Range 26, E.W.M., in a general southerly direction in Okanogan County, Washington, for a distance of approximately 49.43 miles through the Cities of Oroville, Tonasket, Riverside and Omak, to the Company's Okanogan Electric Sub-station.

Electric Transmission Lines (Continued)

Coulee City-Almira

24. THE COULEE CITY-ALMIRA single circuit 60 kv. transmission line, extending about 19 miles in a general easterly direction, in Grant and Lincoln Counties, Washington, from the Company's Coulee City Electric Sub-station, through the City of Hartline, to the Company's Almira Electric Sub-station.

Tekoa-Latah Junction

25. THE TEKOA-LATAH JUNCTION single circuit 110 kv. transmission line, extending from the City of Tekoa, in a northwesterly direction, in Spokane and Whitman Counties, Washington, for a distance of about 10 miles, to the Company's Latah Junction Electric Sub-station.

Palouse-Tekoa

26. THE PALOUSE-TEKOA single circuit 110 kv. transmission line, extending from the City of Palouse, through the cities or towns of Garfield and Belmont, in a northerly direction, in Whitman County, Washington, for a distance of about 27 miles to the City of Tekoa.

Palouse-Moscow

27. THE PALOUSE-Moscow single circuit 110 kv. transmission line, extending from the City of Palouse, in a southeasterly direction, in Whitman County, Washington, and Latah County, Idaho, for a distance of about 16 miles to the Company's Moscow Electric Sub-station.

Moscow-Leon Junction

28. THE MOSCOW-LEON JUNCTION single circuit 60 kv. transmission line, extending from Moscow Electric Sub-station, in a southerly direction, in Latah and Nez Perce Counties, Idaho, for a distance of about 15 miles to the Company's Leon Junction Electric Sub-station.

Clarkston-Leon Junction

29. THE CLARKSTON-LEON JUNCTION single circuit 60 kv. transmission line, extending in a northerly direction across the Snake River from the Clarkston Sub-station in Clarkston, Washington, to the Leon Junction Electric Sub-station located just south of the north line of Nez Perce County, Idaho, a distance of about 9 miles in Nez Perce County, Idaho, and Asotin and Whitman Counties, Washington.

Moscow-Orofino

30. THE Moscow-OROFINO single circuit 60 kv. transmission line, extending from Moscow, Idaho, in a southeasterly direction, in Latah, Nez Perce and Clearwater Counties, for a distance of

Electric Transmission Lines (Continued)

about 42.8 miles, through the Town of Juliaetta to the Company's Orofino Electric Sub-station adjacent to the Town of Orofino, Idaho.

Lind-Colfax

31. THE LIND-COLFAX single circuit 110 kv. transmission line, extending from the Company's Lind Electric Sub-station, in an easterly direction, in Adams and Whitman Counties, Washington, for a distance of about 68 miles to the Company's Colfax Electric Sub-station.

Pullman-Colfax

32. THE PULLMAN-COLFAX single circuit 110 kv. transmission line, extending from the Company's Pullman Electric Sub-station, through the City of Albion, in a northwesterly direction, in Whitman County, Washington, for a distance of about 18 miles to the Company's Colfax Electric Sub-station.

Moscow-Pullman

33. THE Moscow-PULLMAN single circuit 110 kv. transmission line, extending from the Company's Moscow Electric Sub-station, in a westerly direction, in Latah County, Idaho, and Whitman County, Washington, for a distance of about 9 miles to the Company's Pullman Electric Sub-station adjacent to the City of Pullman.

Lewiston Plant-Clarkston

34. THE LEWISTON HYDRO-ELECTRIC PLANT—CLARKSTON single circuit 60 kv. transmission line, extending from the Lewiston Hydro-Electric Plant to the northerly side of the Clearwater River and thence in a westerly direction in Nez Perce County, Idaho, and Whitman and Asotin Counties, Washington, for a distance of about 4.5 miles to the Company's Clarkston Electric Sub-station.

Clarkston-Pomeroy

35. THE CLARKSTON-POMEROY single circuit 66 kv. transmission line, extending in a westerly direction from the Clarkston Electric Sub-station at Clarkston, Washington, to the city limits of Pomeroy, Washington, a distance of about 27.5 miles, in Asotin and Garfield Counties, Washington.

Lewiston Plant-Grangeville Plant

36. A single circuit 22 kv. transmission line, extending from the Lewiston Hydro-Electric Plant at Lewiston, Idaho, in a southeasterly direction through the Towns of Lapwai, Culdesac, Reubens, Craigmont, Ferdinand, Cottonwood, Fenn and Grangeville to the Grangeville Hydro-Electric Plant on the Clearwater

Electric Transmission Lines (Continued)

River, a distance of approximately 81.19 miles in Nez Perce, Lewis and Idaho Counties, Idaho.

Craigmont Station-Kamiah

37. A single circuit 22 kv. transmission line, extending from the Craigmont Sub-station at Craigmont, Idaho, in an easterly direction through the Town of Nezperce, Idaho, to the Town of Kamiah, Idaho, a distance of approximately 23.17 miles, all in Lewis County, Idaho.

Kamiah-Kooskia-Stites

38. A single circuit 6.6 kv. transmission line, extending from Kamiah, Idaho, in a southerly direction to the Town of Kooskia, Idaho, a distance of approximately 7 miles with a 2300 volt line extension from Kooskia, Idaho, in a southerly direction to Stites, Idaho, a distance of approximately 3.5 miles, all in Idaho County, Idaho.

Nezperce-Orofino

39. A single circuit 22 kv. transmission line, extending in a northerly direction from a point 2.3 miles east of the Town of Nezperce, Idaho, through the Town of Greer, Idaho, to Orofino, Idaho, a distance of approximately 15.62 miles, in Lewis and Clearwater Counties, Idaho.

Chelan Plant-Holden

40. THE CHELAN-HOLDEN single circuit 110 kv. transmission line, extending from the Company's Chelan Hydro-Electric Plant, in a northwesterly direction, in Chelan County, Washington, for a distance of about 52 miles to the Howe Sound Company's Mine at Holden, on Railroad Creek near the upper end of Lake Chelan.

Chelan Plant-Puget Sound P. & L. Co.

41. THE WENATCHEE single circuit 110 kv. transmission line, extending from the Company's Chelan Hydro-Electric Plant, in a southerly direction in Chelan and Douglas Counties, Washington, for a distance of about 6 miles to a point in Douglas County where it connects with a Puget Sound Power & Light Company line.

Moscow station-Troy-Kendrick

42. A single circuit 22 kv. transmission line, extending from the Company's Moscow Electric Sub-station, in an easterly direction in Latah County, Idaho, a distance of about 33 miles through the Town of Troy, and to the Town of Bovill, with a branch line

Electric Transmission Lines (Continued)

about 12 miles in length extending between the Towns of Troy and Kendrick, in Latah County, Idaho.

Frequency station-East Side-29th Avenue

43. A single circuit 60 kv. transmission line about 2 miles in length, extending from the Company's Frequency Station in Spokane, in an easterly direction, to a point on the East Side-29th Avenue Tie Line, all in the City of Spokane, Washington.

Opportunity station-East Side-Post Falls

44. A single circuit 60 kv. transmission line about 2 miles in length, extending from the Company's Opportunity Electric Sub-station, in a northerly direction, to a point on the East Side-Post Falls transmission line, all in Spokane County, Washington.

Palouse station-Idaho State line

45. A single circuit 60 kv. transmission line about 2 miles in length, extending from the Company's Palouse Electric Sub-station in the City of Palouse, in an easterly direction, to the Idaho-Washington State line, connecting at that point with a line belonging to Potlatch Forests, Inc., all in Whitman County, Washington.

FIFTH.

Electric Distribution Systems

THE ELECTRIC DISTRIBUTING SYSTEMS OF THE COMPANY, in the States of Washington and Idaho, including towers, poles, pole lines, wires, cables, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal, or mixed, forming a part of or used, occupied, or enjoyed in connection with or in anywise appertaining to said distributing systems or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents and rights for or relating to the construction, maintenance or operation thereof through, over, under or upon any public streets or highways, or other lands, public or private, including the following:

Spokane

1. THE SPOKANE DISTRIBUTING SYSTEM as constructed and equipped in the City of Spokane, Spokane County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about August 9, 1894, and expires on August 9, 1944, and whatever rights the Company may have under that certain

Electric Distribution Systems (Continued)

franchise or consent granted by the city authorities by ordinance dated April 27, 1939 to the Spokane Central Heating Company to construct, maintain and operate an electric transmission and distribution system in the City of Spokane.

Millwood

2. THE MILLWOOD DISTRIBUTING SYSTEM as constructed and equipped in the City of Millwood, Spokane County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about November 5, 1928, and expires on November 5, 1953.

Medical Lake

3. THE MEDICAL LAKE DISTRIBUTING SYSTEM as constructed and equipped in the City of Medical Lake, Spokane County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about November 19, 1904, and expires on November 19, 2003.

Reardan

4. THE REARDAN DISTRIBUTING SYSTEM as constructed and equipped in the City of Reardan, Lincoln County, Washington, and that certain franchise or consent, owned by the Company and granted by ordinance, which became effective on or about December 3, 1907, and expires on December 3, 1942.

Davenport

5. THE DAVENPORT DISTRIBUTING SYSTEM as constructed and equipped in the City of Davenport, Lincoln County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about April 11, 1928, and expires on April 11, 1953.

Creston

6. THE CRESTON DISTRIBUTING SYSTEM as constructed and equipped in the City of Creston, Lincoln County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about July 8, 1913, and expires on July 8, 1963.

Wilbur

7. THE WILBUR DISTRIBUTING SYSTEM as constructed and equipped in the City of Wilbur, Lincoln County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became

Electric Distribution Systems (Continued)

effective on or about October 1, 1913, and expires on October 1, 1963.

Almira

8. THE ALMIRA DISTRIBUTING SYSTEM as constructed and equipped in the City of Almira, Lincoln County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about June 13, 1913, and expires on June 13, 1963.

Hartline

9. THE HARTLINE DISTRIBUTING SYSTEM as constructed and equipped in the City of Hartline, Grant County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about July 7, 1913, and expires on July 7, 1963.

Harrington

10. THE HARRINGTON DISTRIBUTING SYSTEM as constructed and equipped in the City of Harrington, Lincoln County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about May 4, 1925, and expires on May 4, 1950.

Odessa

11. THE ODESSA DISTRIBUTING SYSTEM as constructed and equipped in the City of Odessa, Lincoln County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about September 20, 1909, and expires on September 20, 1959.

Wilson Creek

12. THE WILSON CREEK DISTRIBUTING SYSTEM as constructed and equipped in the City of Wilson Creek, Grant County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about June 5, 1922, and expires on June 5, 1972.

Marlin

13. THE MARLIN DISTRIBUTING SYSTEM as constructed and equipped in the City of Marlin (formerly Krupp), Grant County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance,

Electric Distribution Systems (Continued)

which became effective on or about May 15, 1922, and expires on May 15, 1972.

Ephrata

14. THE EPHRATA DISTRIBUTING SYSTEM as constructed and equipped in the City of Ephrata, Grant County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about June 19, 1922, and expires on June 19, 1972.

Quincy

15. THE QUINCY DISTRIBUTING SYSTEM as constructed and equipped in the City of Quincy, Grant County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about April 2, 1917, and expires on April 2, 1967.

Sprague

16. THE SPRAGUE DISTRIBUTING SYSTEM as constructed and equipped in the City of Sprague, Lincoln County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about May 16, 1908, and expires on May 16, 1943.

Ritzville

17. THE RITZVILLE DISTRIBUTING SYSTEM as constructed and equipped in the City of Ritzville, Adams County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about October 7, 1930, and expires on October 7, 1955.

Lind

18. THE LIND DISTRIBUTING SYSTEM as constructed and equipped in the City of Lind, Adams County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about November 13, 1928, and expires on November 13, 1953.

Othello

19. THE OTHELLO DISTRIBUTING SYSTEM as constructed and equipped in the City of Othello, Adams County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about October 13, 1930, and expires on October 13, 1980.

Electric Distribution Systems (Continued)

Mansfield

20. THE MANSFIELD DISTRIBUTING SYSTEM as constructed and equipped in the City of Mansfield, Douglas County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about October 11, 1915, and expires on October 11, 1940.

Bridgeport

21. THE BRIDGEPORT DISTRIBUTING SYSTEM as constructed and equipped in the City of Bridgeport, Douglas County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about May 11, 1937, and expires on May 11, 1950.

Lakeside

22. THE LAKESIDE DISTRIBUTING SYSTEM as constructed and equipped in the City of Lakeside, Chelan County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about March 5, 1923, and expires on March 5, 1973.

Chelan

23. THE CHELAN DISTRIBUTING SYSTEM as constructed and equipped in the City of Chelan, Chelan County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about November 10, 1902, and expires on November 10, 1952.

Twisp

24. THE TWISP DISTRIBUTING SYSTEM as constructed and equipped in the City of Twisp, Okanogan County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about August 24, 1927, and expires on August 24, 1977.

Brewster

25. THE BREWSTER DISTRIBUTING SYSTEM as constructed and equipped in the City of Brewster, Okanogan County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about January 7, 1911, and expires on January 7, 1948.

Electric Distribution Systems (Continued)

Okanogan

26. THE OKANOGAN DISTRIBUTING SYSTEM as constructed and equipped in the City of Okanogan, Okanogan County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about June 7, 1938, and expires on June 7, 1963.

Omak

27. THE OMAK DISTRIBUTING SYSTEM as constructed and equipped in the City of Omak, Okanogan County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about June 6, 1939, and expires on June 6, 1964.

Riverside

28. THE RIVERSIDE DISTRIBUTING SYSTEM as constructed and equipped in the City of Riverside, Okanogan County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about February 16, 1915, and expires on February 16, 1940.

Oroville

29. THE OROVILLE DISTRIBUTING SYSTEM as constructed and equipped in the City of Oroville, Okanogan County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about October 15, 1917, and expires on October 15, 1942.

Marcus

30. THE MARCUS DISTRIBUTING SYSTEM as constructed and equipped in the City of Marcus, Stevens County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about April 25, 1911, and expires on April 25, 1961.

Colville

31. THE COLVILLE DISTRIBUTING SYSTEM as constructed and equipped in the City of Colville, Stevens County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about October 5, 1926, and expires on October 5, 1976.

Electric Distribution Systems (Continued)

Kettle Falls

32. The Kettle Falls Distributing System as constructed and equipped in the City of Kettle Falls, Stevens County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about January 2, 1934, and expires on January 2, 1959.

Rockford

33. The Rockford Distributing System as constructed and equipped in the City of Rockford, Spokane County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about May 14, 1906, and expires on May 14, 1956.

Fairfield

34. The Fairfield Distributing System as constructed and equipped in the City of Fairfield, Spokane County, Washington.

Latah

35. The Latah Distributing System as constructed and equipped in the City of Latah, Spokane County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about April 15, 1913, and expires on April 15, 1963.

Tekoa

36. The Tekoa Distributing System as constructed and equipped in the City of Tekoa, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about February 2, 1931, and expires on February 2, 1956.

Oakesdale

37. The Oakesdale Distributing System as constructed and equipped in the City of Oakesdale, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about March 2, 1931, and expires on March 2, 1956.

Farmington

38. The Farmington Distributing System as constructed and equipped in the City of Farmington, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about April 6, 1931, and expires on April 6, 1956.

Electric Distribution Systems (Continued)

Garfield

39. The Garfield Distributing System as constructed and equipped in the City of Garfield, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about February 3, 1931, and expires on February 3, 1956.

Elberton

40. The Elberton Distributing System as constructed and equipped in the City of Elberton, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about February 4, 1913, and expires on February 4, 1963.

Palouse

41. The Palouse Distributing System as constructed and equipped in the City of Palouse, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by ordinance, which became effective on or about March 20, 1917, and expires on March 20, 1942.

Spangle

42. The Spangle Distributing System as constructed and equipped in the City of Spangle, Spokane County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about May 5, 1913, and expires on May 5, 1963.

Waverly

43. The Waverly Distributing System as constructed and equipped in the City of Waverly, Spokane County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about December 1, 1908, and expires on December 1, 1958.

Rosalia

44. The Rosalia Distributing System as constructed and equipped in the City of Rosalia, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about December 24, 1906, and expires on December 24, 1946.

Malden

45. The Malden Distributing System as constructed and equipped in the City of Malden, Whitman County, Washington,

Electric Distribution Systems (Continued)

and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about February 15, 1938, and expires on February 15, 1948.

St. John

46. The St. John Distributing System as constructed and equipped in the City of St. John, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about May 12, 1913, and expires on May 12, 1963.

Endicott

47. The Endicott Distributing System as constructed and equipped in the City of Endicott, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about June 4, 1913, and expires on June 4, 1963.

La Crosse

48. The La Crosse Distributing System as constructed and equipped in the City of La Crosse, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about October 22, 1919, and expires on October 22, 1944.

Colfax

49. The Colfax Distributing System as constructed and equipped in the City of Colfax, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about March 15, 1926, and expires on March 15, 1951.

Albion

50. The Albion Distributing System as constructed and equipped in the City of Albion, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about August 2, 1920, and expires on August 2, 1970.

Pullman

51. The Pullman Distributing System as constructed and equipped in the City of Pullman, Whitman County, Washington, and that certain franchise or consent, owned by the Company and

granted by the city authorities by ordinance, which became effective on or about November 20, 1928, and expires on November 20, 1953.

Electric Distribution Systems (Continued)

Colton

52. The Colton Distributing System as constructed and equipped in the City of Colton, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about November 7, 1932, and expires on November 7, 1957.

Uniontown

53. The Uniontown Distributing System as constructed and equipped in the City of Uniontown, Whitman County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about November 1, 1932, and expires on November 1, 1957.

Clarkston

54. The Clarkston Distributing System as constructed and equipped in the City of Clarkston, Asotin County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about November 10, 1925, and expires on November 10, 1975.

Asotin

55. The Asotin Distributing System as constructed and equipped in the City of Asotin, Asotin County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about November 17, 1925, and expires on November 17, 1975.

Cusick

56. The Cusick Distributing System as constructed and equipped in the City of Cusick, Pend Oreille County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about November 26, 1934, and expires on November 26, 1959.

Pateros

57. The Pateros Distributing System as constructed and equipped in the City of Pateros, Okanogan County, Washington.

Electric Distribution Systems (Continued)

Tonasket

58. THE TONASKET DISTRIBUTING SYSTEM as constructed and equipped in the City of Tonasket, Okanogan County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about May 12, 1931, and expires on May 12, 1956.

Washtucna

59. THE WASHTUCNA DISTRIBUTING SYSTEM as constructed and equipped in the City of Washtucna, Adams County, Washington, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about August 10, 1938, and expires on August 10, 1963.

Moses Lake

60. THE MOSES LAKE DISTRIBUTING SYSTEM as constructed and equipped in the City of Moses Lake, Grant County, Washington, and that certain franchise or consent owned by the Company and granted by the Board of County Commissioners of Grant County on or about January 27, 1922, and expiring on January 27, 1972.

Moscow

61. THE MOSCOW DISTRIBUTING SYSTEM as constructed and equipped in the City of Moscow, Latah County, Idaho, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about August 4, 1930, and expires on August 4, 1940.

Troy

62. THE TROY DISTRIBUTING SYSTEM as constructed and equipped in the Town of Troy, Latah County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about July 11, 1924, and expires on July 11, 1944.

Deary

63. THE DEARY DISTRIBUTING SYSTEM as constructed and equipped in the Town of Deary, Latah County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about October 26, 1926, and expires on October 26, 1951.

Bovill

64. THE BOVILL DISTRIBUTING SYSTEM as constructed and equipped in the Town of Bovill, Latah County, Idaho, and that certain franchise or consent, owned by the Company and granted

Electric Distribution Systems (Continued)

by the town authorities by ordinance, which became effective on or about November 2, 1926, and expires on November 2, 1951.

Kendrick

65. THE KENDRICK DISTRIBUTING SYSTEM as constructed and equipped in the Town of Kendrick, Latah County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about October 13, 1915, and expires on October 13, 1940.

Juliaetta

66. THE JULIAETTA DISTRIBUTING SYSTEM as constructed and equipped in the Town of Juliaetta, Latah County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about May 1, 1921, and expires on May 1, 1946.

Genesee

67. THE GENESEE DISTRIBUTING SYSTEM as constructed and equipped in the City of Genesee, Latah County, Idaho, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about April 6, 1931, and expires on April 6, 1956.

Lewiston

68. THE LEWISTON DISTRIBUTING SYSTEM as constructed and equipped in the City of Lewiston, Nez Perce County, Idaho, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about December 2, 1925, and expires on December 2, 1950.

Lapwai

69. THE LAPWAI DISTRIBUTING SYSTEM as constructed and equipped in the Town of Lapwai, Nez Perce County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about May 15, 1916, and expires on May 15, 1941.

Culdesac

70. THE CULDESAC DISTRIBUTING SYSTEM as constructed and equipped in the Town of Culdesac, Nez Perce County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about July 6, 1926, and expires on July 6, 1976.

Electric Distribution Systems (Continued)

Craigmont

71. THE CRAIGMONT DISTRIBUTING SYSTEM as constructed and equipped in the Town of Craigmont, Lewis County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about August 3, 1926, and expires on August 3, 1976.

Nezperce

72. THE NEZPERCE DISTRIBUTING SYSTEM as constructed and equipped in the Town of Nezperce, Lewis County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about July 8, 1926, and expires on July 8, 1976.

Orofino

73. THE OROFINO DISTRIBUTING SYSTEM as constructed and equipped in the Town of Orofino, Clearwater County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about July 12, 1926, and expires on July 12, 1976.

Kamiah

74. THE KAMIAH DISTRIBUTING SYSTEM as constructed and equipped in the Town of Kamiah, Lewis County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about July 19, 1926, and expires on July 19, 1976.

Kooskia

75. THE KOOSKIA DISTRIBUTING SYSTEM as constructed and equipped in the Town of Kooskia, Idaho County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about July 3, 1928, and expires on July 3, 1978.

Stites

76. THE STITES DISTRIBUTING SYSTEM as constructed and equipped in the Town of Stites, Idaho County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about July 3, 1928, and expires on July 3, 1978.

Ferdinand

77. THE FERDINAND DISTRIBUTING SYSTEM as constructed and equipped in the Town of Ferdinand, Idaho County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about July 14, 1926, and expires on July 14, 1976.

Electric Distribution Systems (Continued)

Cottonwood

78. THE COTTONWOOD DISTRIBUTING SYSTEM as constructed and equipped in the Town of Cottonwood, Idaho County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about August 4, 1926, and expires on August 4, 1976.

Grangeville

79. THE GRANGEVILLE DISTRIBUTING SYSTEM as constructed and equipped in the City of Grangeville, Idaho County, Idaho, and that certain franchise or consent, owned by the Company and granted by the city authorities by ordinance, which became effective on or about August 4, 1926, and expires on August 4, 1976.

Coeur d'Alene

80. THE COEUR D'ALENE DISTRIBUTING SYSTEM as constructed and equipped in the City of Coeur d'Alene, Kootenai County, Idaho, and that certain franchise or consent, granted by the Village (now City) of Coeur d'Alene, by Ordinance No. 94, approved on or about October 19, 1903, and which expires on October 19, 1953.

Post Falls

81. THE POST FALLS DISTRIBUTING SYSTEM as constructed and equipped in the Town of Post Falls, Kootenai County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about February 8, 1938, and expires on February 8, 1963.

St. Maries

82. THE ST. MARIES DISTRIBUTING SYSTEM as constructed and equipped in the Town of St. Maries, Benewah County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about July 26, 1909, and expires on July 26, 1959.

Rathdrum

83. THE RATHDRUM DISTRIBUTING SYSTEM as constructed and equipped in the Town of Rathdrum, Kootenai County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about February 23, 1938, and expires on February 23, 1963.

Electric Distribution Systems (Continued)

Reubens

84. The Reubens Distributing System as constructed and equipped in the Town of Reubens, Lewis County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about August 2, 1926, and expires on August 2, 1976.

Winchester

85. The Winchester Distributing System as constructed and equipped in the Town of Winchester, Lewis County, Idaho, and that certain franchise or consent, owned by the Company and granted by the town authorities by ordinance, which became effective on or about August 5, 1936, and expires on August 5, 1961.

Rural lines and stations

86. The electric distribution lines and electric sub-stations of the Company as constructed and equipped outside of the incorporated communities above mentioned in the Counties of Pend Oreille, Stevens, Okanogan, Chelan, Douglas, Grant, Adams, Lincoln, Spokane, Whitman, Asotin, and Franklin, State of Washington, and Kootenai, Shoshone, Latah, Nez Perce, Clearwater, Idaho, Lewis, and Benewah, State of Idaho, and all those certain franchises or consents owned by the Company and granted by the authorities of said Counties.

Omnibus Franchise Clause

87. All other franchises, permits and consents under which any of said systems is or may be operated.

SIXTH.

Business Office and Miscellaneous Real Estate:

Miscellaneous Real Estate, including General Office building

1. A parcel of land, including the building thereon in which is located the principal office of the Company, situate at the southeast corner of Lincoln Street and Trent Avenue, Spokane, Spokane County, Washington, described as follows:

That certain tract in the Southeast Quarter of the Southwest Quarter of Section 18, Township 25 North, Range 43, E.W.M., in the City of Spokane, Washington, more particularly described as follows: Beginning at the intersection of the south line of Trent Avenue and the east line of Lincoln Street in said

Miscellaneous Real Estate (Continued)

City of Spokane; thence south along the east line of Lincoln Street 150.88 feet more or less; thence easterly parallel to the north line of Main Avenue 125 feet; thence northerly parallel to the east line of Lincoln Street to a point 100 feet south of the south line of Trent Avenue; thence east parallel to the south line of Trent Avenue 15 feet; thence north parallel to the east line of Lincoln Street 50 feet; thence west parallel to the south line of Trent Avenue 15 feet; thence north parallel to the east line of Lincoln Street 50 feet to the south line of Trent Avenue; thence west on the south line of Trent Avenue 125 feet to the point of beginning.

2. Lots D, E and F of Hartson's Subdivision of Lot 4, Block 7 of Hartson's and Townsend's Highland Park Addition to Spokane, Spokane County, Washington.

3. An irregular tract in Tract "D", Dennis and Bradley's Addition to Spokane, Spokane County, Washington, more particularly described as follows:

That part of Tract "D" of Dennis and Bradley's Addition to Spokane Falls (now Spokane) described as follows: Beginning at the point where the north line of Sprague Avenue intersects the west line of Perry Street; thence west along the north line of Sprague Avenue 25 feet; thence north parallel to the west line of Perry Street 100 feet; thence west parallel to the north line of Sprague Avenue 395 feet; thence north parallel to the west line of Perry Street 171.6 feet; thence running in a southeasterly direction in a straight line to a point which lies 250 feet north of the north line of Sprague Avenue and 370 feet west of the west line of Perry Street; thence east on a line parallel to and 250 feet north of the north line of Sprague Avenue 370 feet to a point on the west line of Perry Street; thence south on the west line of Perry Street 250 feet to the point of beginning.

4. The northerly 92.75 feet of Lot 11, Block 3, Resurvey and Addition to Spokane Falls (now Spokane), Spokane County, Washington.

5. The north 150 feet of the west 100 feet of Block 164, Plat of Opportunity, Spokane County, Washington.

Miscellaneous Real Estate (Continued)

6. The south 135 feet of Lots 15 and 16, Block 9, Manito Park Addition to Spokane, Spokane County, Washington.

7. Lots 1 and 2, Block 2, Alta Vista Addition to Spokane, Spokane County, Washington.

8. The property which is known as the Central Tract property and includes part of the lands mentioned as power plant property under Monroe Street and Spokane Upper Falls Power Stations, more particularly described as follows:

An irregular tract in Section 18, Township 25 North, Range 43 E.W.M. in the City of Spokane, County of Spokane, State of Washington, described as follows: Beginning at the center of Section 18, Township 25 North, Range 43 E.W.M., thence South 89° 39′ East long the center line of said section 132.16 feet; thence South 9° 18′ East 47.78 feet; thence North 87° 02′ East to a point on the west boundary of Howard Street in the City of Spokane; thence northerly along said west boundary of Howard Street to a point where the west boundary of Howard Street intersects the southerly line of the right of way of the St. Paul, Minneapolis and Manitoba Railway; thence Southeasterly along the South boundary line of the St. Paul, Minneapolis and Manitoba Railway to an intersection of the East line of Howard Street; thence Southerly along the Easterly boundary of Howard Street to a point where the Easterly boundary of said Howard Street intersects with the high water mark of the Spokane River; thence North 49° 54′ East for a distance of 60.27 feet to a point; thence North 83° 19′ East along the high water mark of the Spokane River for a distance of 71.7 feet, more or less, to a point on the Southerly boundary of the St. Paul, Minneapolis and Manitoba Railway right of way; thence Southeasterly along the Southerly boundary of the St. Paul, Minneapolis and Manitoba Railway to a point at which said Southerly boundary intersects the Westerly boundary of Washington Street; thence Southerly along the Westerly boundary of Washington Street to the point at which said Westerly boundary of Washington Street intersects the Northerly boundary of Havermale Avenue; thence South 65° 53′ West along the Northerly boundary of Havermale Avenue for a distance of 226.06 feet to a point; thence North

Miscellaneous Real Estate (Continued)

24° 07′ West for a distance of 150 feet to a point; thence South 65° 53′ West for a distance of 80 feet to a point; thence South 24° 07′ East for a distance of 150 feet to a point on the Northerly boundary of Havermale Avenue; thence South 65° 53′ West along the northerly boundary of Havermale Avenue for a distance of 341.79 feet to an iron pin set in the rock; thence South 50° 16′ West along the northerly boundary of Havermale Avenue for a distance of 48.11 feet to an iron pin set in the rock; thence South 73° 26′ E. for a distance of 30.14 feet to a point; thence South 24° 12′ E. for a distance of 53.8 feet, more or less, to a point on the southerly boundary of Havermale Avenue; thence South 50° 16′ West for a distance of 120 feet along the southerly boundary of Havermale Avenue, and extension thereto, to a point; thence North 21° 33′ West for a distance of 39.48 feet to a point which is at the intersection of the center lines of Havermale Avenue produced and Howard Street; thence North 42° 41′ West for a distance of 57.36 feet to a point; thence North 78° 06′ West for a distance of 66.72 feet to a point; thence North 87° 37′ West for a distance of 151.19 feet, more or less, to a point on the north and south center line of Section 18, Township 25 North, Range 43 E.W.M.; thence South 0° 29′ West along the north and south center line of said Section 18 for a distance of 194.74 feet to a point; thence South 39° 17′ E. for a distance of 85.0 feet to a point; thence S. 64° 32′ E. for a distance of 159.1 feet to a point on the westerly line of Howard Street; thence S. 5° 06′ W. along the westerly line of Howard Street for a distance of 126.71 feet to a point 228.35 feet north of and measured at right angles to the north line of Trent Avenue; thence westerly parallel to the north line of Trent Avenue for a distance of 241.61 feet to a point on the northerly boundary of Wall Street; thence along the northerly boundary of Wall Street N. 41° 47′ W. for a distance of 436.74 feet to the intersection of the northerly boundary of Wall Street and the easterly boundary of Post Street; thence north along the easterly boundary of Post Street for a distance of 13.5 feet to a point; thence N. 41° 47′ W. for a distance of 112.48 feet to a point on the west boundary of Post Street; thence south along the west boundary of Post Street to a point 20 feet south of the northeast

Miscellaneous Real Estate (Continued)

corner of Lot 6, Block 14 Resurvey and Extension of Post's Addition to Spokane Falls, now Spokane; thence in a westerly direction for a distance of 180 feet along a line parallel to and 20 feet south of the north boundary and north boundary produced of said Lot 6, Block 14 of Resurvey and Extension of Post's Addition, to a point on the west line of Flume Street; thence in a southerly direction along the west line of Flume Street for a distance of 30 feet to the northeast corner of Lot 5, Block 15 of Resurvey and Extension of Post's Addition; thence west along the north line of said Lot 5, Block 15 of Resurvey and Extension of Post's Addition for a distance of 94.2 feet to a point; thence S. 32° 12′ W. for a distance of 111 feet to a point; thence South 46° 36′ W. for a distance of 173.6 feet to a point; thence S. 0° 02′ W. for a distance of 24.79 feet to a point 12 feet north of the north line of Trent Avenue extended west; thence east along a line parallel to and 12 feet north of said north line of Trent Avenue produced west for a distance of 214.48 feet to a point; thence S. 0° 02′ W. for a distance of 12 feet to a point on the north line of Trent Avenue; thence west along the south line of Trent Avenue and Trent Avenue extended west to a point 50 feet west of the S.W. corner of Lot 1, Block 15 Resurvey and Extension of Post's Addition; thence south 0° 02′ W. 20 feet along the west line of Lincoln St. as now located to a point; thence in a westerly direction, for a distance of 469.73 feet, more or less, along a line parallel to and 20 feet south of the north line of Trent Avenue produced to a point in the center of the Spokane River; thence in a southwesterly direction along the center line of the Spokane River to the point of intersection of said center line of the Spokane River with the west line of the east ½ of the southwest ¼ Section 18, T. 25 N., R. 43 E.W.M.; thence northerly along the west line of the east ½ of the southwest ¼ of said Section 18, for a distance of 261 feet, more or less, to a point on the north bank of the Spokane River 40.25 feet south of the northwest corner of southeast ¼ of the southwest ¼ of said Section 18; thence N. 74° 50′ E. for a distance of 39.95 feet to a point; thence N. 59° 21′ E. for a distance of 21.62 feet to a point; thence N. 6° 46′ W. for a distance of 28.60 feet to a

Miscellaneous Real Estate (Continued)

point; thence N. 41° 19′ E. for a distance of 46.60 feet to a point; thence N. 79° 59′ E. for a distance of 46.03 feet to a point; thence N. 33° 38′ E. for a distance of 11.84 feet to a point on the west line of Monroe Street; thence north along the west line of Monroe Street for a distance of 359.95 feet to a point on the south line of Ide Avenue; thence N. 89° 57½′ E. for a distance of 75 feet to the east line of Monroe Street; thence along the east line of Monroe Street to a point 62.5 feet south of the intersection of the east line of Monroe Street and the south line of Bridge Avenue; thence easterly for a distance of 130 feet along a line parallel to and 62.5 feet south of the south line of Bridge Avenue to a point; thence south along a line parallel to and 130 feet distant from the east line of Monroe Street for a distance of 57.5 feet; thence N. 89° 57½′ E. for a distance of 44.1 feet; thence N. 67° 22′ E. for a distance of 63.1 feet; thence N. 0° 04′ 30″ W. for a distance of 96.2 feet to a point on the south line of Bridge Avenue; thence N. 89° 57½′ E. along the south line of Bridge Avenue to its intersection with the northerly bank of the Spokane River; thence northerly along the northerly bank of the Spokane River to its intersection with the north line of Bridge Avenue; thence west along the north line of Bridge Avenue for a distance of 5.02 feet to an iron pin, which pin is 83.4 feet east of the east line of Lincoln Street; thence N. 16° 42′ east for a distance of 35.61 feet to a tile monument; thence in a northwesterly direction along a 9° 30′ curve for a distance of 96.13 feet to a tile monument on the east line of Lincoln Street and 54.64 feet north of the north line of Bridge Avenue; thence northerly along the east line of Lincoln Street for a distance of 65.36 feet to a tile monument; thence westerly along the south line produced of Lot 22, Block 12 of Resurvey and Extension of Post's Addition to Spokane Falls, now Spokane, and along the south line of Lots 22 and 16 of said Block 12 to a point 20 feet west of the southeast corner of said Lot 16, Block 12; thence northerly for a distance of 60 feet along a line parallel to and 20 feet west of the east line of said Lot 16, Block 12, to a point on the north line of said Lot 16, Block 12; thence easterly for a distance of 140 feet along the north lines of said Lots 16 and 22, Block 12, to the northeast corner of said Lot 22, Block 12; thence

Miscellaneous Real Estate (Continued)

northerly for a distance of 60 feet along the east line of Lot 23, Block 12, of the Resurvey and Extension of Post's Addition, to the Northeast Corner of said Lot 23, Block 12; thence westerly along the north line of said Lot 23, Block 12, to the northwest corner of said Lot 23, Block 12; thence northerly along the west line of Lot 24, Block 12, to the northwest corner of said Lot 24; thence in a westerly direction for a distance of 30 feet along the south line of Lot 13, Block 12, to a point; thence in a northerly direction for a distance of 120 feet along a line parallel to and 30 feet distant from the east line of Lots 13 and 12 of said Block 12, to a point on the north line of Lot 12, Block 12; thence easterly for a distance of 50 feet along the north line of Lot 12, Block 12, and the north line of Lot 26, Block 12, to a point 20 feet east of the northwest corner of said Lot 26, Block 12; thence northerly for a distance of 120 feet along a line parallel to and 20 feet distant from the west line of Lot 9, Block 12, to a point on the north line of said Lot 9; thence easterly for a distance of 100 feet along the north line of Lots 9 and 8, Block 12, Resurvey and Extension of Post's Addition, to the northeast corner of Lot 8, Block 12; thence northerly for a distance of 16 feet to the southeast corner of Lot 1, Block 12; thence easterly for a distance of 75 feet to the southwest corner of Lot 5, Block 13, Resurvey and Extension of Post's Addition; thence southerly for a distance of 107 feet along the west line extended of said Lot 5 to an iron monument; thence S. 75° E. for a distance of 60 feet to a point; thence easterly for a distance of 94.04 feet on a line parallel to the south line of Broadway Avenue to a point; thence N. 75° E. for a distance of 49.7 feet to an iron monument; thence N. 52° 58½′ E. for a distance of 50.09 feet; thence N. 56° 28½′ E. for a distance of 71.94 feet; thence N. 0° 02½′ W. for a distance of 39.78 feet to the Southeast Corner of Lot 1, Block 13, Resurvey and Extension of Post's Addition; thence easterly for a distance of 33.55 feet along the south line of said Lot 1 produced to a point; thence N. 0° 36′ 30″ E. for a distance of 181.93 feet to a tile monument, said monument being on the east and west center line of Section 18, T. 25 N., R. 43 E., WM., thence S. 89° 59′ E. for a distance of 394.85 feet to the point of beginning; subject to easements granted to the Great

Northern Railway Company, the O. W. R. & N. Railway, and St. Paul, Minneapolis and Manitoba Railway and for railroad right of way and subject to easements to the City of Spokane for street purposes and sewer lines.

Miscellaneous Real Estate (Continued)

Also, a tract of land described as follows: Beginning at the intersection of the center line of Washintgon Street and the south line of the northwest ¼ of the southeast ¼ of Section 18, T. 25 N., R. 43 E., W.M.; thence N. 89° 44′ W. along the said south line of the northwest ¼ of the southeast ¼ of Section 18 to an intersection with the west line of Washington Street; thence northerly along the west line of Washington Street 26.45 feet to a point 228.35 feet north of and measured at right angles to the north line of Trent Avenue; thence westerly parallel to the north line of Trent Avenue 300.92 feet to the east line of Stevens Street; thence southerly along the east line of Stevens Street 25.35 feet to the said south line of the northwest ¼ of the southeast ¼ of said Section 18; thence N. 89° 44′ W. along the said south line of the northwest ¼ of the southeast ¼ to the west line of Stevens Street; thence northerly along the west line of Stevens Street 25.07 feet to a point 228.35 feet north of and measured at right angles to the north line of Trent Avenue; thence westerly parallel to the north line of Trent Avenue 293.57 feet to the east line of Howard Street; thence northerly along the east line of Howard Street to a point 330.00 feet north of and measured at right angles to the north line of Trent Avenue; thence easterly and parallel to the north line of Trent Avenue to the center line of Washington Street; thence southerly along the center line of Washington Street to the place of beginning.

Also a tract of land described as follows: Commencing at the point of intersection of the northerly boundary of the right of way of the St. Paul, Minneapolis and Manitoba Railway with the west line of Washington Street; thence northerly along the west line of Washington Street to a point 20 feet north of the east and west center line of Section 18, T. 25 N., R. 43 E.W.M.; thence westerly along a line parallel to and 20 feet north of the east and west center line of said Section 18, to the point of intersection of said line with the northerly boundary of the right of way of the St. Paul, Minneapolis and Manitoba Railway; thence

Miscellaneous Real Estate (Continued)

southeasterly along the northern boundary of the St. Paul, Minneapolis and Manitoba Railway right of way to the point of beginning.

Also a triangular tract of land described as follows: Beginning at the point where the north line of Mallon Avenue in the City of Spokane intersects the southerly line of the right of way of the St. Paul, Minneapolis and Manitoba Railway; thence northwesterly along said right of way line to its intersection with the north and south center line of Section 18, T. 25 N., R. 43 E.W.M.; thence South on said center line to the north line of Mallon Avenue; thence east on the north line of Mallon Avenue to the point of beginning.

Also an irregular tract of land in and along the Spokane River, described as follows: Beginning at the southwest corner of Block 3 of what was formerly known as Riverfront Addition to Spokane Falls, now Spokane; thence in an easterly direction to a point on the west line of Lot 5, Block 7, Riverfront Addition to Spokane Falls, now Spokane, said point being 68 feet south of the northwest corner of said Lot 5; thence in a southeasterly direction to the southeast corner of Lot 3, Block 7; thence southeasterly to a point on the easterly boundary extended of said Block 7, and 50 feet south of the southeast corner of said Block 7; thence easterly to a point on the east line of Section 18, T. 25 N., R. 43 E., W.M., said point being 58.5 feet south of the point where the south line of Block 6 of said Riverfront Addition extended will intersect said east line of said Section 18; thence south along said section line to the center of the main channel of the Spokane River; thence westerly down the center of the main channel of said River to a point on the west line of Washington Street; thence south along the west line of Washington Street to a point which lies 330 feet north of the north line of vacated Ferry Avenue; thence west parallel with said north line of vacated Ferry Avenue 100 feet; thence north parallel to the west line of Washington Street 180 feet more or less to the center of the main channel of the Spokane River; thence westerly down the center of said main channel to a point 150 feet east of the most easterly point of the big island; thence in a southerly and southwesterly direction along the center line of the main and

south channels of the said River to a point on the dividing line extended of Lots 42 and 43, Havermale's Island; thence in a straight line in a westerly direction to the southeasterly corner of Lot 42 of said Island; thence following the easterly end lines and sinuosities thereof of Lots Nos. 42, 41, 40, 39, 38, 37, 36, 35, 34, 33 and 32 of said Island to a point; thence following the northerly lines of Lots 32 and of McBroom Street (now vacated) and the northerly lines of Lots 31, 25 and 24, to the intersection of the northerly line of Lot 24 of said Island, and the westerly line of the right of way of the St. Paul, Minneapolis and Manitoba Railway Co.; thence in a straight line northwesterly along the southwesterly boundary of said right of way of the St. Paul, Minneapolis and Manitoba Railway Co. to a point due east of the most northerly point of Lot 20 of said Island; thence due west to the said most northerly point of said Lot 20; thence northerly along the east line of Washington Street to a point 15.8 feet southerly from the natural bank of the north channel of the Spokane River; thence northeasterly turning to the right through an angle of 66° 33′ with the last mentioned course 30.1 feet to the natural shore line of said north channel of the Spokane River; thence in an easterly direction along the south line of Block 2 of what was formerly known as Pittwood's Addition to Spokane Falls, now Spokane, to the place of beginning.

Except all of Lincoln Street, between Bridge Avenue and Broadway Avenue, and the following described tract:

That parcel or tract of unplatted land situated in the Northwest Quarter of the Southeast Quarter of Section Eighteen, Township 25 North, Range 43 E.W.M., on the island between the North and Middle Channels of the Spokane River in the City of Spokane, County of Spokane, State of Washington, and which is more particularly described as follows, to-wit:

Commence at a City Engineer's monument, a cross on a steel pin, which is the center of Section 18, T. 25 N., R. 43 E.W.M., thence S. 89° 39′ E. a distance of 299.85 feet on the north line of the NW¼ SE¼ to the intersection of the center line of Howard Street; thence S. 10° 24′ 30″ W. a distance of 211.32 feet on the center line of Howard Street; thence at right angles N. 79°

Miscellaneous Real Estate (Continued)

35′ 30″ W. 30 feet to a point marked by + in concrete on the west line of Howard Street; which point is the true place of beginning; thence S. 54° 52′ W. 108.85 feet to a point which bears N. 33° 35′ W. 152.86 feet from the City Engineer's monument located in the center of Howard Street about 18 feet north of the north end of the bridge over the middle channel of the Spokane River; thence S. 53° 49′ W. 73.03 feet to a point marked by iron pin; thence S. 66° 34′ W. 76.71 feet; thence N. 77° 38′ W. 85.82 feet to a point marked by + in rock; thence S. 71° 38′ W. 160.82 feet to a point marked by iron pin; thence S. 27° 20′ W. 86.06 feet to a point marked by hole in rock; thence S. 1° 09′ E. 54.47 feet to a point marked by iron pin; thence S. 73° 40′ E. 45.51 feet to a point marked by iron pin; thence N. 84° 10′ E. 121.13 feet to a point marked by iron pin; thence N. 78° 44′ E. 138.81 feet to a point marked by iron pin; thence N. 75° 59′ E. 165.50 feet to a point on the west line of Howard Street marked by an iron pin; thence following the west line of Howard Street N. 1° 55′ W. 45.45 feet to the angle point in Howard Street marked by + in concrete; thence N. 10° 24′ 30″ E. 190.86 feet to the true place of beginning, containing 76,076 square feet more or less.

9. A tract of land in the Southwest Quarter of the Northeast Quarter and the Northwest Quarter of the Southeast Quarter of Section 18, T. 25 N., R. 43 E.W.M. in the City of Spokane, County of Spokane and State of Washington, more particularly described as follows:

Beginning at a point on the east and west center line of Section 18, T. 25 N., R. 43 E.W.M., which bears S. 89° 39′ E. 132.16 feet from the center of said Section; thence S. 9° 18′ E. 47.78 feet; thence N. 87° 02′ E. to the west line of Howard Street in the City of Spokane; thence northerly along the west line of Howard Street to the south line of Mallon Avenue; thence westerly along the south line of Mallon Avenue 107 feet; thence southerly in a straight line approximately 276 feet to a point on said east and west center line of Section 18, which lies 159 feet easterly from the center of Section 18; thence westerly on said center line 26.84 feet to the point of beginning.

Miscellaneous Real Estate (Continued)

10. A tract of land in the Southeast Quarter of the Northwest Quarter and the Southwest Quarter of the Northeast Quarter of Section 18, T. 25 N., R. 43 E.W.M. in the City of Spokane, County of Spokane, and State of Washington, more particularly described as follows:

Beginning at the center of Section 18, T. 25 N., R. 43 E.W.M., thence westerly along the east and west center line of said section, 60 feet; thence northerly parallel to the north and south center line of said section to the south line of Mallon Avenue; thence easterly along the south line of Mallon Avenue to the north and south center line of Section 18; thence north on said center line two feet; thence east parallel with the south line of Mallon Avenue 51 feet; thence south 2 feet to the south line of Mallon Avenue; thence easterly along the south line of Mallon Avenue to a point which lies 107 feet westerly from the west line of Howard Street; thence southerly along a course which intersects the east and west center line of said Section 18 at a point 159.0 feet easterly from the center of said Section 18; thence westerly along said center line to the point of beginning.

11. A parcel of land in SW¼ NW¼, Section 20, Township 10 North, Range 46 E.W.M., in Asotin County, Washington, on a tract described as follows: Beginning at a point 2671.2′ south and 628.62′ east of the Northwest corner of Section 20, Township 10, North Range 46 E.W.M. thence North 26° 29′ East 160′; thence North 39° 29′ E. 125′; thence North 49° 29′ East 77′; thence North 69° 17′ E. 116.2′; thence North 3° 25′ E. 183.4′; thence South 86° 35′ East 95′; thence North 3° 25′ East 840′ to the north boundary of the SW ¼ NW ¼ of said Section 20; thence east along the aforesaid north boundary a distance of 30′; thence South 3° 25′ West 840′; thence South 86° 35′ East 239.74′; thence South 4° 27′ East 213.88′; thence South 87° 56′ West 127.5′; thence S. 4° 27′ East 3.92′; thence S. 76° 13′ West 100′; thence South 4° 27′ East 127.5; thence North 86° 05′ East 98.58′; thence S. 4° 27′ East 130.31′; thence North 89° 46′ West 605′ to the place of beginning; containing 5.58 acres more or less, all in the SW ¼ NW ¼ Section 20, Township 10 North, Range 46 E.W.M.

Miscellaneous
Real Estate
(Continued)

12. A one acre tract in SE ¼ SE ¼ of Section 8, Township 25 North, Range 39 E.W.M. in Lincoln County, Washington, described as follows: Beginning at a point, four hundred and seventy five feet more or less north of and thirty feet more or less west of the southeast corner of section eight, township twenty-five north, range thirty-nine east W.M.; thence westwardly parallel to the south line of said section eight a distance of two hundred and seventeen and eight tenths feet more or less; thence southwardly a distance of two hundred feet more or less parallel to the east line of said section eight; thence eastwardly a distance of two hundred and seventeen and eight tenths feet more or less; thence northwardly thirty feet from and parallel to the east line of said section eight to the place of beginning.

13. A 1 acre tract with dwelling in E ½ NE ¼, Section 29, Township 17 North, Range 45 E.W.M. in Whitman County, Washington, Described as follows: beginning at an iron pin bearing south thirty-seven degrees and fifty-three minutes (37 deg. 53′) west from the corner of sections 28, 29, 21 and 20, in township 17 north, range 45 E.W.M., and distant therefrom two thousand forty and 42/100 (2040.42) feet, more or less; thence south twenty-three (23) degrees and thirty-four (34) minutes west along the west side of the La Dow Road a distance of two hundred and forty-five (245) feet more or less to an iron pin; thence on a curve of ninety-five (95) feet radius through an angle of fifty-seven (57) degrees and forty-five (45) minutes a distance of ninety-five and 75/100 (95.75) feet to an iron pin; thence south eighty-one (81) degrees and nineteen (19) minutes west along the north side of the Colfax and Palouse City Road a distance of one hundred and three (103) feet, more or less, to an iron pin; thence north twenty-three (23) degrees and thirty-four (34) minutes east a distance of three hundred eighty (380) feet, more or less, to an iron pin; thence south sixty-six (66) degrees and twenty-six (26) minutes east a distance of one hundred and thirty (130) feet, more or less, to the place of beginning, all of said described land being in the northeast quarter of section twenty-nine (29), in township seventeen (17) north, range forty-five (45) E.W.M.

Miscellaneous
Real Estate
(Continued)

14. Lots 14, 15 and 16 and North 50 feet of lots 12 and 13, Block 6, Neilson Brothers Addition to Lind, Adams County, Washington, with brick office building thereon.

15. Lots 9 and 10, Block 39, Neilson Brothers 2nd Addition to Lind, Adams County, Washington, with frame dwelling thereon.

16. Lot 30 and North 5 feet of Lot 31, Block 5 of Clarkston, Asotin County, Washington, with office building thereon.

17. Lots 3 and 4, Block 17, Original Town of Chelan, Chelan County, Washington, with building thereon.

18. South 37 feet of Northerly 75 feet of Lots 9 and 10, Block 36, Northern Pacific Addition to Ritzville, Adams County, Washington, with building thereon.

19. Lots 1, 2 and 3, Block 68, First Addition to G. K. Reed's Plat of Coulee City, Grant County, Washington, with dwelling thereon.

20. South 90 feet of Lots 3 and 4, Block 65, Morgan's Addition to Davenport, Lincoln County, Washington, with building thereon.

21. Lot 6, Block 23 (except South 40′) Tantum and Schoonover's Addition to Odessa, Lincoln County, Washington, with building thereon.

22. Lots 5 and 6, Block 16, Resurvey and Homestead Addition to City of Wilbur, Lincoln County, Washington, with building thereon.

23. Lots 1 and 2, Block 4, City of Brewster, Okanogan County, Washington, with office building and garage thereon.

24. Lots 5, 6 and 7, Block 9, North Alma Addition to Okanogan, Okanogan County, Washington, with warehouse thereon.

25. Lots 12 and 13, Block 25, City of Oroville, Okanogan County, Washington, with office building and garage thereon.

26. Lot 13, Block 29, City of Oroville, Okanogan County, Washington, with building thereon.

Miscellaneous Real Estate (Continued)

27. Lots 11, 12, 13 and 14, Block 9, Original Town of Colville, Stevens County, Washington with office building and warehouse thereon.

28. Lot 8, Block 5, Snyder's Addition to Marcus, Stevens County, Washington, with building thereon.

29. E ½ of Lot 4, Block 2, Wiley's Addition to Palouse, Whitman County, Washington, with building thereon.

30. Lot 8, Block 2, (north of Main Street) Town of Grangeville, Idaho County, Idaho, with office building thereon.

31. Lot 1, Block 27, Town of Vollmer (now Craigmont), Lewis County, Idaho, with building thereon.

32. Lot 10, Block 2, Original Townsite of Kendrick, Latah County, Idaho, with office building thereon.

33. Lot 2, Block 14, in Town of Kamiah, Lewis County, Idaho, with office building thereon.

34. South 30 feet of Lot 6, Block 4, West Moscow Addition to Moscow, Latah County, Idaho, with office building thereon.

35. Lots 14 and 15, Block 16 (north of Highway) Sunnyside Addition to Moscow, Latah County, Idaho, with dwelling and garage thereon.

36. Lot 14, Block 1, Taylor's Addition to Moscow, Latah County, Idaho, with warehouse thereon.

37. Block 9, Chamberlin's Addition to Spokane, Spokane County, Washington.

SEVENTH.

Water Distribution Systems

Chelan

1. The entire water supply and water distribution system in the City of Chelan and vicinity, Chelan County, State of Washington, owned and operated by the Company and all water rights owned and/or used in connection therewith together with the pipes, mains, services, meters and other equipment and appurtenances owned and/or used by the Company in supplying

Water Distribution Systems (Continued)

water for domestic and other uses in said city and said vicinity and all franchises, permits, consents, easements and rights of way for said pipes, mains, services and appurtenances under which said system is or may be operated, including the following:

That certain franchise or consent owned by the Company and granted by ordinance by the City of Chelan, which became effective on or about November 10, 1902, and expires on November 10, 1952.

That certain franchise or consent owned by the Company and granted by the Board of County Commissioners of said Chelan County, which became effective on or about January 8, 1903, and expires January 8, 1953.

Coeur d'Alene

2. The entire water supply and water distribution system in the City of Coeur d'Alene, Kootenai County, Idaho, and in the suburbs thereof owned and operated by the Company and all water rights owned and/or used in connection therewith together with the pipes, mains, services, meters and other equipment and appurtenances owned and/or used by the Company in supplying water for domestic and other uses in said city and said suburbs and all franchises, permits, consents, easements and rights of way for said pipes, mains, services and appurtenances under which said system is or may be operated, including the following:

That certain franchise or consent owned by the Company, granted by Ordinance No. 93 and enacted by the Board of Trustees of the Village (now City) of Coeur d'Alene, on or about October 19, 1903, and expiring on October 19, 1953.

Asotin County-Clarkston

3. That certain water conduit or main pipe line situate, lying and being in the County of Asotin, Washington, which extends from the headgates located on Asotin Creek on the tract of land in the Southwest ¼ of the Southwest ¼ of Section 20, Township 10, North of Range 45, E.W.M.; thence in a general easterly direction along the north side of the canyon of said Asotin Creek to a point opposite the City of Asotin in said Asotin County; and thence in a general northerly and northwesterly direction to the reservoir situate in the City of Clarkston, Washington; also all pipe lines, laterals and connections

Water Distribution Systems (Continued)

owned and used by the Company for the purpose of distributing and delivering water from said main water pipe line for irrigation and other purposes to various tracts and parcels of land along and below the grade of said main pipe line or the level of said reservoir, including the system of pipes and mains for the distribution of water for irrigation and domestic use within the limits of the City of Clarkston, in said County of Asotin; together with all of the structures and appurtenances of said water pipe lines, laterals, connections and distribution system and all of the apparatus, appliances, services, meters and other equipment owned and used in connection therewith, and all easements, franchises, permits and rights of way for the same, including the following:

That certain franchise or consent, owned by the Company and granted by the city authorities of Clarkston by ordinance, which became effective on or about May 11, 1937, and expires about May 11, 1962.

Grangeville

4. The entire water supply and water distribution system and business of the Company in and in the vicinity of the Town of Grangeville, Idaho County, Idaho, and all springs, waters and water rights owned and used in connection therewith, together with all pipes, mains, services, meters and other equipment and appurtenances owned and used by the Company in supplying water for domestic and other uses in said Town of Grangeville and vicinity, and all franchises, permits, easements and rights of way for said pipes, mains, services and appurtenances, including the following:

That certain franchise or consent, owned by the Company and granted by the town authorities of Grangeville by ordinance, which became effective on or about December 7, 1931, and expires about December 7, 1956.

EIGHTH.

Spokane Steam Heating System

Steam heating property of the Company, located in the City of Spokane, Spokane County, Washington.

Lots 3, 4, 5 and 6, Block 26, Railroad Addition to Spokane Falls (now Spokane), in the City of Spokane, County of Spo-

kane, State of Washington, together with buildings thereon, now occupied by the steam generating plant.

All coal and ash bunkers, conveyors, scales, boilers, pumps, blowers, piping, instruments and miscellaneous steam generating apparatus and auxiliaries, together with all steam mains, conduits, man-holes, hand-holes, valves, piping, fittings, service mains, and miscellaneous auxiliary apparatus now installed in the streets and alleys of the City of Spokane or upon customers' premises for use in supplying steam, and whatever rights the Company may have under that certain franchise or consent granted by the city authorities by ordinance dated April 27, 1939 to Spokane Central Heating Company to construct, maintain and operate a system for distribution of steam or hot water.

Appurtenances, etc.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 hereof), the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

Agreement as to after-acquired property

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 hereof, all the property, rights, and franchises acquired by the Company after the date hereof (except any hereinbefore or hereinafter expressly excepted) shall be as fully embraced within the lien hereof as if such property, rights and franchises were now owned by the Company and were specifically described herein and conveyed hereby.

Property excepted from Lien of Indenture

Provided that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this

Indenture, viz.: (1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered hereunder or hereinafter covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for consumption in the operation of any properties of the Company; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged hereunder or hereinafter covenanted so to be; and (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; provided, however, that the property and rights expressly excepted from the lien and operation of this Indenture in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event that either or both of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII hereof by reason of the occurrence of a Completed Default as defined in said Article XII.

Habendum

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Individual Trustee and (to the extent of its legal capacity to hold the same for the purposes hereof) unto the Corporate Trustee, and their successors, heirs and assigns forever.

Grant in Trust

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth, for the benefit and security of those who shall hold the bonds and coupons issued and to be issued hereunder, or any of them, in accordance with the terms of this Indenture, without preference, priority or distinction as to lien of any of said bonds and coupons over any others thereof by reason of priority in the time of the issue or negotiation thereof, or otherwise howsoever, subject, however, to the provisions

in reference to extended, transferred or pledged coupons and claims for interest hereinafter set forth; it being intended that the lien and security of all of said bonds and coupons of all series issued or to be issued hereunder shall take effect from the execution and delivery of this Indenture, and that the lien and security of this Indenture shall take effect from the date of execution and delivery hereof as though all of the said bonds of all series were actually authenticated and delivered and issued upon such date.

Defeasance Clause

PROVIDED, HOWEVER, and these presents are upon the condition that if the Company, its successors or assigns, shall pay or cause to be paid the principal of and interest on said bonds, together with the premium, if any, payable on such of said bonds as may have been called for redemption prior to maturity, or shall provide, as permitted hereby, for the payment thereof by depositing with the Corporate Trustee the entire amount due or to become due thereon for principal, interest and premium, if any, and if the Company shall also pay or cause to be paid all other sums payable hereunder by it, then this Indenture and the estate and rights hereby granted shall cease, determine and be void, otherwise to be and remain in full force and effect.

Covenant Clause

IT IS HEREBY COVENANTED, DECLARED AND AGREED by and between the parties hereto that all such bonds and coupons are to be authenticated, delivered and issued, and that all property subject or to become subject hereto is to be held subject to the further covenants, conditions, uses and trusts hereinafter set forth, and the Company, for itself and its successors and assigns, does hereby covenant and agree to and with the Trustees and their successor or successors in such trust, for the benefit of those who shall hold said bonds and interest coupons, or any of them, as follows:

ARTICLE I.

Definitions.

Explanatory statement

SECTION 1. The terms specified in the next succeeding six Sections hereof, numbered from 2 to 7, both inclusive, shall (except as herein otherwise expressly provided) for all purposes of this Indenture, and of any indenture supplemental hereto, have the meanings in such Sections specified.

"the Company"

SECTION 2. The term "the Company" shall mean the party of the first part hereto, THE WASHINGTON WATER POWER COMPANY, and subject to the provisions of Article XV hereof, shall also include its successors and assigns.

"the Trustees"

The term "the Trustees" shall mean the parties of the second part hereto, CITY BANK FARMERS TRUST COMPANY and RALPH E. MORTON, and, subject to the provisions of Article XVI hereof, shall also include their respective successors and assigns.

"the Corporate Trustee"

The term "the Corporate Trustee" shall mean CITY BANK FARMERS TRUST COMPANY, and, subject as aforesaid, shall also include its successors and assigns. The term "the Individual Trustee" shall mean RALPH E. MORTON, and, subject as aforesaid, shall also include his successors and assigns.

"the Individual Trustee"

"this Indenture" "the Mortgage"

The term "this Indenture" or "the Mortgage" (the latter being referred to in the general forms of bonds) shall mean this instrument and all indentures supplemental hereto.

"the Lien hereof" "the Lien of this Indenture"

The terms "the Lien hereof" and "the Lien of this Indenture" shall mean the lien created by these presents (including the after-acquired property clauses hereof) and the lien created by any subsequent conveyance or delivery to or pledge with the Trustees or either of them hereunder (whether made by the Company or any other corporation or any individual or co-partnership) effectively constituting any property a part of the security held by the Trustees or either of them

upon the terms and trusts and subject to the covenants, conditions and uses specified in this Indenture.

"the Mortgaged and Pledged Property"

The term "the Mortgaged and Pledged Property" shall mean as of any particular time the property which at said time is subject or intended to be subject to the Lien of this Indenture whether such Lien be created by these presents (including the after-acquired property clauses hereof) or by subsequent conveyance or delivery to or pledge with the Trustees hereunder or otherwise.

"Outstanding"

The term "Outstanding", subject to the provisions of Sections 65 and 113 hereof, shall mean as of any particular time with respect to bonds issued or issuable under this Indenture all bonds which theretofore shall have been authenticated and delivered by the Corporate Trustee under this Indenture, except (*a*) bonds theretofore paid, retired, redeemed, discharged or canceled and/or for the purchase, payment and/or redemption of which money in the necessary amount shall have been deposited with or shall then be held by the Corporate Trustee with irrevocable direction so to apply the same; provided that, in the case of redemption, the notice required by Article X hereof shall have been given or have been provided for to the satisfaction of the Corporate Trustee, (*b*) bonds deposited with or held in pledge by the Corporate Trustee under any of the provisions of this Indenture, including any so held under any sinking or other fund, and (*c*) bonds authenticated and delivered hereunder, upon transfer of which or in exchange or substitution for and/or in lieu of which other bonds have been authenticated and delivered under any of the provisions of this Indenture.

"Daily Newspaper"

The term "Daily Newspaper" shall mean a newspaper generally published at least six days a week.

"Resolution"

SECTION 3. The term "Resolution" shall mean a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors of the Company and to be in full force and effect on the date certified.

"Engineer"

The term "Engineer" shall mean an individual or a copartnership or a corporation engaged in an engineering business or employed by the Company to pass upon engineering questions.

"Treasurer's Certificate"

The term "Treasurer's Certificate" shall mean a certificate signed and verified by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company.

"Engineer's Certificate"

The term "Engineer's Certificate" shall mean a certificate signed and verified by the President or a Vice-President of the Company and by an Engineer (who may be an employee of the Company) appointed by the Board of Directors or Executive Committee of the Company and approved by the Corporate Trustee.

"Independent Engineer's Certificate"

The term "Independent Engineer's Certificate" shall mean a certificate signed and verified by an Engineer (who shall certify to the Corporate Trustee that the signer is not in the regular employ of the Company or an affiliate thereof and is not an affiliate or a director or officer of the Company or of an affiliate) appointed by the Corporate Trustee and approved by the Board of Directors or Executive Committee of the Company.

"Opinion of Counsel"

The term "Opinion of Counsel" shall mean an opinion in writing signed by counsel (who may be of counsel to the Company) appointed by the Board of Directors or Executive Committee of the Company and approved by the Corporate Trustee.

The acceptance by the Corporate Trustee of an Engineer's Certificate, Independent Engineer's Certificate, Opinion of Counsel or appraisal shall be sufficient evidence of its appointment or approval of the signer or signers within the meaning of this Indenture.

"Property Additions"

SECTION 4. The term "Property Additions" shall mean plants, lines, pipes, mains, cables, machinery, transmission lines, pipe lines, distribution systems, service systems and supply systems, vehicles, automobiles, property, real or personal, and improvements, extensions, additions, renewals or replacements acquired by the Company by purchase, consolidation, merger, donation or in any other way whatsoever,

subsequent to May 31, 1939, or made or constructed subsequent to May 31, 1939, or in the process of construction or erection in so far as actually constructed or erected subsequent to May 31, 1939, and used or useful or to be used in or in connection with the business of generating, manufacturing, transporting, transmitting, distributing or supplying electricity or gas for light, heat, power, refrigeration or other purposes. The term "Property Additions" shall not, however, include (1) any shares of stock, bonds, evidences of indebtedness or other securities or contracts, leases, or operating agreements, bills, notes, accounts receivable, or choses in action, or (2) except as herein otherwise specifically provided, going value, good will, franchises or governmental permits or licenses granted to or acquired by the Company, as such, separate and distinct from the property operated thereunder or in connection therewith or incident thereto, or (3) any goods, wares, merchandise, equipment, materials or supplies held for the purpose of sale or resale in the usual course of business or for the purpose of consumption in the operation of any of the properties of the Company, or (4) any lands, leases, gas rights, wells, gathering, tap or other pipe lines, or equipment, used principally and primarily for the production or gathering of natural gas, or (5) any property, the cost of acquiring, making or constructing which is chargeable under accepted principles of accounting to operating expenses.

When any Property Additions are certified to the Corporate Trustee in any certificate under any of the provisions of this Indenture as the basis either of the authentication and delivery of bonds or of the release of property or the withdrawal of cash or of a credit under Section 38 or Section 39 hereof, (A) there shall be deducted from the Cost or Fair Value thereof, as the case may be, an amount equal to the Cost (or as to Property Additions the Fair Value of which at the time the same became Funded Property was less than the Cost as determined pursuant to this Section, then such Fair Value in lieu of Cost) of all Funded Property previously retired (other than the Funded Property, if any, in connection with the application for the release of which such

certificate is filed) and not theretofore deducted from the Cost or Fair Value of Property Additions theretofore certified to the Corporate Trustee and (B) there shall be added to such Cost or Fair Value, as the case may be, the sum of

(*a*) the principal amount of all obligations secured by purchase money mortgage and all cash (other than proceeds of such purchase money obligations) received by the Corporate Trustee or the trustee or other holder of any Prior Lien, in either case representing the proceeds of insurance on, or of the release or other disposition of, such Funded Property retired;

(*b*) the principal amount of any bond(s) or fraction of a bond, the right to the authentication and delivery of which under the provisions of Section 26 or Section 29 hereof shall have been waived as the basis of the release of such Funded Property retired;

(*c*) the Cost or Fair Value to the Company (whichever is less) of any Property Additions which shall have been made the basis of the release of such Funded Property retired; and

(*d*) the Cost of any Property Additions substituted (otherwise than under the release or cash withdrawal provisions hereof) for such Funded Property retired;

provided, however, that the aggregate of the amounts added under clause (B) above shall in no event exceed the amounts deducted under clause (A) above. For the purposes of the deductions required by this Section, the Cost and/or the Fair Value of Funded Property retired shall be determined as follows: (1) in the case of property which was owned by The Washington Water Power Company or by Spokane Central Heating Company on May 31, 1939, the Cost thereof shall be the Cost as shown on the books of the Company or, if not so separately shown, the Cost as estimated by the Company; and (2) in the case of Property Additions retired, the Cost and the Fair Value thereof, respectively, shall be the Cost and the Fair Value thereof respectively, to the Company, as shown by the Engineer's Certificate or Independent Engineer's Certificate furnished to the Corporate Trustee at the time such

Property Additions became Funded Property, or, if not separately shown in such certificate, shall be such portion of the Cost and/or the Fair Value to the Company of Property Additions shown in such certificate as shall be allocated to such Property Additions retired in any Engineer's Certificate subsequently delivered to the Corporate Trustee, and in case such Property Additions shall not have been included in any Engineer's Certificate or Independent Engineer's Certificate theretofore furnished to the Corporate Trustee, the Cost and the Fair Value thereof shall be as shown, as of the time when they became Funded Property, in an Engineer's Certificate then delivered to the Corporate Trustee.

"Funded Property"

SECTION 5. The term "Funded Property" shall mean:

(1) all property owned by The Washington Water Power Company on May 31, 1939 and all property owned by Spokane Central Heating Company on said date;

(2) all Property Additions to the extent that the same shall have been made the basis of the authentication and delivery of bonds under this Indenture;

(3) all Property Additions to the extent that the same shall have been made the basis of the release of property from the Lien of this Indenture, subject, however, to the provisions of Section 59 hereof;

(4) all Property Additions to the extent that the same shall have been substituted for Funded Property, as defined in this Section, otherwise than under the release or cash withdrawal provisions hereof;

(5) all Property Additions to the extent that the same shall have been made the basis of the withdrawal of any Funded Cash, as hereinafter defined, held by the Corporate Trustee hereunder or by the trustee or other holder of a Prior Lien as hereinafter defined, subject, however, to the provisions of Section 61 hereof;

(6) all Property Additions to the extent that the same shall have been made the basis of a credit or of the withdrawal of cash under the provisions of Section 38 hereof; and

(7) all Property Additions to the extent that the same shall have been made the basis of a credit under the provisions of Section 39 hereof.

All Funded Property that shall be retired on the books of the Company from plant account or abandoned, destroyed or released or otherwise disposed of free of the Lien of this Indenture shall for the purpose of Section 4 hereof be deemed Funded Property retired and for other purposes of this Indenture shall thereupon cease to be Funded Property but may at any time thereafter again become Funded Property.

"Funded Cash" The term "Funded Cash" shall mean:

(*a*) cash, held by the Corporate Trustee hereunder or by the trustee or other holder of a Prior Lien as hereinafter defined, to the extent that it represents the proceeds of insurance on or the release of or the taking by eminent domain of property, or the proceeds of property purchased by any governmental body or agency or its designee upon exercise of any right which it may have to purchase the same or designate a purchaser thereof or the proceeds of the release of obligations secured by purchase money mortgage which obligations have been delivered to the Corporate Trustee or to the trustee or other holder of a Prior Lien pursuant to Article XI hereof, or the proceeds of the payment to the Corporate Trustee or to such other trustee or holder of obligations secured by purchase money mortgage which obligations have been delivered to it pursuant to Article XI hereof, subject, however, to the provisions of Section 61 hereof;

(*b*) cash held at any time in any sinking or improvement fund or other similar device for the retirement of bonds of one or more series issued hereunder, other than cash deposited pursuant to Section 64 hereof, but when all bonds of such one or more series shall have ceased to be Outstanding hereunder, such cash shall no longer be deemed to be or to have been Funded Cash; and

(*c*) any cash deposited with the Corporate Trustee under Sections 30, 38, 39, 46 and/or 58 hereof.

"Excepted Encumbrances" SECTION 6. The term "Excepted Encumbrances" shall mean as of any particular time any of the following:

(*a*) liens for taxes, assessments or governmental charges not then delinquent and liens for workman's compensation awards and similar obligations not then delinquent and undetermined liens or charges incidental to construction;

(*b*) any liens, neither assumed by the Company nor on which it customarily pays interest, existing upon real estate or rights in or relating to real estate acquired by the Company for substation, transmission line, transportation line, distribution line or right of way purposes;

(*c*) rights reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license or permit, or by any provision of law, to terminate such right, power, franchise, grant, license or permit or to purchase or recapture or to designate a purchaser of any of the property of the Company;

(*d*) rights reserved to or vested in others to take or receive any part of the power developed or generated by any property of the Company;

(*e*) easements or reservations in any property of the Company for the purpose of roads, pipe lines, transmission lines, transportation lines and other like purposes and which, as shown by an Engineer's Certificate, do not materially impair the use of such property for the purposes for which it is held by the Company;

(*f*) rights reserved to or vested in any municipality or public authority to control or regulate any property of the Company, or to use such property in a manner which, as shown by an Engineer's Certificate, does not materially impair the use of such property for the purposes for which it is held by the Company; or

(*g*) any obligations or duties, affecting the property of the Company, to any municipality or public authority with respect to any franchise, grant, license or permit.

"Prior Lien" The term "Prior Lien" shall mean any mortgage or other lien (not included in the term Excepted Encumbrances as defined in this Section)

"Prior Lien Bonds"

prior to the Lien of this Indenture, existing at any particular time upon any Property Additions (so long as such Property Additions remain subject to the Lien hereof) then or theretofore made the basis under any of the provisions of this Indenture for the authentication and delivery of bonds or the withdrawal of cash or the release of property or the basis of a credit under the provisions of Section 38 or Section 39 hereof. The term "Prior Lien Bonds" shall mean bonds, obligations or principal indebtedness secured by Prior Lien. The term "Outstanding" with respect to Prior Lien Bonds shall mean as of any particular time all Prior Lien Bonds theretofore authenticated and delivered by the trustee or other holder of the Prior Lien securing the same and/or, if there be no such trustee or other holder, all Prior Lien Bonds theretofore made and delivered by the maker (or his successor) of such Prior Lien, and all other Prior Lien Bonds, except (*a*) Prior Lien Bonds theretofore paid, retired, redeemed, discharged or cancelled, (*b*) Prior Lien Bonds held in pledge hereunder, (*c*) Prior Lien Bonds held by the trustee or other holder of a Prior Lien (under conditions such that no transfer of ownership or possession of such Prior Lien Bonds by the trustee or other holder of such Prior Lien is permissible thereunder except upon a default thereunder or except to the Corporate Trustee hereunder to be held subject to the provisions of Article IX hereof or to the trustee or other holder of a Prior Lien for cancellation or to be held uncanceled under the terms of a Prior Lien under like conditions), (*d*) Prior Lien Bonds for the purchase, payment or redemption of which moneys in the necessary amount shall have been deposited with or be held, with irrevocable direction so to apply, by the Corporate Trustee hereunder or by the trustee or other holder of a Prior Lien; provided that, in the case of redemption, the notice required therefor shall have been given or have been provided for to the satisfaction of the Corporate Trustee, and (*e*) Prior Lien Bonds upon transfer of which or in exchange or substitution for and/or in lieu of which other Prior Lien Bonds have been authenticated and delivered or made and delivered under any of the provisions of the Prior Lien securing such Prior Lien Bonds.

"Net Earning Certificate"

SECTION 7. The term "Net Earning Certificate" shall mean a certificate signed and verified by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company, stating

(A) the Net Earnings of the Company for a period of twelve (12) consecutive calendar months within the fifteen (15) calendar months immediately preceding the first day of the month in which the application for the authentication and delivery under this Indenture of bonds then applied for is made,

specifying;

(1) its operating revenues, with the principal divisions thereof;

(2) its operating expenses, with the principal divisions thereof;

(3) the amount remaining after deducting such operating expenses from such operating revenues;

(4) its rental expenses for plants or systems not otherwise deducted from revenues or from other income in such certificate;

(5) the balance remaining after deducting such rental expenses from the amount required to be stated in such certificate by clause (3) of this Section;

(6) its rental revenues from plants or systems not otherwise included in revenues, or in other income (net) in such certificate;

(7) the sum of the amounts required to be stated in such certificate by clauses (5) and (6) of this Section;

(8) its other income (net);

(9) the sum of the amounts required to be stated in such certificate by clauses (7) and (8) of this Section;

(10) the amount, if any, by which the aggregate of (a) such other income (net) and (b) that portion of the amount required to be stated in such certificate by clause (7) of this Section which, in the opinion of the signers, is directly derived from

the operations of property (other than paving, grading and other improvements to, under or upon public highways, bridges, parks or other public properties of analogous character) not subject to the Lien of this Indenture at the date of such certificate, exceeds fifteen per centum (15%) of the sum required to be stated by clause (9) of this Section;

(11) the Net Earnings of the Company for such period of twelve (12) consecutive calendar months (being the amount remaining after deducting in such certificate the amount required to be stated by clause (10) of this Section from the sum required to be stated by clause (9) of this Section);

(B) the Annual Interest Requirements, being the interest requirements for twelve (12) months upon:

(i) all bonds Outstanding hereunder at the date of such certificate, except any for the refunding of which the bonds applied for are to be issued;

(ii) all bonds then applied for in pending applications, including the application in connection with which such certificate is made;

(iii) all bonds deposited with or held in pledge by the Corporate Trustee under any of the provisions of this Indenture under conditions such that they may be issued or reissued;

(iv) all Prior Lien Bonds which will be Outstanding immediately after the authentication of the bonds then applied for in pending applications, including the application in connection with which such certificate is made; and

(v) the principal amount of all other indebtedness (except indebtedness for the purchase, payment or redemption of which moneys in the necessary amount shall have been deposited with or be held by the Corporate Trustee or the trustee or other holder of a lien prior hereto with irrevocable direction so to apply the same; provided that, in the case of redemption, the notice required therefor shall have been given or have been provided for to the satisfaction of the Corporate Trustee), outstanding in the hands of the public on the date of such cer-

tificate and secured by lien prior or equal to the Lien of this Indenture upon property of the Company subject to the Lien of this Indenture, if said indebtedness has been assumed by the Company or if the Company customarily pays the interest upon the principal thereof.

In calculating such Net Earnings, all the Company's expenses for taxes (other than income, profits and other taxes measured by, or dependent on, net income), assessments, rentals, insurance and expenses for current repairs and maintenance, shall be included in its operating expenses, or otherwise deducted from its revenues and income; provided, however, that no provisions for renewal, replacement, depreciation, depletion or retirement of property or for property losses, or for amortization, nor expenses or provisions for interest on any of its indebtedness or for the amortization of debt discount and expense or for any improvement or sinking fund or other device for the retirement of any indebtedness, shall be required to be included in operating expenses to be deducted from, or shall be otherwise required to be deducted from, its revenues or its other income.

If any of the property of the Company owned by it at the time of the making of any Net Earning Certificate shall have been acquired during or after any period for which Net Earnings of the Company are to be computed, the Net Earnings of such property (computed in the manner in this Section provided for the computation of the Net Earnings of the Company) during such period or such part of such period as shall have preceded the acquisition thereof, to the extent that the same have not otherwise been included and unless such property shall have been acquired in exchange or substitution for property the earnings of which have been included, may, at the option of the Company, be included in the Net Earnings of the Company for all purposes of this Indenture.

Net Earnings, whether of the Company, or of a particular property, shall be determined in accordance with accepted principles of accounting.

ARTICLE II.

Form, Execution, Registration and Exchange of Bonds.

Series and form of bonds

SECTION 8. At the option of the Company, the bonds issued hereunder may be issued in one or more series, the bonds of each series (other than the 3½% Series due 1964, hereinafter in Section 19 described) maturing on such date or dates and bearing interest at such rate as the Board of Directors of the Company prior to the authentication thereof may determine. Subject to the provisions of Section 19 hereof as to the 3½% Series due 1964, the form of each series of bonds issued hereunder and of the coupons to be attached to the coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company. The bonds and coupons of any one or more series may be expressed in one or more foreign languages, if also expressed in the English language. The English text shall govern the construction thereof and both or all texts shall constitute but a single obligation. The English text of the coupon bonds, coupons, fully registered bonds and the Corporate Trustee's certificate shall be respectively substantially of the tenor and purport above recited, provided, however, that the form of each series, as established by the Board of Directors, shall specify the descriptive title of the bonds (which shall contain the words "Mortgage Bond"), the designation of the series, the date of the coupon bonds of that series, the rate of interest to be borne by the bonds of that series, the coin or currency in which payable, the date or dates of maturity, the dates for the payment of interest, and a place for the payment of principal and interest. Subject to the provisions of Section 19 hereof with respect to the 3½% Series due 1964, any series of bonds may also contain such provisions not inconsistent with the provisions of this Indenture as the Board of Directors may, in its discretion, cause to be inserted therein:

One or more series may be expressed in one or more foreign languages

Form of each series shall specify the descriptive title, designation, date, rate of interest, dates of maturity, and place for payment of principal and interest

May also contain provision for:

(a) Additional places for payment, registration, and transfer

(*a*) specifying any additional place or places, either in the United States of America or, subject to the provisions of Section 18 hereof, elsewhere, for the payment of principal and/or interest and/or a place or places for the registration of bonds and/or the transfer of bonds;

(b) Reimbursement of taxes; sinking fund and conversion of bonds into stock

(*b*) expressing any obligation of the Company for the payment of the principal of the bonds of that series or the interest thereon, or both, without deduction for taxes and/or for the reimbursement of taxes in case of payment by the bondholders, it being agreed that such obligation may be limited to taxes imposed by any taxing authorities of a specified class and may exclude from its operation or be limited to any specified tax or taxes or any portion thereof; and/or expressing any obligation of the Company for the creation of a sinking fund or other analogous device for the bonds of that series, and/or expressing any obligation of the Company to permit the conversion of bonds of that series into capital stock of the Company or of any other corporation of any designated class or classes;

(c) Exchanges of bonds

(*c*) permitting the bondholders to make, at a specified place or places, any or all of the following exchanges, viz., exchanges of coupon bonds for fully registered bonds; exchanges of fully registered bonds for coupon bonds; exchanges of coupon bonds for coupon bonds of other authorized denominations; exchanges of fully registered bonds for fully registered bonds of other authorized denominations; and exchanges of bonds of one series for bonds of another series; and such privilege of exchange may in any case be made subject to such conditions, limitations or restrictions as the Board of Directors may determine and the privilege of exchange may in any case be conferred upon the holders of bonds of one or more denominations and withheld from the holders of bonds of other denominations of the same series and may in any case be conferred on the holders of fully registered bonds and withheld from the holders of coupon bonds or vice versa;

(d) Redemption

(*d*) reserving to the Company the right to redeem all or any part of the bonds of that series before maturity at a time or times and at a redemption price or prices to be specified in the form of bond; and/or

(e) Other terms and conditions

(e) in any other respect expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under this Indenture.

Kinds and denominations of bonds

SECTION 9. Any series of bonds may be executed, authenticated and delivered originally as coupon bonds and/or as fully registered bonds, of such denomination or denominations as the Board of Directors of the Company may from time to time authorize.

Dates of and interest on registered bonds

SECTION 10. Every fully registered bond shall be dated as of the date of authentication (except that if any fully registered bond of any series shall be authenticated upon any interest payment date for that series, it shall be dated as of the day following) and shall bear interest from the beginning of the current interest period for that series; provided, however, that if any fully registered bond shall be authenticated and delivered upon a transfer of, or in exchange for, any bond or bonds upon which interest is in default, it shall be dated so that no gain or loss of interest shall result therefrom. The coupon bonds of each series of bonds issued hereunder shall be dated as of such date as may be determined by the Board of Directors of the Company and designated in the form established for such series.

Dates and designations of coupon bonds

Legends on bonds

SECTION 11. Any bond may have imprinted thereon or included therein any legend or legends required in order to comply with any law or with any rules or regulations made pursuant thereto or with the rules or regulations of any stock exchange or to conform to usage, and the Board of Directors of the Company by Resolution may at any time amend the form of any legend to be used on bonds then Outstanding so as to comply with any such law, rule or regulation, or so as to conform to usage.

Surrender of bonds upon exchange

SECTION 12. In all cases in which the privilege of exchanging bonds exists and is exercised, the bonds to be exchanged shall be surrendered at such place or places as shall be designated by the Board

of Directors or Executive Committee of the Company for the purpose, with all unmatured coupons appertaining thereto (in the case of coupon bonds) and the Corporate Trustee shall authenticate and the Company shall issue in exchange therefor the bond or bonds which the bondholder making the exchange shall be entitled to receive. All bonds so surrendered for exchange shall be in bearer form or if registered, accompanied by a written instrument or instruments of transfer in form approved by the Company duly executed by the registered holder or his duly authorized attorney. All bonds so surrendered for exchange and the unmatured coupons appertaining thereto shall be canceled by the Corporate Trustee and upon the request of the Company may be cremated by the Corporate Trustee and a certificate evidencing the cremation thereof delivered to the Company. Upon every transfer of bonds as permitted by the next succeeding Section, and upon every exchange of bonds, the Company may make a charge therefor sufficient to reimburse it for *any tax or taxes or other governmental charge required to be paid* by the Company and in addition may charge a sum not exceeding Two Dollars ($2) for each bond issued upon any such transfer or exchange which shall be paid by the party requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Company shall not be required to make transfers or exchanges of bonds of any series for a period of ten (10) days next preceding any interest payment date of said series.

Authentication and issuance of new bonds

Cancellation and cremation of surrendered bonds

Charges for transfer and exchange of bonds

Registration and transfer books

SECTION 13. The Company shall keep, at such place or places as shall be designated for the purpose, books for the registration and transfer of bonds issued hereunder, which, at all reasonable times, shall be open for inspection by the Corporate Trustee; and upon presentation for such purpose at any such place or places, the Company will register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any bonds issued under this Indenture and entitled to registration or transfer at such office. Upon the registration of any coupon bond as

Registration of coupon bonds

Transfer of fully registered bonds

to principal, the fact of such registration shall be noted on such bond. Upon the transfer of any fully registered bond, the Corporate Trustee shall authenticate and the Company shall issue in the name of the transferee or transferees a new fully registered bond or new fully registered bonds of the same series for a like principal amount. All fully registered bonds so surrendered for transfer shall be canceled by the Corporate Trustee and delivered to the Company.

Execution of bonds

SECTION 14. All bonds issued hereunder shall, from time to time, be executed on behalf of the Company by its President or one of its Vice-Presidents and its corporate seal shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. The coupons to be attached to coupon bonds shall bear the facsimile signature of the present or any future Treasurer of the Company. In case any of

Execution by former officers

the officers who shall have signed any bonds or attested the seal thereon, or whose facsimile signature appears on any coupons, shall cease to be such officers of the Company before the bonds so signed and/or sealed shall have been actually authenticated and delivered by the Corporate Trustee or issued by the Company, such bonds nevertheless may be authenticated, delivered and/or issued with the same force and effect as though the person or persons who signed such bonds and/or attested the seal thereon and/or whose facsimile signature appears on any coupons had not ceased to be such officer or officers of the Company. Before

Matured coupons to be cremated before authentication of bonds

authenticating any coupon bonds, the Corporate Trustee shall cut off, cancel and cremate all matured coupons thereto attached, and shall deliver to the Company a certificate evidencing the cremation thereof.

Temporary bonds may be issued

SECTION 15. There may be authenticated and delivered and issued from time to time in lieu of (or in exchange for) any definitive bond or bonds authenticated under this Indenture one or more temporary typewritten, printed, lithographed or engraved bonds substantially of the tenor of the bonds hereinbefore described, with or without one or more coupons, and with or without the privilege of registration as to

principal only, or as to both principal and interest, and such temporary bond or bonds may be in such denomination or denominations as the Board of Directors of the Company may determine. Until a definitive bond or bonds secured hereby are issued in exchange therefor, each such temporary bond or bonds shall be entitled to the Lien and benefit of this Indenture. Upon the exchange by the Company of definitive coupon bonds or definitive fully registered bonds for temporary bonds (which exchange the Company shall make on request of, and without charge to, the holder, when definitive bonds are ready for delivery) such temporary bond or bonds and any unmatured coupons appertaining thereto shall be canceled by the Corporate Trustee and upon the request of the Company may be cremated by the Corporate Trustee and a certificate evidencing such cremation delivered to the Company. When and as interest is paid upon any unregistered temporary bond without coupons, the fact of such payment shall be noted thereon and interest due on any temporary bond which is represented by a coupon shall be paid only upon presentation and surrender of such coupon for cancellation. Temporary bonds without coupons of any series shall bear interest from the beginning of the current interest period for bonds of that series in which such temporary bonds without coupons shall be authenticated. The holder of one or more temporary bonds may exchange the same on the surrender thereof, for cancellation, in bearer form or, if registered, accompanied by a written instrument or instruments of transfer in form approved by the Company, duly executed by the registered holder or by his duly authorized attorney, with all unmatured coupons, if any, appertaining thereto, at the office or agency of the Company, and shall be entitled to receive a temporary bond or bonds of the same series of like aggregate principal amount of such other denominations as the Board of Directors of the Company may determine to issue in exchange.

Are secured hereby

Exchangeable for definitive bonds

Cancellation

Payment of interest on temporary bonds

Exchangeability of temporary bonds

SECTION 16. Upon receipt by the Company and the Corporate Trustee of evidence satisfactory to them, of the loss, destruction or

Replacement of lost, destroyed or mutilated bonds

Indemnity and charges

mutilation of any bond Outstanding hereunder and the coupons appertaining thereto, and of indemnity satisfactory to them, and upon payment, if the Company shall require it, of a reasonable charge and upon reimbursement to the Company and the Corporate Trustee of all reasonable expense incident thereto, and upon surrender and cancellation of such bond, if mutilated, and the coupons appertaining thereto, if any, the Company may execute, and the Corporate Trustee may authenticate and deliver, a new bond of like tenor and of the same series, in lieu of such lost, destroyed or mutilated bond. The Corporate Trustee shall not be liable to anyone by reason of anything done or omitted to be done by it in good faith under the provisions of this Section.

Exculpation of Trustee

Trustee's certificate

SECTION 17. No bond shall be secured hereby unless there shall be endorsed thereon the certificate of the Corporate Trustee, substantially in the form hereinbefore recited, that it is one of the bonds (or temporary bonds) of the series therein designated, herein described or provided for; and such certificate on any such bond shall be conclusive evidence that such bond has been duly authenticated and delivered and when issued will be secured hereby.

Bonds payable in foreign countries

SECTION 18. The Company may provide for effecting the payment of principal of and/or interest on bonds of any series at one or more places in foreign countries, provided that such payment shall be only the stated amount of such principal and/or interest in such coin or currency of the United States of America as at the time of payment is legal tender for public or private debts, or the equivalent thereof in the appropriate local foreign currency at the buying rate at the time of such payment at such place or places for sight drafts on New York.

"3½% Series due 1964"

SECTION 19. Notwithstanding any other provisions hereof, there shall be a series of bonds designated "3½% Series due 1964" (herein sometimes referred to as the "1964 Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof and of the appurtenant coupons, which shall be established by Resolu-

tion of the Board of Directors of the Company, or by officers of the Company pursuant to authority delegated by such Board of Directors, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the 1964 Series shall mature on June 1, 1964, and shall be issued as coupon bonds in the denomination of One Thousand Dollars, registerable as to principal, and as fully registered bonds in denominations of One Thousand Dollars and Ten Thousand Dollars and, at the option of the Company, in any multiple or multiples of Ten Thousand Dollars; they shall bear interest at the rate of Three and one-half per centum (3½%) per annum, payable semi-annually on December 1 and June 1 of each year; the principal of and interest on each said bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment shall be legal tender for public and private debts. Coupon bonds of the 1964 Series shall be dated as of June 1, 1939, and fully registered bonds of the 1964 Series shall be dated as in Section 10 hereof provided. Bonds of the 1964 Series shall be redeemable at the option of the Company in whole at any time, or in part from time to time, prior to maturity, upon notice published as provided in Section 52 hereof, at least once in each of four (4) successive calendar weeks upon any secular day of each such calendar week, which need not be the same day in each week, the first publication to be at least thirty (30) days prior to the date fixed for redemption, at the principal amounts thereof and accrued interest to such date of redemption together with premiums as follows:

Maturity

Denominations

Interest rate

Date of issue

Redemption

Schedule of premiums on redemption of bonds

9% of the principal amount of bonds redeemed before June 1, 1940;

8½% of the principal amount of bonds redeemed on or after June 1, 1940, and before June 1, 1942;

8% of the principal amount of bonds redeemed on or after June 1, 1942, and before June 1, 1944;

7½% of the principal amount of bonds redeemed on or after June 1, 1944, and before June 1, 1946;

7% of the principal amount of bonds redeemed on or after June 1, 1946, and before June 1, 1948;

6½% of the principal amount of bonds redeemed on or after June 1, 1948, and before June 1, 1950;

6% of the principal amount of bonds redeemed on or after June 1, 1950, and before June 1, 1952;

5½% of the principal amount of bonds redeemed on or after June 1, 1952, and before June 1, 1954;

5% of the principal amount of bonds redeemed on or after June 1, 1954, and before June 1, 1955;

4½% of the principal amount of bonds redeemed on or after June 1, 1955, and before June 1, 1956;

4% of the principal amount of bonds redeemed on or after June 1, 1956, and before June 1, 1957;

3½% of the principal amount of bonds redeemed on or after June 1, 1957, and before June 1, 1958;

3% of the principal amount of bonds redeemed on or after June 1, 1958, and before June 1, 1959;

2½% of the principal amount of bonds redeemed on or after June 1, 1959, and before June 1, 1960;

2% of the principal amount of bonds redeemed on or after June 1, 1960, and before June 1, 1961;

1½% of the principal amount of bonds redeemed on or after June 1, 1961, and before June 1, 1962;

1% of the principal amount of bonds redeemed on or after June 1, 1962, and before June 1, 1963;

Without premium if redeemed on or after June 1, 1963, and prior to maturity.

Schedule of premiums upon redemption pursuant to Sections 39 and 64

Bonds of the 1964 Series shall also be redeemable in whole at any time, or in part from time to time, prior to maturity, upon like notice, either at the option of the Company by the application of cash deposited with the Corporate Trustee pursuant to Section 39 hereof, provided that the date fixed for such redemption shall not be earlier than January 1 of the year in which such deposit of cash shall finally become due, or by the application of cash deposited with the Corporate Trustee pursuant to Section 64 hereof, at the principal amounts thereof and

accrued interest to such date of redemption, together with premiums as follows:

6% of the principal amount of bonds redeemed before June 1, 1942;

5% of the principal amount of bonds redeemed on or after June 1, 1942, and before June 1, 1955;

4½% of the principal amount of bonds redeemed on or after June 1, 1955, and before June 1, 1956;

4% of the principal amount of bonds redeemed on or after June 1, 1956, and before June 1, 1957;

3½% of the principal amount of bonds redeemed on or after June 1, 1957, and before June 1, 1958;

3% of the principal amount of bonds redeemed on or after June 1, 1958, and before June 1, 1959;

2½% of the principal amount of bonds redeemed on or after June 1, 1959, and before June 1, 1960;

2% of the principal amount of bonds redeemed on or after June 1, 1960, and before June 1, 1961;

1½% of the principal amount of bonds redeemed on or after June 1, 1961, and before June 1, 1962;

1% of the principal amount of bonds redeemed on or after June 1, 1962, and before June 1, 1963;

Without premium if redeemed on or after June 1, 1963 and prior to maturity.

Exchangeability of 1964 Series

At the option of the holder and upon payment of the charge therefor provided for in Section 12 hereof, any coupon bonds of the 1964 Series upon surrender thereof with all unmatured coupons appertaining thereto at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall be exchangeable for a like aggregate principal amount of fully registered bonds of the same series of authorized denominations; all such coupon bonds to be exchanged as aforesaid shall be in bearer form or, if registered, accompanied by a written instrument of transfer in form approved by the Company duly executed by the registered owner or by his duly authorized attorney. At the option of the registered owner, and upon pay-

ment of the charge therefor provided for in Section 12 hereof, any fully registered bonds of the 1964 Series, upon surrender thereof, for cancellation, at said office or agency of the Company together with a written instrument of transfer in form approved by the Company duly executed by the registered owner or by his duly authorized attorney, shall be exchangeable for a like aggregate principal amount of coupon bonds of the same series, with all unmatured coupons attached, or for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations. The bonds of the 1964 Series may bear such legends as may be necessary to comply with any law or with any rules or regulations made pursuant thereto or with the rules or regulations of any stock exchange or to conform to usage with respect thereto.

Legends on bonds of 1964 Series

Registration of coupon bonds of 1964 Series

The holder of any coupon bond of the 1964 Series may have the ownership thereof registered as to principal at the office or agency of the Company in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of such bond shall be valid unless made at said office or agency by the registered holder in person or by his duly authorized attorney and similarly noted on such bond; but the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer. Fully registered bonds of the 1964 Series shall also be transferable at said office or agency of the Company.

ARTICLE III.

General Provisions as to Issue of Bonds.

Maximum amount of bonds to be secured hereby $150,000,000, subject to amendment

SECTION 20. The aggregate principal amount of bonds which may be secured by this Indenture, to wit, the maximum amount of the obligations to be secured hereby, shall be One Hundred and Fifty Million Dollars ($150,000,000) and the parties to such obligations shall be the Company, the Trustees hereunder (to the extent and as provided in this Indenture) and the respective owners of the bonds and coupons issued or to be issued hereunder; provided, however, that the foregoing limitation shall not be construed to prevent the making of further agreements by indenture supplemental hereto, pursuant to the provisions of Section 121 hereof, so that the maximum amount of the obligations to be secured by this Indenture as amended, after the making and recording of any such supplemental indenture, shall be decreased to the amount specified in the last such supplemental indenture.

Company free to determine price, etc. for bonds

SECTION 21. Nothing in this Indenture contained shall limit the power of the Board of Directors or Executive Committee of the Company to fix the price at which the bonds authenticated and delivered under any of the provisions of this Indenture may be issued, exchanged, sold or disposed of, but any or all of said bonds may be issued, exchanged, sold or disposed of upon such terms and for such considerations as the Board of Directors or Executive Committee of the Company may deem fit.

ARTICLE IV.

Initial Issue of Bonds.

Initial issue of $22,000,000

SECTION 22. Bonds of the 1964 Series for the aggregate principal amount of Twenty Two Million Dollars ($22,000,000) shall forthwith be executed by the Company and delivered to the Corporate Trustee and

shall be authenticated by the Corporate Trustee, and delivered (whether before or after the filing or recording hereof) from time to time, in accordance with the order or orders of the Company, evidenced by a writing or writings signed by the Company by its President or one of its Vice-Presidents and its Treasurer or one of its Assistant Treasurers.

ARTICLE V.

Issuance of Bonds Upon the Basis of Property Additions.

Bonds issuable upon basis of property additions

SECTION 23. Bonds in addition to those provided for in Article IV hereof and of any one or more series may, subject to the provisions of Sections 20 and 121 hereof, from time to time be executed by the Company and delivered to the Corporate Trustee, and shall be authenticated by the Corporate Trustee and delivered from time to time in accordance with the written order or orders of the Company signed by its President or a Vice-President and its Treasurer or an Assistant Treasurer upon the basis of Property Additions, but only in accordance with and subject to the conditions, provisions and limitations set forth in the next succeeding five Sections of this Indenture, numbered from 24 to 28, both inclusive.

No bonds issuable on basis of Funded Property

SECTION 24. No bonds shall be authenticated and delivered at any time under the provisions of this Article V, upon the basis of Funded Property.

Bonds issuable to 60% of cost or fair value of property additions

SECTION 25. Bonds of any one or more series may be authenticated and delivered under the provisions of this Article V upon the basis of Property Additions for a principal amount not exceeding sixty per centum (60%) of the balance of the Cost or of the Fair Value thereof to the Company (whichever shall be less) after making any deductions and any additions required by Section 4 hereof. The Cost of any such Property Additions shall be deemed to be the sum of (1) any cash forming a part of such Cost, (2) an amount equivalent to the Fair Market Value in cash (as of the date of delivery) of any securities delivered in payment therefor or for the acquisition thereof, (3) the principal amount of any Prior Lien Bonds secured by Prior Lien upon such Property Additions Outstanding at the time of their acquisition, unless the Engineer's Certificate hereinafter in subdivision (3) of Section 28 hereof provided for shall state that the required amount has theretofore been deducted in compliance with the provisions of Section 26 hereof when other Property Additions subject to such Prior Lien shall have been made the basis under any of the provisions of this Indenture of the authentication and delivery of bonds or the withdrawal of cash or the release of property or the basis of a credit under the provisions of Section 38 or Section 39 hereof, and that since the date of such deduction property of the Company has continued to be subject to such Prior Lien, and (4) to the extent that any portion of such Property Additions shall have been acquired otherwise than by the delivery of cash or securities or the assumption of Prior Lien Bonds in payment therefor, the Cost thereof shall be the Fair Value thereof to the Company as shall be stated in an Engineer's Certificate which Fair Value shall not be in excess of the cost thereof, in cash and securities and in obligations assumed, to those from whom such portion of such Property Additions shall have been acquired by the Company. The amount of the Cost of any Property Additions and the Fair Value thereof to the Company and the Fair Market Value in cash of any securities so delivered in payment therefor or for the acquisition thereof and the amount of any deductions and any additions required to be made by Section 4 hereof shall be determined for the purposes of this Article V by the appropriate certificates provided for in Section 28 hereof.

Cost—how determined

Prior Liens on Property Additions to be deducted from principal amount of bonds issuable

SECTION 26. In all cases in which it shall appear, from the certificates hereinafter in Section 28 hereof provided for, that Property Additions proposed to be made the basis of the authentication and delivery of bonds or the withdrawal of cash or the release of property or the basis of a credit under the provisions of Section 38 or Section 39 hereof are subject to Prior Lien, the principal amount of the then Outstanding Prior Lien Bonds secured by Prior Lien thereon (in the case

of the authentication and delivery of bonds or the withdrawal of cash under Section 31 hereof or the withdrawal of cash under or a credit under Section 39 hereof) or ten sixths (10/6) of such principal amount (in the case of the release of property or the withdrawal of cash under Section 61 hereof or the withdrawal of cash under or a credit under Section 38 hereof) shall be deducted from the principal amount of bonds which might otherwise be authenticated or from the amount of cash which might otherwise be withdrawn or from the Fair Value of property which might otherwise be released or from the amount for which the Company might otherwise be entitled to a credit, unless such certificates shall also state that the required amount has theretofore been deducted pursuant to the provisions of this Section when other Property Additions subject to such Prior Lien have theretofore been made the basis under any of the provisions of this Indenture of the authentication and delivery of bonds or the withdrawal of cash or the release of property or the basis of a credit under the provisions of Section 38 or Section 39 hereof, and that since the date of such deduction property of the Company has continued to be subject to such Prior Lien.

Refunding of prior lien bonds

If, at any time after an amount equal to the principal amount of any Outstanding Prior Lien Bonds shall have been, in accordance with the provisions of this Section, deducted from the principal amount of bonds which might otherwise be authenticated and delivered hereunder, or the required amount shall have been deducted in connection with the withdrawal of cash or the release of property or the taking of a credit under the provisions of Section 38 or Section 39 hereof, the Company shall either

(*a*) deposit with the Corporate Trustee any such Prior Lien bonds to be held and dealt with by the Corporate Trustee in the manner and subject to the conditions and provisions set forth in Article IX hereof; or

(*b*) file with the Corporate Trustee a Treasurer's Certificate to the effect that the principal amount of such outstanding Prior Lien Bonds, (1) has been reduced, or concurrently with

the action requested will be reduced, by payment, or by the irrevocable deposit with the trustee or other holder of the Prior Lien securing the same, of moneys in the necessary amount for the purchase, payment or redemption thereof, or otherwise reduced, and that such reduction has not been, and will not be, effected by the use, by the trustee or other holder of such Prior Lien, of the proceeds (including any substitutes therefor) of, or insurance on, or proceeds of the release of, or of the taking by eminent domain of, Funded Property or the proceeds of Funded Property purchased by any governmental body or agency or its designee upon exercise of any right which it may have to purchase the same or designate a purchaser thereof or the proceeds of the release or payment of obligations (representing proceeds of the release of Funded Property) delivered to such trustee or other holder of such Prior Lien pursuant to Section 59; provided that, in the case of redemption, the notice required therefor shall have been given or have been provided for to the satisfaction of the Corporate Trustee, or (2) has been ascertained by judicial determination or otherwise to be in whole or in part invalid, and specifying the amount of reduction or the extent of the invalidity, as the case may be, supported by an Opinion of Counsel;

then, and in either such case, the Company shall be entitled to the authentication and delivery of further bonds to a principal amount equivalent to the principal amount of the Prior Lien Bonds so deposited with the Corporate Trustee, or (as the case may be) equivalent to the amount by which the principal amount of such Prior Lien Bonds shall be certified to have been and/or to be reduced or to have been ascertained to be invalid, but not exceeding in the aggregate a principal amount equivalent to the aggregate amounts deducted in compliance with the provisions of this Section.

Bonds issuable on property subject to prior lien limited to 15% of all bonds

No bonds shall be authenticated and delivered under the provisions of this Section by reason of the deposit of any Prior Lien Bonds or the payment, reduction or ascertainment of invalidity thereof to the extent that such deposit or payment, reduction or ascertainment of invalidity shall theretofore have been used as a basis, under the provi-

sions of this Section, of the authentication and delivery of bonds or to the extent that a waiver by the Company of its right to the authentication and delivery of bonds on the basis of any such deposit, payment, reduction or ascertainment of invalidity is then in effect, or by reason of the deposit of any Prior Lien Bonds with respect to which deposit the Company shall have certified that it elects not to have any bonds authenticated hereunder on the basis thereof, or by reason of the deposit of any Prior Lien Bonds with the Corporate Trustee under the provisions of Section 46 hereof. Notwithstanding any other provisions herein contained, it shall not be necessary to comply with the provisions of Section 27 hereof or to furnish any Net Earning Certificate in connection with the authentication and delivery of bonds under the foregoing provisions of this Section.

No bonds shall be authenticated and delivered under the provisions of this Article V nor Funded Cash be withdrawn nor Funded Property be released under any of the provisions of this Indenture nor credit taken under the provisions of Section 38 or Section 39 hereof upon the basis of any Property Additions subject to Prior Lien unless it shall be stated in an Engineer's Certificate accompanying the application that

(*a*) the principal amount of all bonds theretofore authenticated and delivered by the Corporate Trustee (including any bonds for the authentication and delivery of which application is then made) under the provisions of this Article V upon the basis of such Property Additions subject to Prior Lien as shall have continued to be subject to Prior Lien,

(*b*) the total amount of Funded Cash deposited with the Corporate Trustee under the provisions of Section 30 hereof and theretofore withdrawn (including any such Funded Cash for the withdrawal of which application is then made) under any of the provisions of this Indenture upon the basis of such Property Additions subject to Prior Lien as shall have continued to be subject to Prior Lien,

(*c*) sixty per centum (60%) of all Funded Cash (other than Funded Cash representing the proceeds of insurance on, or of the release or other disposition of, Property Additions subject

to Prior Lien) deposited with the Corporate Trustee under any of the provisions of this Indenture (other than the provisions of Section 30 hereof) and theretofore withdrawn (including any such Funded Cash for the withdrawal of which application is then made) under any of the provisions of this Indenture upon the basis of such Property Additions subject to Prior Lien as shall have continued to be subject to Prior Lien, and

(*d*) sixty per centum (60%) of the Cost or of the Fair Value to the Company (whichever is less) at the time of the release hereinafter in this clause (*d*) mentioned of such Property Additions subject to Prior Lien as shall have continued to be subject to Prior Lien, used as a basis for the release from the Lien of this Indenture of Funded Property (other than Funded Property subject to Prior Lien) or the basis of a credit under the provisions of Section 38 or Section 39 hereof,

do not in the aggregate exceed fifteen per centum (15%) of the aggregate principal amount of all bonds authenticated and delivered under this Indenture to the date of such application, including those applied for (except bonds authenticated and delivered hereunder upon transfer of which or in exchange or substitution for and/or in lieu of which other bonds have been authenticated and delivered under any of the provisions of this Indenture).

Issuance on property additions if prior lien is more than 50% of cost

No bonds shall be authenticated and delivered under the provisions of this Article V, nor Funded Cash be withdrawn, nor Funded Property be released under any of the provisions of this Indenture, nor credit taken under the provisions of Section 38 or Section 39 hereof upon the basis of any Property Additions subject to Prior Lien, in any case unless (a) it shall be stated in an Engineer's Certificate accompanying the application that the aggregate principal amount of Outstanding Prior Lien Bonds secured by Prior Lien on such Property Additions does not exceed in principal amount fifty per centum (50%) of the Cost (which shall be computed as in Section 25 hereof provided) or of the then Fair Value to the Company (whichever shall be less) of the Property Additions subject to such Prior Lien or (b) such certifi-

cate shall show that the required amount has theretofore been deducted in compliance with the provisions of this Section when other Property Additions subject to such Prior Lien shall have theretofore been made the basis under any of the provisions of this Indenture for the authentication and delivery of bonds or the withdrawal of cash or the release of property or the basis of a credit under the provisions of Section 38 or Section 39 hereof and that since the date of such deduction property of the Company has continued to be subject to such Prior Lien.

The Corporate Trustee shall assume that any Property Additions subject to Prior Lien which shall have formed the basis, under any of the provisions of this Indenture, for the authentication and delivery of bonds or the withdrawal of Funded Cash or the release of Funded Property or the basis of a credit under the provisions of Section 38 or Section 39 hereof have continued to be subject to Prior Lien until the Corporate Trustee shall have received a Treasurer's Certificate (accompanied by a concurring Opinion of Counsel) to the contrary.

If at any time and from time to time, by reason either of the discharge of any Prior Lien or an increase in the aggregate amount of bonds authenticated and delivered under this Indenture, there shall be a change in the aggregate principal amount of bonds which may be authenticated and delivered within the limitations prescribed by this Section, then any bonds, which before such change were not permitted to have been authenticated and delivered by reason of such limitations, may be authenticated and delivered subject to such limitations as fixed by such change.

No bonds shall be authenticated and delivered under the provisions of this Section unless the Corporate Trustee at the time of the application for such authentication and delivery shall receive a Resolution, Treasurer's Certificate and Opinion of Counsel such as are described in subdivisions (1), (2) and (8) of Section 28 hereof, together with the officially authenticated certificates or other documents, if any, specified in such Opinion of Counsel, and, in case the bonds are to be authenticated and delivered under the provisions of the next preceding paragraph of this Section by reason of an increase in the aggregate

principal amount of bonds authenticated and delivered under this Indenture having increased the aggregate principal amount of bonds which may be authenticated and delivered within the limitations prescribed by this Section, a Net Earning Certificate showing the Net Earnings of the Company to be as required by Section 27 hereof.

Net earnings requirements for issues

SECTION 27. No bonds shall be authenticated and delivered upon the basis of Property Additions unless, as shown by a Net Earning Certificate, the Net Earnings of the Company for the period therein referred to shall have been in the aggregate at least equivalent to twice the Annual Interest Requirements as shall be specified, pursuant to the provisions of Subdivision (B) of Section 7 hereof, in such Net Earning Certificate.

Documents to support application for further issue

SECTION 28. No bonds shall be authenticated or delivered hereunder by the Corporate Trustee upon the basis of Property Additions, until the Corporate Trustee shall have received:

(1) Resolution

(1) a Resolution requesting the Corporate Trustee to authenticate and deliver bonds, (*a*) specifying the principal amount of bonds called for, the series thereof and any other matters with respect thereto required by this Indenture, and (*b*) specifying the officer or officers of the Company to whom, or upon whose written order, such bonds shall be delivered;

(2) Treasurer's certificate

(2) a Treasurer's Certificate stating that the Company is not to the knowledge of the signers in default under any of the provisions of this Indenture;

(3) Engineer's certificate

(3) an Engineer's Certificate made and dated not more than ninety (90) days prior to the date of such application, describing the Property Additions made the basis of the application in reasonable detail and stating that they are Property Additions as defined in Section 4 hereof, that such Property Additions are desirable for use in the proper conduct of the Company's business, and that such Property Additions, to the extent of the Cost or Fair Value thereof to the Company (whichever is less) made the basis of the application, do not consist of Funded Property;

stating, except as to Property Additions acquired, made or constructed wholly through the delivery of securities, that the amount of cash forming all or part of the Cost thereof was equal to or more than an amount to be stated therein; briefly describing, with respect to any Property Additions acquired, made or constructed in whole or in part through the delivery of securities, the securities so delivered and stating the date of such delivery; stating, except as to Property Additions in respect to the Fair Value to the Company of which a statement is to be made in an Independent Engineer's Certificate as provided for in subdivision (4) of this Section, that the then Fair Value to the Company of such Property Additions is equal to or more than an amount therein to be stated; stating the amounts required to be deducted and added under the provisions of Section 4 hereof; specifying the nature and extent of any Prior Lien existing upon any of such Property Additions and the principal amount of all Outstanding Prior Lien Bonds secured thereby, and further stating whether or not the required amount has theretofore been deducted in compliance with the provisions of Section 26 hereof when other Property Additions subject to such Prior Lien were made the basis under any of the provisions of this Indenture for the authentication and delivery of bonds or the withdrawal of cash or the release of property or the basis of a credit under the provisions of Section 38 or Section 39 hereof and, if so, when such deduction was made and whether since the date of such deduction property of the Company has continued to be subject to such Prior Lien; and stating what part, if any, of such Property Additions includes property which has been used or operated in the public utility business by others than the Company and, if any such Property Additions include property subject to any easements or reservations for the purpose of roads, pipe lines, transmission lines, transportation lines or other like purposes, that any such easements or reservations do not prevent the use of such property for the purposes for which it is held by the Company. If any such Property Additions have been used or operated in the public utility business by others than the Company, the amount of cash stated to be all or any part of the Cost thereof may include the amount of cash forming part of the Cost

of any rights and intangible property simultaneously acquired with the same for which no separate or distinct consideration shall have been paid or apportioned, and in such case the term Property Additions as defined herein may include such rights and intangible property;

(4) Independent Engineer's certificate

(4) in case any Property Additions are shown by the Engineer's Certificate provided for in subdivision (3) above to include property which has been used or operated in the public utility business by others than the Company and such certificate does not show the Cost to the Company to be less than one per centum (1%) of the bonds at the time Outstanding hereunder, a further and Independent Engineer's Certificate stating as to such Property Additions which have been so used or operated and (at the option of the Company) as to any other Property Additions included in the Engineer's Certificate provided for in subdivision (3) of this Section that the then aggregate Fair Value thereof to the Company in the opinion of the signer is equal to or more than an amount to be stated therein, together with the signer's report thereon which shall contain a brief statement of the conditions governing the signer's determination of such Fair Value and a brief statement of the condition, serviceability and location of such Property Additions;

(5) Appraisal of securities

(5) in case any Property Additions are shown by the Engineer's Certificate provided for in subdivision (3) above to have been acquired, made or constructed in whole or in part through the delivery of securities, a written appraisal of an appraiser or other competent person, firm or corporation (who shall certify to the Corporate Trustee that the signer is not in the regular employ of the Company or any affiliate thereof and is not an affiliate or a director or officer of the Company or of an affiliate) to be selected by the Corporate Trustee and approved by the Board of Directors or Executive Committee of the Company, stating in the opinion of the signer the Fair Market Value in cash of such securities at the time of delivery thereof in payment for or for the acquisition of such Property Additions. If any such Property Additions are shown by such Engineer's Certificate to include property which has been used

or operated in the public utility business by others than the Company, the appraised value of the securities stated to have been delivered in payment therefor or for the acquisition thereof may include the value of any portion of the securities delivered for any rights and intangible property simultaneously acquired with the same, for which no separate or distinct consideration shall have been paid or apportioned, and in such case the term Property Additions as defined herein may include such rights and intangible property;

(6) Net Earning certificate

(6) a Net Earning Certificate showing the Net Earnings of the Company to be as required by Section 27 hereof;

(7) Opinion of Counsel

(7) an Opinion of Counsel stating the signer's opinion to the effect:

(*a*) that (except as to paving, grading and other improvements to, under or upon public highways, bridges, parks or other public property of analogous character) this Indenture is, or upon the delivery of, and/or the filing and/or recording in the proper places and manner of, the instruments of conveyance, assignment or transfer, if any, specified in said opinion, will be, a lien on all the Property Additions made the basis of such application, subject to no lien thereon prior or equal to the Lien of this Indenture, except Prior Liens and Excepted Encumbrances and, if any such Property Additions are located on any leasehold, that the Company has the right to remove the same prior to or upon the termination of such leasehold;

(*b*) that the Company has corporate authority and all necessary permission from governmental authorities to operate the Property Additions in respect of which such application is made; and

(*c*) that the general nature and extent of Prior Liens, and the principal amount of the then Outstanding Prior Lien Bonds secured thereby, if any, mentioned in the accompanying Engineer's Certificate, are correctly stated;

(8) Opinion of Counsel as to necessary consents

(8) an Opinion of Counsel stating the signer's opinion to the effect that the issue of the bonds has been duly authorized by the Company and by any and all governmental authorities

the consent of which is requisite to the legal issue of such bonds, specifying any officially authenticated certificates, or other documents, by which such consent is or may be evidenced, or that no consent of any governmental authorities is requisite;

(9) Instrument of conveyance

(9) the instruments of conveyance, assignment and transfer, if any, specified in the Opinion of Counsel provided for in subdivision (7) above; and

(10) Official certificates

(10) the officially authenticated certificates, or other documents, if any, specified in the Opinion of Counsel provided for in subdivision (8) above.

If, in order to render the Opinion of Counsel provided for in subdivision (7) or subdivision (8) above, the signer thereof shall deem it necessary that additional facts or matters be stated in the Engineer's Certificate provided for in subdivision (3) above, then in such event the Engineer's Certificate may state all such additional facts or matters as the signer of such Opinion of Counsel may request.

In all cases counsel and the Trustees shall be fully protected in relying upon any and all facts or matters stated in the Engineer's Certificate.

ARTICLE VI.

Issuance of Bonds Upon Retirement of Bonds Previously Outstanding Hereunder.

Papers to support application for issue to refund retired bonds

SECTION 29. The Corporate Trustee shall from time to time upon the written request of the Company signed by its President or a Vice-President and its Treasurer or an Assistant Treasurer authenticate and deliver bonds hereunder of a principal amount equal to the principal amount of any bonds theretofore authenticated and delivered under this Indenture (and not theretofore made the basis under any of the provisions of this Indenture for the authentication and delivery of bonds or the withdrawal of Funded Cash or the release of Funded Property or the basis of a credit under the provisions of Section 38

or Section 39 hereof) that shall have been purchased, paid, retired, redeemed or canceled or surrendered to the Corporate Trustee for cancellation or for the purchase, payment, retirement or redemption of which moneys in the necessary amount shall have been deposited with or shall then be held by the Corporate Trustee with irrevocable direction so to apply the same (provided that any such purchase, payment, retirement, redemption, cancellation or surrender of bonds shall have been, or is to be, effected otherwise than with Funded Cash, and, in the case of redemption, the notice required therefor shall have been given or have been provided for to the satisfaction of the Corporate Trustee), but only after the Corporate Trustee shall have received:

(1) Resolution

(1) a Resolution such as is described in subdivision (1) of Section 28 hereof;

(2) Treasurer's certificate

(2) a Treasurer's Certificate stating (*a*) that the Company is not to the knowledge of the signers in default under any of the provisions of this Indenture; and (*b*) that bonds theretofore authenticated and delivered under this Indenture of a specified principal amount (not less than the principal amount of bonds for which such request for authentication and delivery is made under this Section) have been purchased, paid, retired, redeemed or canceled or concurrently with the authentication and delivery of the bonds requested will be surrendered to the Corporate Trustee for cancellation (otherwise than upon exchanges or transfers of bonds) and/or that moneys (other than Funded Cash) in the necessary amount for the purchase, retirement, payment or redemption thereof are then held by or will be deposited with the Corporate Trustee (with irrevocable direction so to apply the same, provided that, in the case of redemption, the notice required by Article X hereof shall have been given or have been provided for to the satisfaction of the Corporate Trustee), prior to or concurrently with the authentication and delivery of the bonds so requested, and further stating that no part of such principal amount of bonds has been theretofore made the basis under any of the provisions of this Indenture for the authentication and delivery of bonds or the withdrawal of Funded Cash or the release of Funded Property or the basis

of a credit under the provisions of Section 38 or Section 39 hereof and that none of such bonds has been retired by the use of Funded Cash, and further stating the aggregate principal amount of all such bonds canceled or so to be surrendered for cancellation that have not theretofore been issued by the Company and the interest rate borne by each thereof not so issued; and

(3) Opinion of Counsel

(3) an Opinion of Counsel such as is described in subdivision (8) of Section 28 hereof; and

(4) Evidences of authorizations

(4) the officially authenticated certificates, or other documents, if any, specified in the Opinion of Counsel provided for in subdivision (3) of this Section.

(5) Net earning certificate in certain cases

In case a Net Earning Certificate, subsequent to the delivery to the Corporate Trustee of an irrevocable direction to apply moneys to any such purchase, payment, retirement and/or redemption of, or subsequent to the cancellation or surrender for cancellation of, such bonds, shall have been delivered to the Corporate Trustee pursuant to any provision of this Indenture, in which the Annual Interest Requirements on all such bonds shall not have been included, or in case the interest rate borne by any bonds theretofore authenticated by the Corporate Trustee but not issued by the Company (which are being so canceled or surrendered for cancellation) shall have been shown by the Treasurer's Certificate provided for in subdivision (2) of this Section to be less than the interest rate to be borne by the bonds the authentication and delivery of which are applied for, or in case the bonds to be refunded mature by their terms at a date more than two years after the date for authentication and delivery of the bonds applied for and such bonds are to be refunded by bonds bearing a higher interest rate, the Corporate Trustee shall also receive a Net Earning Certificate showing the Net Earnings of the Company to be as required by Section 27 hereof.

Any and all coupon bonds delivered to the Corporate Trustee pursuant to this Article shall have attached thereto all unmatured coupons appertaining thereto.

ARTICLE VII.

Issuance of Bonds Upon Deposit of Cash with Corporate Trustee.

Bond application papers for issues against deposited cash

SECTION 30. The Corporate Trustee shall from time to time upon the written request of the Company signed by its President or a Vice-President and its Treasurer or an Assistant Treasurer authenticate and deliver bonds upon deposit with the Corporate Trustee by the Company of cash equal to the aggregate principal amount of the bonds so requested to be authenticated and delivered but only after the Corporate Trustee shall have received:

(1) Resolutions

(1) a Resolution such as is described in subdivision (1) of Section 28 hereof;

(2) Treasurer's certificate

(2) a Treasurer's Certificate stating that the Company is not to the knowledge of the signers in default under any of the provisions of this Indenture;

(3) Net earning certificate

(3) a Net Earning Certificate showing the Net Earnings of the Company to be as required by Section 27 hereof in the case of the authentication and delivery of bonds upon the basis of Property Additions;

(4) Opinion of Counsel

(4) an Opinion of Counsel such as is described in subdivision (8) of Section 28 hereof; and

(5) Evidence of authorizations of issue

(5) the officially authenticated certificates, or other documents, if any, specified in the Opinion of Counsel provided for in subdivision (4) of this Section.

Withdrawal of cash in lieu of issuance of bonds

SECTION 31. All cash deposited with the Corporate Trustee under the provisions of the next preceding Section hereof shall be held by the Corporate Trustee as a part of the Mortgaged and Pledged Property, and may be withdrawn from time to time by the Company, upon application of the Company to the Corporate Trustee evidenced by a Resolution, in an amount equal to the principal amount of each bond or fraction of a bond to the authentication and delivery of which the Company shall be entitled under any of the provisions of this Indenture by virtue of compliance with all applicable provisions of this Indenture, except as hereinafter in this Section otherwise provided.

Compliance with provisions of Indenture

The Company shall comply with all applicable provisions of this Indenture relating to the authentication and delivery of such bond(s) or fraction of a bond except that the Company shall not be required to comply with any earning requirement or to deliver to the Corporate Trustee any Resolution, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (6) and (8) of Section 28 hereof.

Effect of cash withdrawal on right to issue bonds

Any withdrawal of cash under this Section shall operate as a waiver by the Company of its right to the authentication and delivery of bond(s) or fraction of a bond on which it is based and such bond(s) or fraction of a bond may not thereafter be authenticated and delivered hereunder, and any Property Additions which have been made the basis of any such right to the authentication and delivery of bond(s) or fraction of a bond so waived shall have the status of Funded Property and shall be deemed to have been made the basis of the withdrawal of such cash.

Application of cash to purchase or redeem bonds

SECTION 32. If at any time the Company shall so direct, any sums deposited with the Corporate Trustee under the provisions of Section 30 hereof may be used or applied to the purchase or redemption of bonds in the manner and subject to the conditions provided in subdivisions (3) and (4) of Section 61 hereof; provided, however, that, except to the extent of any balance of cash resulting from the purchase of any bonds at less than the principal amount thereof, none of such cash shall be applied to the payment of more than the principal amount of any bonds so purchased or redeemed.

ARTICLE VIII.

Particular Covenants of the Company.

The Company hereby covenants as follows:

Possession; maintenance of lien; right to mortgage

SECTION 33. That it is lawfully possessed of all the aforesaid Mortgaged and Pledged Property; that it will maintain and preserve the Lien of this Indenture so long as any of the bonds issued hereunder are Outstanding; and that it has good right and lawful authority to mortgage and pledge the Mortgaged and Pledged Property, as provided in and by this Indenture.

Payment of principal and interest

SECTION 34. That it will duly and punctually pay the principal of and interest and premium, if any, on all bonds Outstanding hereunder, according to the terms thereof. As the coupons appertaining to said bonds are paid they shall be canceled.

Office or agency for presentation of bonds, coupons, notices, etc.

SECTION 35. That it will keep an office or agency, while any of the bonds issued hereunder are Outstanding, at any and all places at which the principal of or interest on any of said bonds shall be payable, where notices, presentations and demands to or upon the Company in respect of such bonds or coupons as may be payable at such places or in respect of this Indenture may be given or made, and for the payment of the principal thereof and interest thereon. The Company will from time to time give the Corporate Trustee written notice of the location of such office or offices or agency or agencies, and in case the Company shall fail to maintain such office or offices or agency or agencies or to give the Corporate Trustee written notice of the location thereof, any such notice, presentation or demand in respect of said bonds or coupons or of this Indenture may be given or made, unless other provision is expressly made herein, to or upon the Corporate Trustee at its principal office in the Borough of Manhattan, The City of New York, and the Company hereby authorizes such presentation and demand to be made to and such notice to be served on the Corporate Trustee in either

Failure to maintain such offices

of such events and the principal of and interest on said bonds shall in such event be payable at said office of the Corporate Trustee.

Payment of taxes, etc.

SECTION 36. That it will pay all taxes and assessments and other governmental charges lawfully levied or assessed upon the Mortgaged and Pledged Property, or upon any part thereof or upon any income therefrom or upon the interest of the Trustees in the Mortgaged and Pledged Property, before the same shall become delinquent, and will duly observe and conform to all valid requirements of any governmental authority relative to any of the Mortgaged and Pledged Property, and all covenants, terms and conditions upon or under which any of the Mortgaged and Pledged Property is held; that it will not suffer any lien to be hereafter created upon the Mortgaged and Pledged Property, or any part thereof, or the income therefrom, prior or equal to the Lien hereof, other than Excepted Encumbrances, and other than, in the case of property hereafter acquired, vendors' liens, purchase money mortgages and any lien thereon at the time of the acquisition thereof and other than, with the consent of the Corporate Trustee, any extension, renewal or refunding thereof; and within four months after any lawful claim or demand for labor, materials, supplies or other objects has become delinquent which if unpaid shall have been or might by law be given precedence over the Lien of this Indenture as a lien or charge upon any of the Mortgaged and Pledged Property, or the income therefrom, it will pay or cause to be discharged or make adequate provision to satisfy or discharge the same; provided, however, that nothing in this Section contained shall require the Company to observe or conform to any requirement of governmental authority or to cause to be paid or discharged, or to make provision for, any such lien or charge, or to pay any such tax, assessment or governmental charge so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings; and provided that such security for the payment of such lien, charge or tax the validity of which is so contested shall be given as the Corporate Trustee may require; and provided, further, that nothing in this Section contained shall require the Company to pay, discharge or

make provision for any lien, charge or tax the validity of which shall not be so contested if such security for the payment of such lien, charge or tax shall be given as the Corporate Trustee may require; and that, save as aforesaid, it will not suffer any matter or thing whereby the Lien hereof might or could be impaired.

Insurance on property

SECTION 37. That it will keep or cause to be kept all the mortgaged property insured against fire to the extent that property of similar character is usually so insured by companies similarly situated and operating like properties, to a reasonable amount, by reputable insurance companies, any loss, except as to materials and supplies and motor vehicles and except any loss less than Fifty Thousand Dollars ($50,000), to be made payable to the Corporate Trustee as its interest may appear, or to the trustee or other holder of any mortgage or other lien constituting a Prior Lien or a lien prior hereto, if the terms thereof require losses so to be made payable; or that it will, in lieu of or supplementing such insurance in whole or in part, adopt some other method or plan of protection against loss by fire at least equal in protection to the method or plan of protection against loss by fire of companies similarly situated and operating properties subject to similar or greater fire hazards or on which properties an equal or higher primary fire insurance rate has been set by reputable insurance companies, and that if it shall adopt such other method or plan, it will, except as to materials and supplies and motor vehicles and except as to any particular loss less than Fifty Thousand Dollars ($50,000), pay to the Corporate Trustee on account of any loss sustained by reason of the destruction or damage of property by fire, an amount of cash equal to such loss less any amounts otherwise paid to the Corporate Trustee or to the trustee or other holder of any mortgage or other lien constituting a Prior Lien or a lien prior hereto, if the terms thereof require losses so to be paid. In case of the adoption of such other method or plan of protection, the Company shall also furnish to the Corporate Trustee a certificate of an actuary or other qualified person appointed by the Company and approved by the Corporate Trustee with respect to the adequacy of such method or

plan. There shall be deposited with the Corporate Trustee, once in each year and also whenever the Corporate Trustee shall make request therefor, a detailed statement, signed by the Treasurer or an Assistant Treasurer of the Company, of any fire insurance policies then outstanding and in force upon the aforesaid property, or any part thereof, except motor vehicles, including the names of the insurance companies which have issued the policies and the amounts and expiration dates thereof, together with a detailed statement, signed by the Treasurer or an Assistant Treasurer of the Company, of such other method or plan, if any. The Corporate Trustee shall be under no obligation to make any such request unless requested so to do by the holders of not less than twenty-five per centum (25%) in principal amount of the bonds then Outstanding hereunder.

Annual statement as to fire insurance

All moneys paid to the Corporate Trustee by the Company in accordance with this Section or received by the Corporate Trustee as proceeds of any insurance against loss or damage by fire shall, subject to the requirements of any mortgage constituting a Prior Lien or a lien prior hereto, be held by the Corporate Trustee and, subject as aforesaid, shall be paid by it to the Company to reimburse the Company for an equal amount spent in the rebuilding or renewal of the property destroyed or damaged, upon receipt by the Corporate Trustee of a Resolution requesting such reimbursement and a Treasurer's Certificate stating the amount so expended and the nature of such renewal or rebuilding and an Opinion of Counsel that the property so rebuilt or renewed is subject to the Lien hereof to the same extent as was the property so lost or damaged.

Application of insurance proceeds

Any such money not so applied within eighteen (18) months after its receipt by the Corporate Trustee, or in respect of which notice in writing of intention to apply the same to the work of rebuilding or renewal then in progress and uncompleted shall not have been given to the Corporate Trustee by the Company within such eighteen (18) months, or which the Company shall at any time notify the Corporate Trustee is not to be so applied, shall thereafter be withdrawn, used

or applied in the manner, to the extent and for the purposes and subject to the conditions provided in Section 61 hereof.

Maintenance and replacement of property—*Engineer's* certificate thereon

SECTION 38. That it will, within ninety (90) days after the close of the calendar year ending December 31, 1939, and within ninety (90) days after the close of each calendar year thereafter, file with the Corporate Trustee an Engineer's Certificate stating that, in the opinion of the signers, except for situations resulting from casualties which could not be met through a proper amount of ordinary maintenance work, the Company has made or caused to be made during such calendar year such expenditures for repairs, maintenance, renewals or replacements of, or substitutes for, the Mortgaged and Pledged Property as were necessary to maintain the same as an operating system or systems in good repair, working order and condition, or stating that in the opinion of the signers there should be expended for such purposes (in addition to the expenditures made therefor in such calendar year) an amount to be designated by the signers, and the Company covenants that, if such certificate states that any amount therein designated should be expended for such purposes, it will, within thirty (30) days after the filing of such Engineer's Certificate (unless a request for an Independent Engineer's Certificate is made by the Corporate Trustee as hereinafter provided), deliver to the Corporate Trustee:

Treasurer's certificate

(1) a Treasurer's Certificate stating:

(*a*) the total of all amounts expended for such purposes subsequent to the close of such calendar year;

and which may also state:

(*b*) an aggregate principal amount of bond(s) or fraction of a bond to the authentication and delivery of which the Company shall be entitled under any of the provisions of this Indenture (other than those contained in Section 30 hereof) by virtue of compliance with all applicable provisions of this Indenture (except as hereinafter in this Section otherwise provided); and that the Company elects to make its right

to the authentication and delivery of such bond(s) or fraction of a bond the basis of a credit under this Section.

Deposit with Corporate Trustee of cash covering deficiency

(2) an amount in cash equal to the amount, if any, by which the amount designated in such Engineer's Certificate exceeds the total of all amounts expended for such purposes subsequent to the close of such calendar year as stated in the Treasurer's Certificate referred to in subdivision (1) above; provided, however, that there shall be credited against the amount of cash deliverable to the Corporate Trustee pursuant to this subdivision (2) an amount equal to ten sixths (10/6) of the aggregate principal amount of bonds set forth in subdivision (b) of such Treasurer's Certificate.

Request for independent engineer's *certificate*

The Corporate Trustee may, in its discretion, (but shall not be obligated so to do, unless requested in writing by the holders of at least twenty-five per centum (25%) in principal amount of bonds then Outstanding hereunder and indemnified to its satisfaction) within thirty (30) days after the date of the filing of an Engineer's Certificate, as provided in this Section, notify the Company in writing that an Independent Engineer's Certificate is desired respecting the matters covered by such Engineer's Certificate, and in that event the Company within sixty (60) days after the receipt of such written notice, shall file with the Corporate Trustee an Independent Engineer's Certificate with respect to the matters covered by such Engineer's Certificate.

Arbitration concerning deficiency

If such Independent Engineer's Certificate shall state that there has been expended a sufficient amount for such purposes or shall state that an amount equal to, or less than, the amount designated in the Engineer's Certificate filed by the Company with the Corporate Trustee should be expended for such purposes, it shall be final and binding upon the bondholders, the Company and the Corporate Trustee, and, within fifteen (15) days after the filing of such Independent Engineer's Certificate, the Company shall deliver to the Corporate Trustee a Treasurer's Certificate of the character specified in subdivision (1) above and an amount in cash equal to the amount, if any, by which the amount stated in such Independent Engineer's Certificate exceeds

the total of all amounts expended for such purposes subsequent to the close of such calendar year as stated in such Treasurer's Certificate; provided, however, that there shall be credited against the amount of cash so deliverable to the Corporate Trustee an amount equal to ten sixths (10/6) of the aggregate principal amount of bonds set forth in subdivision (b) of such Treasurer's Certificate.

If the amount stated in such Independent Engineer's Certificate is greater than the amount designated in such Engineer's Certificate, and if the Company, within fifteen (15) days after the filing of such Independent Engineer's Certificate, shall not deliver to the Corporate Trustee a Treasurer's Certificate of the character specified in subdivision (1) above and an amount in cash equal to the amount, if any, by which the amount stated in such Independent Engineer's Certificate exceeds the total of all amounts expended for such purposes subsequent to the close of such calendar year as stated in such Treasurer's Certificate (after crediting against the amount of cash so deliverable to the Corporate Trustee an amount equal to ten sixths (10/6) of the aggregate principal amount of bonds set forth in subdivision (b) of such Treasurer's Certificate), then and in that event the amount which should be expended for such purposes shall be forthwith referred to three disinterested and competent arbitrators selected in the following manner: The Corporate Trustee within ten (10) days after the expiration of the period of fifteen (15) days provided for above shall name one arbitrator and give notice of such selection to the Company. Within ten (10) days after the receipt of such notice, the Company shall name one arbitrator and give notice of such selection to the Corporate Trustee, and failure so to do shall entitle the Corporate Trustee to name the arbitrator to represent the Company. The two thus selected shall within ten (10) days after the appointment of the arbitrator representing the Company select a third arbitrator, but if the said arbitrators are unable within said ten (10) days to agree upon such third arbitrator, then upon the election of either the Company or the Corporate Trustee the person who is the District Judge of the United States of America senior in the service for the District in which

the Corporate Trustee has its principal place of business shall have the power to appoint such third arbitrator, five (5) days' notice of the application to said District Judge to be given by the party making such application to the other party. The written decision of a majority of such arbitrators shall be filed as soon as practicable with the Corporate Trustee and a copy thereof delivered to the Company, and shall be binding upon the Corporate Trustee, the Company and the bondholders, and, within fifteen (15) days after the filing of such decision, the Company shall deliver to the Corporate Trustee a Treasurer's Certificate of the character specified in subdivision (1) above and an amount in cash equal to the amount, if any, by which the amount fixed by such arbitration exceeds the total of all amounts expended for such purposes subsequent to the close of such calendar year as stated in such Treasurer's Certificate; provided, however, that there shall be credited against the amount of cash so deliverable to the Corporate Trustee an amount equal to ten sixths (10/6) of the aggregate principal amount of bonds set forth in subdivision (b) of such Treasurer's Certificate. The costs of any such arbitration shall be paid by the Company.

For the purposes of any Engineer's Certificate, Independent Engineer's Certificate or decision of arbitrators made with respect to any subsequent calendar year, the signers of such Engineer's Certificate or Independent Engineer's Certificate and the arbitrators rendering such decisions shall deduct the aggregate amount of any cash delivered to the Corporate Trustee on account of any prior calendar year in accordance with the provisions of this Section (notwithstanding the purposes for which the same may have been withdrawn, used or applied in accordance with the provisions of this Section), and of any credits taken pursuant to the provisions of this Section on account of prior calendar years, from the amount which as so determined should have been expended for the purpose of maintaining the properties of the Company mortgaged or to be mortgaged hereunder as an operating system or systems in good repair, working order and condition.

Withdrawal of deposit

Any cash delivered to the Corporate Trustee under the provisions of this Section shall be held by it as a part of the Mortgaged and Pledged Property and

(A) may be withdrawn by the Company to reimburse it in full for expenditures made subsequent to the end of the calendar year for which such cash was delivered for repairs, maintenance, renewals and replacements of, and substitutes for, its properties mortgaged or intended to be mortgaged hereunder (to the extent that such expenditures have not been theretofore certified to the Corporate Trustee to reduce the amount of cash to be deposited with the Corporate Trustee as hereinbefore provided), the amount and nature of any such expenditures to be stated in a Treasurer's Certificate to be delivered to the Corporate Trustee prior to any such withdrawal; or

(B) may be withdrawn from time to time by the Company in an amount equal to ten sixths (10/6) of the principal amount of each bond or fraction of a bond to the authentication and delivery of which the Company shall be entitled under any of the provisions of this Indenture (other than those contained in Section 30 hereof) by virtue of compliance with all applicable provisions of this Indenture (except as hereinafter in this Section otherwise provided) and the right to the authentication and delivery of which the Company elects to make the basis of such withdrawal; or

Application of deposited cash to retire bonds

(C) may, upon the request of the Company evidenced by a Resolution delivered to the Corporate Trustee, be used by the Corporate Trustee for the purchase of bonds issued hereunder in accordance with the provisions of Section 55 hereof; or

(D) may, upon the request of the Company evidenced by a Resolution delivered to the Corporate Trustee, be applied by the Corporate Trustee to the redemption of any bonds issued hereunder which are, by their terms, redeemable before maturity, of such series as may be designated by the Company, such redemption to be in the manner and as provided in Article X hereof.

Such moneys shall, from time to time, be paid out or used or applied by the Corporate Trustee, as aforesaid, upon the request of the Company evidenced by a Resolution.

In every case in which either a credit or the withdrawal of cash under this Section is applied for upon the right to the authentication and delivery of bonds, the Company shall comply with all applicable provisions of this Indenture relating to such authentication and delivery, except that the Company shall not be required to comply with any earning requirements or to deliver to the Corporate Trustee any Resolution, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (6) and (8) of Section 28 hereof.

Substitution of maintenance and replacement expenditures for other bases of withdrawals of cash

Any such election of a credit or of the withdrawal of cash under this Section based upon the right to the authentication and delivery of bond(s) or fraction of a bond shall operate as a waiver by the Company of its right to the authentication and delivery of such bond(s) or fraction of a bond and such bond(s) or fraction of a bond may not thereafter be authenticated and delivered hereunder, and any Property Additions which have been made the basis of any such right to the authentication and delivery of bond(s) or fraction of a bond so waived, shall have the status of Funded Property and shall be deemed to have been made the basis of a credit under this Section; provided, however, that if at any time after such an election the Company shall file with the Corporate Trustee a Treasurer's Certificate referring to such election and stating:

(i) that subsequent to the date of such election the Company has made expenditures totaling at least an amount therein stated for the purposes hereinabove set forth, and that such expenditures have not been included or been taken into account in any certificate theretofore filed with the Corporate Trustee pursuant to this Section or in any decision of arbitrators under this Section; and

(ii) that the Company revokes its waiver, made by such election, of the right to the authentication and delivery of bond(s) or fraction of a bond in a principal amount therein stated (which

principal amount shall not exceed sixty per centum (60%) of the total amount of the expenditures specified in said Treasurer's Certificate pursuant to the provisions of subdivision (i) of this Section) and that Property Additions (if any) which as a result of such election acquired the status of Funded Property and at the time of such certificate still retained such status and which at the time of such election had a total Cost or Fair Value to the Company (whichever may have been less) of not more than the total amount of expenditures specified in said certificate pursuant to the provisions of said subdivision (i) (which Property Additions shall be particularly described in such certificate) shall cease to have the status of Funded Property;

then, and in that event, notwithstanding any other provisions of this Indenture, the Company's waiver made by such election of the right to the authentication and delivery of bonds or fractions of a bond in the aggregate principal amount specified in such Treasurer's Certificate pursuant to subdivision (ii) of this Section shall forthwith cease to be effective and the waiver of such right shall no longer be deemed to have been made and the Property Additions (if any) described in such Treasurer's Certificate pursuant to the provisions of said subdivision (ii) shall forthwith cease to have the status of Funded Property, and shall no longer be deemed to have been made the basis of a credit under this Section.

Requirement if $50,000 remains unapplied three years

If at any time cash in excess of Fifty Thousand Dollars ($50,000) shall have remained on deposit with the Corporate Trustee under the provisions of this Section for a period of three (3) years, with respect to which the Company shall not have made a proper request for the withdrawal, use or application of the same as above provided, all such cash shall be applied by the Corporate Trustee to the purchase or redemption of bonds (of such series as may be designated by the Company) in accordance with the provisions of Article X hereof, and the Corporate Trustee shall have power to give all necessary notices and to do all other acts and things to effect such purchase or redemption.

13½% provision for replacement and retirement

The Company, subject to the orders and regulations of any regulatory authority having jurisdiction, shall, and covenants it will, for the calendar year 1940 and each calendar year thereafter, expend and/or accrue for maintenance and/or appropriate for property retirement and/or appropriate for property amortization an aggregate amount equal to not less than thirteen and one-half per centum (13½%) of the Gross Operating Revenues of the Company (as hereinafter defined) for such calendar year; provided, however, that any such expenditures, accruals and appropriations made subsequent to December 31, 1939, and not theretofore applied toward satisfying the requirements of this Section may, at the election of the Company evidenced by a Treasurer's Certificate as hereinafter provided for, be applied toward satisfying the requirements of this Section in respect of the calendar year in which made or of any of the five calendar years next succeeding such calendar year.

Annual certificate on replacement and retirement

The Company covenants that it will, within ninety (90) days after the close of the calendar year 1940 and of each calendar year thereafter, file with the Corporate Trustee a Treasurer's Certificate showing:

(I) the Gross Operating Revenues of the Company for such calendar year as defined in this Section and the amount which is thirteen and one-half per centum (13½%) thereof;

(II) the amounts which during such calendar year shall have been expended for maintenance, accrued for maintenance, appropriated for property retirement and appropriated for property amortization;

(III) what portion of the aggregate amounts so expended, accrued or appropriated during the five calendar years (other than any year prior to the year 1940) next preceding such calendar year shall not theretofore have been applied toward satisfying the requirements of this Section in respect of the calendar year in which so expended, accrued or appropriated or in respect of any specified years of the five calendar years next succeeding the calendar year in which so expended, accrued or appropriated, and what portion of the amounts so expended, accrued or appro-

priated during the calendar year preceding the date of such certificate or such five preceding years, the Company elects to apply toward satisfying the requirements of this section in respect of the calendar year preceding the date of such certificate and what portion thereof the Company elects to reserve to apply toward satisfying the requirements of this Section in respect of any other of the five calendar years next succeeding the calendar year in which so expended, accrued or appropriated.

Request for independent accountant's certificate

The Corporate Trustee may, in its discretion (but shall not be obligated so to do, unless requested in writing by the holders of at least twenty-five per centum (25%) in principal amount of bonds then Outstanding under this Indenture and indemnified to its satisfaction) within thirty (30) days after the date of the filing of a Treasurer's Certificate as provided in this Section, notify the Company in writing that a certificate of an independent certified or public accountant is desired respecting the matters covered by such Treasurer's Certificate, and, in that event, the Company within sixty (60) days after the receipt of such written notice shall file with the Corporate Trustee a certificate of an independent certified or public accountant with respect to the matters covered by such Treasurer's Certificate. Any such Treasurer's Certificate, unless a certificate of an independent certified or public accountant shall be requested as aforesaid, and any such certificate of an independent certified or public accountant shall be conclusive proof of the facts stated therein.

Provisions for replacement and retirement are subject to regulatory authority

In the event that any regulatory authority having jurisdiction over the Company shall determine that an adequate amount for expenditures, accruals and/or appropriations, of the character specified in this Section, is less than the amount of the expenditures, accruals and/or appropriations which are required by this Section or shall, by order or regulation, prohibit, in whole or in part, any such expenditures, accruals, and/or appropriations, then, upon filing with the Corporate Trustee a certified copy of such determination, order or regulation, as the case may be, the Company shall, as to expenditures, accruals and/or appropriations in respect of the calendar years affected by such determination, order or such regulation, be relieved from compliance with the covenants contained in this Section to the extent that, in respect of such calendar years, the amount of such expenditures, accruals and/or appropriations as required by this Section, are in excess of an amount so determined to be adequate, or shall have been prohibited.

"Gross Operating Revenues of the Company" defined

The term "Gross Operating Revenues of the Company" for the purpose of this Section is hereby defined as the revenues received by the Company from the sale of electric and gas public utility service and the amounts (other than amounts received for the use of facilities under joint-use pole agreements) received as rentals or fixed charges for the use by others (or the use by the Company for the account of others) of generating and transmission facilities owned by the Company (with all interdepartmental items eliminated), and after deducting an amount equal to the cost to the Company of electricity, gas or other products, purchased for exchange or resale, and after deducting an amount equal to the revenues from the operation of (or, at the option of the Company, the cost of rentals paid by the Company for) electric, gas or other producing, generating, transporting, transmitting or distributing properties leased from others, and after deducting an amount equal to charges to the Company for transmission of electricity and/or transportation of gas by others; provided, however, that any operating revenue of the Company which is in controversy as a result of any litigation or which has been impounded, shall be included in the Gross Operating Revenues of the Company for the purpose of this computation, but only after, and in the year in which, any such operating revenue in controversy or impounded is recovered or, at the option of the Company, after, and in the year in which, it shall have been finally determined that such operating revenues belong to the Company.

Improvement Fund for each Series

SECTION 39. The Company covenants that, so long as any of the bonds issued under this Indenture shall remain Outstanding, it will, on or before October 1 of each year beginning with the year 1940, deliver to the Corporate Trustee:

(A) A Treasurer's Certificate which shall state as to each series of bonds then Outstanding:

(*a*) the greatest principal amount of all bonds prior to January 1 of such year at any one time Outstanding of such series; and

(*b*) an aggregate principal amount of bond(s) or fraction of a bond to the authentication and delivery of which the Company shall then be entitled under any of the provisions of this Indenture (other than on a basis of a deposit of cash) by virtue of compliance with all applicable provisions of this Indenture (except as hereinafter in this Section otherwise provided); and that the Company elects to make its right to the authentication and delivery of such bond(s) or fraction of a bond the basis of a credit under this Section.

1% of each series in cash, bonds, or credits

(B) As to each series of bonds then Outstanding, an amount in cash and/or principal amount of bonds of such series equivalent to one percentum (1%) of the greatest principal amount of bonds of such series prior to January 1 of such year at any one time Outstanding; provided, however, that, against the amount of cash or bonds payable or deliverable pursuant to this paragraph (B), there shall be credited the principal amount of the bonds which shall be set forth in such Treasurer's Certificate pursuant to the requirements of clause (b) of subdivision (A) of this Section in respect of such series.

Such cash together with any bonds delivered to the Corporate Trustee under the provisions of this Section shall be dealt with as provided for by this Section.

May be anticipated

Notwithstanding any other provisions of this Indenture, (i) the Company shall be permitted from time to time to anticipate in whole or in part the requirements of this Section becoming due on October 1 of the then current year or any subsequent year or years, as to any one or more series of bonds, by depositing cash and/or a principal amount of bonds with the Corporate Trustee in full satisfaction or in partial satisfaction of the requirements in respect of any such series of bonds,

and (ii) any cash so deposited, whether in full satisfaction or in partial satisfaction of the requirements of this Section whether becoming due on October 1 of the then current year or of a subsequent year, may be from time to time withdrawn, used or applied in the manner, to the extent, for the purposes and subject to the conditions provided in Section 31 hereof or in subdivisions (3) and/or (4) of Section 61 hereof; provided, however, that the bonds of any series, if redeemable, shall not be purchased with cash deposited under this Section at a cost to the Company in excess of the cost of redeeming bonds of such series on the next available redemption date (including accrued interest to such redemption date in such cost), whether or not such next available redemption date shall be earlier than January 1 of the year in which such deposit shall finally become due.

Withdrawal or application of cash

In case credit under the provisions of this Section is applied for in whole or in part upon the basis of the right to the authentication and delivery of bonds, the Company shall comply with all applicable provisions of this Indenture relating to such authentication and delivery; except that the Company shall not be required to comply with any earning requirements or to deliver to the Corporate Trustee any Resolution, Treasurer's Certificate, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (2), (6) and (8) of Section 28 hereof.

Any election by the Company pursuant to clause (b) of subdivision (A) of this Section to make its right to the authentication and delivery of any bond(s) or fraction of a bond the basis of a credit under this Section shall operate as a waiver by the Company of its right to the authentication and delivery of such bond(s) or fraction of a bond and such bond(s) or fraction of a bond may not thereafter be authenticated and delivered hereunder, and any Property Additions which have been made the basis of any such right to the authentication and delivery of bond(s) or fraction of a bond so waived shall have the status of Funded Property and shall be deemed to have been made the basis of a credit under this Section.

Cancellation of bonds deposited

Any bonds issued under this Indenture deposited with the Corporate Trustee pursuant to the provisions of this Section, shall forthwith be canceled by the Corporate Trustee, and upon the request of the Company, the Corporate Trustee shall cremate the same and deliver to the Company a certificate of such cremation.

Maintenance of corporate existence and franchises

SECTION 40. That it will, subject to the provisions of Article XV hereof, at all times maintain its corporate existence and right to carry on business, and duly procure all renewals and extensions thereof, if and when any shall be necessary, and, subject to the provisions of this Indenture, will use its best efforts to maintain, preserve and renew all the rights, powers, privileges and franchises owned by it.

Covenant as to advances made by Corporate Trustee

SECTION 41. That if it shall fail to perform any covenants contained in Sections 36, 37, 38 or 40 hereof, the Corporate Trustee may make advances to perform the same in its behalf, but shall be under no obligation so to do unless requested so to do by the holders of not less than twenty-five per centum (25%) in principal amount of the bonds then Outstanding hereunder and furnished with funds adequate for the purpose and also adequate to pay any expense incurred in connection with such performance; and all sums so advanced shall be at once repayable by the Company, and shall bear interest at the rate of six per centum (6%) per annum until paid, and all sums so advanced with the interest thereon shall be secured hereby, having the benefit of the Lien hereof in priority to the indebtedness evidenced by the bonds and coupons issued hereunder, but no such advance shall be deemed to relieve the Company from any default hereunder.

Recording, filing, etc.

SECTION 42. That it will cause this Indenture and all indentures and instruments supplemental hereto to be promptly recorded and filed and to be kept recorded and filed and re-recorded and refiled in such manner and in such places as may be required by law in order fully to preserve and protect the security of the bondholders and all rights of

the Trustees. That it will execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purposes of this Indenture, and to make subject to the Lien hereof any property hereafter acquired, intended to be subject to the Lien hereof, and to transfer to any new trustee or trustees or co-trustee or co-trustees the estate, powers, instruments or funds held in trust hereunder.

Instruments of further assurance

SECTION 43. That books of record and account will be kept in which full, true and correct entries will be made of all dealings or transactions of, or in relation to, the plants, properties, business and affairs of the Company, and that all books, records, documents and vouchers relating to the plants, properties, business and affairs of the Company shall at all reasonable times be open to the inspection of such reputable accountant or other agent of recognized standing as the Corporate Trustee may from time to time designate, and that the Company will bear all expenses of any such inspection. The Corporate Trustee shall be under no obligation to cause any such inspection to be made unless requested in writing so to do by the holders of not less than twenty-five per centum (25%) in principal amount of the bonds then Outstanding hereunder and furnished with funds sufficient to pay all costs and expenses incurred or to be incurred by it in or in connection with such inspection.

Books of record and account

Open for Corporate Trustee's inspection

Will file with Corporate Trustee, bondholders and regulatory bodies all reports required by statute

If it shall be so required by any Statutes of the United States of America, now or hereafter enacted, applicable to indentures relating to securities similar to the bonds secured by this Indenture, or by the rules, regulations or orders of any regulatory body having jurisdiction pursuant to such Statutes, the Company covenants that it will file with the Corporate Trustee and any other trustees for the time being hereunder, and with such regulatory body, or with such of them as may be required by such Statutes or by such rules, regulations or orders, such information, documents and reports as may be prescribed in such Statutes or in such rules, regulations or orders and such additional

information with respect to the performance by the Company of its obligations under this Indenture as may be prescribed in such Statutes or in such rules, regulations or orders; and, in that event, the Company will transmit to the holders of the bonds secured by this Indenture in the manner and to the extent provided in such Statutes or in such rules, regulations or orders, such summaries of any information, documents and reports as may be required by such Statutes or by such rules, regulations or orders.

To give Corporate Trustee semi-annual list of bondholders

The Company covenants that, as long as any of the bonds issued under this Indenture shall remain Outstanding, it will, to the extent permitted by law, on or before May 15 and November 15 of each year, beginning with the year 1940, deliver to the Corporate Trustee such information as may have come into the possession of the Company or any paying agent (as such) for the bonds Outstanding hereunder during the six months' period ended on the preceding May 1 or November 1, as the case may be, with respect to the names and addresses of the holders of the bonds then Outstanding. The Corporate Trustee shall keep on file any such information so received by it and in case three or more holders of bonds Outstanding hereunder (hereinafter referred to as "Applicant Bondholders") state in writing to the Corporate Trustee that such Applicant Bondholders jointly desire to communicate with other holders of bonds Outstanding hereunder with respect to their rights under this Indenture or under the bonds, the Corporate Trustee shall, at its election, either

Bondholder's list to be available to bondholders

(1) afford access, to the extent permitted by law, to such information as it appears from the latest list furnished by the Company with respect to the names and addresses of the holders of bonds Outstanding hereunder; or

(2) make it services available, to the extent permitted by law, for mailing to holders of bonds Outstanding hereunder any form of proxy or other communication with respect to their said rights, subject to the conditions and in the manner specified in subdivisions (a) and (b) below:

(a) At the written request of the Applicant Bondholders, the Corporate Trustee shall promptly furnish a statement of

the approximate number of holders of bonds Outstanding hereunder, according to the latest list furnished by the Company in the possession of the Corporate Trustee, and an estimate of the cost of mailing a specified form of proxy or other communication to such holders. Any information requested pursuant to this subdivision (a) shall be mailed or otherwise furnished to the Applicant Bondholders on or before the fifth business day after receipt by the Corporate Trustee of such written request.

Corporate Trustee to mail communications to bondholders

(b) At the written request of the Applicant Bondholders, copies of any form of proxy or other communication furnished by the Applicant Bondholders shall be mailed by the Corporate Trustee to all holders of bonds Outstanding hereunder whose names and addresses appear upon the latest list furnished by the Company pursuant to the provisions of this Section; provided, however, that if the approval of any governmental regulatory body or of any court or the compliance by the Applicant Bondholders with any statute, or with any rule, regulation or order of any such governmental regulatory body or court, is, in the opinion of the Corporate Trustee, requisite for the mailing of such proxy or other communication, the Applicant Bondholders shall establish to the reasonable satisfaction of the Corporate Trustee that such approval has been obtained, or that such statute, rule, regulation or order has been complied with. The Corporate Trustee may rely conclusively upon an opinion of counsel (who may be of counsel to the Applicant Bondholders) with respect to the necessity of any such approval or compliance and the sufficiency of any action taken to obtain such approval or so to comply. Thereafter such material shall be mailed with reasonable promptness after receipt by the Corporate Trustee of a tender of the material to be mailed, all envelopes or other containers therefor, all postage, or payment for postage, and reasonable reimbursement to the Corporate Trustee of all expenses to be incurred in connection with such mailing or a surety company bond satisfactory to the Corporate Trustee in an amount sufficient to cover such expense.

Voluntary bankruptcy, receivership, or assignment for creditors

SECTION 44. That it will not go into voluntary bankruptcy or insolvency, or apply for or consent to the appointment of a receiver or trustee of itself or of its property in any judicial proceedings or make any general assignment for the benefit of its creditors, or suffer to be made and remain unvacated for a period of ninety (90) days any order for the appointment of such a receiver or trustee of itself or of its property in any proceeding instituted by a creditor, or any final order appointing such a receiver or trustee in any other proceeding, or any order adjudicating it to be bankrupt or insolvent.

Faithful performance of covenants and conditions

SECTION 45. That it will not issue, or permit to be issued, any bonds hereunder in any manner other than in accordance with the provisions of this Indenture and that it will faithfully observe and perform all the conditions, covenants and requirements of this Indenture and of all indentures supplemental hereto and of the bonds issued hereunder.

Upon cancellation of prior lien

SECTION 46. That upon the cancellation and discharge of any Prior Lien securing Prior Lien Bonds it will (unless the Prior Lien Bonds, cash, proceeds and other property mentioned in subdivisions (*a*) and (*b*) below are thereupon otherwise disposed of as required by another Prior Lien) cause

(a) to cause prior lien bonds to be canceled or deposited hereunder

(*a*) any Prior Lien Bonds deposited with and then held by the trustee or other holder of such Prior Lien canceled and discharged, to be canceled and notification thereof to be given to the Corporate Trustee, or, at the option of the Company, to be delivered to and deposited with the Corporate Trustee hereunder to be held under the provisions of Article IX hereof; and

(b) to deposit hereunder all funded cash, etc.

(*b*) all Funded Cash, all obligations secured by purchase money mortgages and all proceeds of insurance on, or of the release of, or the taking by eminent domain of, Funded Property, deposited with and then held by the trustee or other holder of such Prior Lien canceled and discharged (including as to all of the foregoing all proceeds of or substitutes for any thereof then

held as aforesaid), to be paid and/or delivered to and/or deposited with the Corporate Trustee hereunder, to be held as part of the Mortgaged and Pledged Property; any such Prior Lien Bonds constituting a part thereof to be held and disposed of under the provisions of Article IX hereof; any such cash and/or purchase money mortgages on property released (including any proceeds or substitutes therefor) constituting a part thereof to be paid over, withdrawn, used or applied, in the manner, to the extent, and for the purposes and subject to the conditions provided in Section 61 hereof with respect to cash and purchase money mortgages deposited under the provisions of Section 59 hereof; any bonds issued hereunder deposited with and then held by the trustee or other holder of such Prior Lien canceled and discharged, to be canceled by the Corporate Trustee and upon the request of the Company to be cremated and a certificate of such cremation delivered to the Company; and any other property constituting a part thereof to be subject to use and release as provided with respect to such property in Article XI hereof.

Will not permit amount of prior lien bonds to be increased

That it will not permit the amount of Prior Lien Bonds to be increased by the issue of additional Prior Lien Bonds unless (1) the Prior Lien Bonds representing such increase shall be issued upon transfer of or in exchange for or in lieu of Outstanding Prior Lien Bonds on the exercise by a holder or holders of such Outstanding Prior Lien Bonds of the right granted by the Prior Lien securing such Prior Lien Bonds to have such bonds issued or unless (2) the Prior Lien Bonds representing such increase shall be deposited with the Corporate Trustee to be held under the provisions of Article IX hereof and/or unless such Prior Lien Bonds representing such increase shall be deposited with the trustee or other holder of a Prior Lien (under conditions such that no transfer of ownership or possession of such Prior Lien Bonds representing such increase by the trustee or other holder of such Prior Lien is permissible except upon a default thereunder, or except to the Corporate Trustee hereunder to be held subject to the provisions of Article IX hereof, or to the trustee or other holder of a Prior Lien for cancellation, or to be held uncanceled under the

Exceptions

terms of a Prior Lien under like conditions); that it will not apply under any provisions of this Indenture for the authentication and delivery of any bonds or the withdrawal of cash or the release of property or for a credit under the provisions of Section 38 or Section 39 hereof by reason of the deposit with the Corporate Trustee of such Prior Lien Bonds representing such increase; and that it will not apply under any provision of any Prior Lien for the withdrawal of Funded Cash held by the trustee or other holder of such Prior Lien on the basis of Funded Property, unless such cash so withdrawn shall be deposited with the Corporate Trustee hereunder, to be held as part of the Mortgaged and Pledged Property, and to be withdrawn, used or applied, in the manner, to the extent, and for the purposes and subject to the conditions provided in Section 61 hereof with respect to cash deposited under the provisions of Section 59 hereof.

ARTICLE IX.

Concerning Prior Lien Bonds Deposited with Corporate Trustee.

Deposit of prior lien bonds

SECTION 47. Each Prior Lien Bond in coupon form deposited with the Corporate Trustee shall have all unmatured coupons attached when so deposited, or shall be accompanied by evidence satisfactory to the Corporate Trustee (which may be a certificate of the mortgagee or trustee under the Prior Lien securing the same) that the discharge of the Prior Lien securing such Prior Lien Bond may be obtained without the production of any coupon or coupons that may be missing; and each Prior Lien Bond so deposited shall be uncanceled. Each Prior Lien Bond deposited hereunder shall be in bearer form or accompanied by appropriate instruments of transfer; and the Corporate Trustee may cause any or all registered Prior Lien Bonds to be registered in its name as Corporate Trustee, or otherwise, or in the name or names of its nominee or nominees.

Disposition of principal and interest of prior lien bonds

SECTION 48. All Prior Lien Bonds received by the Corporate Trustee for the purpose of this Article IX shall be held by the Corporate Trustee, as part of the Mortgaged and Pledged Property and without impairment of the lien thereof, for the protection and further security of the bonds issued hereunder. Except during the continuance of a Completed Default specified in Section 65 of this Indenture, no payment by way of interest or otherwise on any of the Prior Lien Bonds held by the Corporate Trustee shall be made or demanded and the coupons thereto appertaining as they mature shall be canceled by the Corporate Trustee and delivered so canceled to the Company, unless the Company shall, by an instrument in writing, signed by its President or a Vice-President or its Treasurer or an Assistant Treasurer, and delivered to the Corporate Trustee, elect, with respect to any of such Prior Lien Bonds, to have such payments made and demanded, in which event the Company shall be entitled to receive all such payments. In any event, except during the continuance of a Completed Default as aforesaid, all moneys received by the Corporate Trustee (a) on account of the principal of or interest or premium on said Prior Lien Bonds, or (b) by reason of the sale or delivery of any of said bonds to the sinking fund or other similar device for the retirement of bonds provided for in any Prior Lien securing the same (as to both (a) and (b) above, to the extent that a Treasurer's Certificate delivered to the Corporate Trustee shall state that such moneys do not represent the proceeds of insurance on, or the release of, or of the taking by eminent domain of, Funded Property, or the proceeds of Funded Property purchased by any governmental body or agency or its designee upon exercise of any right which it may have to purchase the same or designate a purchaser thereof, including the proceeds of and substitutes for any thereof), shall be paid over by the Corporate Trustee to or upon the order of the Company; provided that if and to the extent that such Treasurer's Certificate shall not state that such moneys do not represent the proceeds of insurance on, or of the release of, or of the taking by eminent domain of, Funded Property, or the proceeds of Funded

Property purchased by any governmental body or agency or its designee upon exercise of any right which it may have to purchase the same or designate a purchaser thereof, including the proceeds of and substitutes for any thereof, the same shall be retained by the Corporate Trustee and held as part of the Mortgaged and Pledged Property, to be withdrawn, used or applied, in the manner, to the extent, and for the purposes, and subject to the conditions provided in Section 61 hereof with respect to cash deposited under the provisions of Section 59 hereof.

Prior lien bonds surrendered to sinking fund or for cancellation

SECTION 49. Except during the continuance of a Completed Default specified in Section 65 hereof, the Corporate Trustee, if so directed by an instrument in writing signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company, shall cause any Prior Lien Bonds held by it to be canceled, and the obligation thereby evidenced to be satisfied and discharged, provided that it shall have received notice from the trustee or other holder of the Prior Lien securing the same that such trustee or other holder, on receipt of the Prior Lien Bonds held by the Corporate Trustee, will cause the Prior Lien to be satisfied and discharged of record; and upon similar direction, shall sell or surrender any Prior Lien Bonds held by it subject to this Article IX to the trustee or other holder of the Prior Lien securing the same to be held uncanceled for the purposes of any improvement or sinking fund or other similar device for the retirement of bonds for which provision may have been made in the Prior Lien securing the Prior Lien Bonds so sold or surrendered, or for cancellation, provided, however, that no such Prior Lien Bonds shall be so sold or surrendered except for cancellation as aforesaid until the Corporate Trustee shall have received an Opinion of Counsel to the effect (*a*) that the provisions of the Prior Lien securing the Prior Lien Bonds so to be sold or surrendered are such that no transfer of ownership or possession of such Prior Lien Bonds by the trustee or other holder of such Prior Lien is permissible thereunder except upon default thereunder or except to the Corporate Trustee hereunder, to be held subject to the provisions

of this Article IX, or to the trustee or other holder of a Prior Lien, for cancellation or to be held uncanceled under the terms of a Prior Lien under like conditions, or (*b*) that all of the property subject to the Prior Lien, with respect to which such Prior Lien Bonds have been deposited with the Corporate Trustee, has been released from the Lien of this Indenture, which shall be stated in any event if such be the fact; and provided further that if all of the property subject to the Prior Lien securing Prior Lien Bonds deposited with the Corporate Trustee shall have been released from the Lien of this Indenture, such Prior Lien Bonds as shall thereupon cease to be Prior Lien Bonds as defined in Section 6 hereof shall be surrendered forthwith by the Corporate Trustee to the Company upon the written order of its President or a Vice-President and its Treasurer or an Assistant Treasurer.

Extension of maturity of prior lien bonds

On the request of the Company evidenced by a Resolution, the Corporate Trustee may, and on request of the holders of not less than a majority in principal amount of the bonds Outstanding hereunder, shall, permit the extension of the maturity of and/or any other modification of any Prior Lien Bonds held by the Corporate Trustee subject to the provisions of this Article IX and/or any modification of a Prior Lien.

Corporate Trustee's rights on default hereunder as holder of prior lien bonds

SECTION 50. Upon the occurrence of any Completed Default specified in Section 65 hereof, the Corporate Trustee may exercise any and all rights of a bondholder with respect to the Prior Lien Bonds then held by it or may take any other action which shall in its judgment be desirable or necessary to avail itself of the security created for such Prior Lien Bonds by the Prior Liens securing the same. The Corporate Trustee shall be reimbursed from the trust estate for all expenses by it properly incurred by reason of any such action taken, with interest upon all such expenditures at the rate of six per centum (6%) per annum; and the amount of such expenses and interest shall, until repaid, constitute a lien upon the Mortgaged and Pledged Property prior to the lien of the bonds and coupons issued hereunder.

ARTICLE X.

Redemption or Purchase of Bonds.

What bonds redeemable

SECTION 51. Such of the bonds of any series issued hereunder as are, by their terms, redeemable before maturity, may, at the option of the Company, be redeemed at such times, in such amounts and at such prices as may be specified therein and in accordance with the provisions of the three next succeeding Sections numbered from 52 to 54, both inclusive.

Selection by lot

SECTION 52. In case of a redemption of a part only of any series of said bonds, the particular bonds so to be redeemed shall be selected by the Corporate Trustee by lot, according to such method as it shall deem proper in its discretion. Notice of intention to redeem (including, in case a part only of the bonds of any particular series are to be redeemed, the numbers of such bonds) shall be given, by or on behalf of the Company, by publication, as to the bonds of the 1964 Series, in one Daily Newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York, for such period of time before the date fixed for redemption as is specified in Section 19 hereof and as to the bonds of any other series in such newspapers and for such periods as may be fixed for the bonds of such other series by the Resolutions establishing such series of bonds, or if no such newspaper and/or period be fixed, then at least once in each of four (4) successive calendar weeks (on any secular day in the week which need not be the same day in each week) immediately preceding the date fixed for redemption in such a Daily Newspaper as is required with respect to publication in the case of the bonds of the 1964 Series. A copy of such notice shall also be mailed by or on behalf of the Company, not less than ten (10) days before the date fixed for redemption, to each holder of any fully registered bond or of any coupon bond registered as to principal which is to be redeemed, at his last address, if any, appearing upon the registry books,

Notice of redemption

Publication

Mailing

but such mailing shall not be a condition precedent to such redemption and failure so to mail any such notice shall not affect the validity of the proceedings for the redemption of such bonds. If at the time of publication or mailing of any notice of redemption the Company shall not have deposited with the Corporate Trustee (and/or irrevocably directed the Corporate Trustee to apply, from money held by it available to be used for the redemption of bonds) an amount in cash sufficient to redeem all of the bonds called for redemption, including accrued interest, such notice shall state that it is subject to the deposit of such amount with the Corporate Trustee on or before the date fixed for redemption.

Deposit of redemption price with Corporate Trustee

SECTION 53. Publication of the notice of redemption having been completed as above provided and the Company having on or before the redemption date specified in the notice of redemption deposited with the Corporate Trustee (and/or having irrevocably directed the Corporate Trustee to apply, from money held by it available to be used for the redemption of bonds) an amount in cash sufficient to redeem all of the bonds called for redemption, including accrued interest, the bonds called for redemption shall become due and payable on such redemption date at the principal office of the Corporate Trustee in the Borough of Manhattan, The City of New York.

Money held in trust for bondholders

SECTION 54. All moneys deposited by the Company with the Corporate Trustee under the provisions of this Article X for the redemption of bonds or which the Company directs shall be applied by the Corporate Trustee to the redemption of bonds shall, subject to the provisions of Section 119 hereof, be held in trust for account of the holders of the bonds so to be redeemed, and shall be paid to them respectively, upon presentation and surrender of said bonds, with all unmatured coupons, if any, appertaining thereto. Coupons maturing on or prior to the redemption date shall remain payable in accordance with their terms. On and after such redemption date, if the moneys for the redemption

Called bonds cease to bear interest

of the bonds to be redeemed shall have been deposited or directed to be applied as aforesaid, such bonds shall cease to bear interest and shall cease to be entitled to the Lien of this Indenture and the coupons for interest, if any, maturing subsequent to the redemption date shall be void unless such bonds and/or the coupons for interest which shall have matured prior to the redemption date shall have been presented for payment at the principal office or agency of the Corporate Trustee and also at the office or agency of the Company in the Borough of Manhattan, City, County and State of New York, and shall not have been paid.

Partial redemption of a fully registered bond

If any serial number shall be drawn by the Corporate Trustee at any selection by lot as in Section 52 hereof provided for, which is endorsed upon any fully registered bond of a denomination larger than One Thousand Dollars ($1,000), such fully registered bond shall be presented properly endorsed for transfer at or after the date fixed for the redemption of said bonds so drawn for redemption, and the payment with respect to said bond shall be made upon surrender of said bond so endorsed; and coupon bonds or fully registered bonds for the unpaid balance, if any, of the principal amount of the fully registered bond so presented and surrendered shall be executed by the Company and authenticated and delivered by the Corporate Trustee without charge therefor. On and after the date fixed for such redemption, interest shall be payable only on the portion of said fully registered bond not so called for redemption and only such portion shall continue to be entitled to the benefit of the Lien of this Indenture.

Purchase of *bonds hereunder*

SECTION 55. At any time, upon the request of the Company, expressed by Resolution, the Corporate Trustee shall, to the extent that such bonds are available for such purchase, apply all or any part of the cash held by it under any provision of this Indenture, subject to the provisions of Sections 32, 54 and 64 hereof, or any cash deposited with it by the Company for the purpose, to the purchase (including a purchase from the Company) of bonds then Outstanding hereunder of such

series as the Company may designate at such price that the cost thereof to the Company will not exceed the cost of redeeming, on the next available redemption date (including accrued interest from the next preceding interest date to such redemption date in such cost), such bonds as shall be by their terms redeemable before maturity, or at not more than one hundred and five per centum (105%) of the principal of bonds not so redeemable, plus accrued interest. Before making any such purchase the Corporate Trustee may, and upon request of the Company, shall, by notice published once in each of two (2) successive calendar weeks (on any secular day in the week which need not be the same day in each week) in one Daily Newspaper, printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York, advertise for written proposals (to be received by it on or before a specified date) to sell to it on or before a subsequent specified date bonds of the series designated by the Company then Outstanding hereunder; and the Corporate Trustee, to the extent, as nearly as it possible, of such funds then in its hands and requested by the Company to be so applied, shall purchase the bonds so offered at the price or prices most favorable to the Company, not exceeding the maximum amounts specified above, and reasonable notice shall be mailed by the Corporate Trustee to the holder or holders of the bonds whose proposals shall have been accepted. The Corporate Trustee may also in its discretion, and upon request of the Company so to do shall, invite offers of bonds for sale to it in any other usual manner. The Corporate Trustee may reject any or all proposals in whole or in part if it can at the time of opening said proposals purchase the requisite amount of such bonds or any part thereof at a price more favorable to the Company than it could by accepting said proposals, and in its discretion may reject any or all proposals in whole or in part. All offers by holders shall be subject to acceptance of a portion thereof unless otherwise expressed in the offers and all advertisements for written proposals shall so state.

Company may designate series

Corporate Trustee may invite offers to sell bonds

Bonds paid, purchased or redeemed to be canceled

SECTION 56. All bonds issued hereunder paid, retired or redeemed under any of the provisions of this Indenture or purchased by the Corporate Trustee as provided in Section 55 hereof and all appurtenant coupons, if any, shall forthwith be canceled by the Corporate Trustee, and at the request of the Company the Corporate Trustee may cremate the same and deliver to the Company a certificate of such cremation.

ARTICLE XI.

Possession, Use and Release of Mortgaged and Pledged Property.

Company's possession and enjoyment

SECTION 57. Unless the Company is in default in the payment of the interest on any of the bonds then Outstanding hereunder or one or more of the Completed Defaults specified in Section 65 hereof shall have occurred and be continuing, the Company shall be suffered and permitted to possess, use and enjoy the Mortgaged and Pledged Property (except such cash as is expressly required to be deposited with the Corporate Trustee and except, to the extent not herein otherwise provided, such securities as are expressly required to be deposited with the Corporate Trustee), and to receive, use and dispose of the tolls, rents, revenues, issues, earnings, income, product and profits thereof, with power in the ordinary course of business, freely and without let or hindrance on the part of the Trustees or either of them or of the bondholders, to use, consume and dispose of supplies, and, except as herein otherwise expressly provided to the contrary, to exercise any and all rights under choses in action, contracts, franchises and claims.

Prior to default, Company may, without consent of trustees

SECTION 58. Unless the Company is in default in the payment of the interest on any of the bonds then Outstanding hereunder or one or more of the Completed Defaults specified in Section 65 hereof shall have occurred and be continuing, the Company may at any time and from time to time, without any release or consent by, or report to, the Trustees or either of them, or deposit with either of them of any consideration received by the Company:

(1) sell or otherwise dispose of, free from the Lien of this Indenture, any machinery, equipment, tools, implements or other property, which shall have become old, inadequate, obsolete, worn out, unfit or unadapted for use in the operations of the Company upon replacing the same by or substituting for the same other property of at least equal value to that of the property sold or otherwise disposed of and subject to no liens prior hereto except liens to which the property sold or otherwise disposed of was subject; (1) sell and replace worn-out equipment, etc.

(2) cancel or make changes or alterations in or substitutions of any and all right of way grants; (2) cancel right of way grants

(3) surrender or assent to the modification of any right, power, franchise, license (other than any license issued by the Federal Power Commission for a hydro-electric or power line project), governmental consent or permit under which it may be operating, provided that, in the opinion of the Board of Directors of the Company (such opinion to be stated in a Resolution to be filed with the Corporate Trustee), such surrender or modification is desirable in the conduct of the business of the Company; and (3) surrender or assent to modification of franchises, etc.

(4) surrender or assent to the modification of any license issued by the Federal Power Commission for any hydro-electric or power line project, provided that, in the opinion of the Board of Directors of the Company (such opinion to be stated in a Resolution to be filed with the Corporate Trustee), such surrender or modification is desirable in the conduct of the business of the Company, and provided further that, if the Company shall receive any cash or other consideration (other than property or rights which shall have become subject to the lien of this Indenture) for any such surrender or modification, an amount equal to such cash or the fair value of such other consideration shall be deposited with the Corporate Trustee at or prior to the time of such surrender or modification. (4) surrender, in certain instances, Federal Power Commission licenses

Release of property

SECTION 59. Unless, to the knowledge of the Corporate Trustee, the Company is in default in the payment of the interest on any

bonds then Outstanding hereunder or one or more of the Completed Defaults specified in Section 65 hereof shall have occurred and be continuing, the Company may obtain the release of any of the Mortgaged and Pledged Property, except cash then held by the Corporate Trustee (provided, however, that Prior Lien Bonds deposited with the Corporate Trustee shall not be released except as provided in Article IX hereof and obligations secured by purchase money mortgage deposited with the Corporate Trustee shall not be released except as provided in Section 61 hereof), and the Corporate Trustee shall release the same from the Lien hereof upon the application of the Company and receipt by the Corporate Trustee of

Release application papers, etc.

(1) Resolution

(1) a Resolution describing in reasonable detail the property to be released and requesting such release;

(2) Treasurer's certificate

(2) a Treasurer's Certificate stating that the Company is not in default in the payment of the interest on any bonds then Outstanding hereunder and that none of the Completed Defaults specified in Section 65 hereof has occurred and is continuing;

(3) Engineer's certificate

(3) an Engineer's Certificate, made and dated not more than ninety (90) days prior to the date of such application, stating:

(*a*) that the Company has sold, exchanged, dedicated or disposed of, or agreed to sell, exchange, dedicate or dispose of, or that a governmental body or agency has exercised a right to order the Company to divest itself of, the property to be released; (*b*) the Fair Value, in the opinion of the signers, of the property to be released and the Fair Value of any portion thereof that is Funded Property; (*c*) that (except in any case where a governmental body or agency has exercised a right to order the Company to divest itself of such property) such release is in the opinion of the signers desirable in the conduct of the business of the Company; and (*d*) stating the amount of cash and/or principal amount of obligations secured by purchase money mortgage received or to be received for any portion of said property taken by exercise of the power of eminent domain or sold to any Federal, State,

County, Municipal or other governmental bodies or agencies or public or semi-public corporations, districts or authorities or for any portion of said property as to which a governmental body or agency has exercised a right to order the Company to divest itself of property and which has been or is to be sold by the Company pursuant to such order;

(4) Cash to be deposited with Corporate Trustee before release in certain instances

(4) an amount in cash, to be held by the Corporate Trustee as part of the Mortgaged and Pledged Property, equivalent to the amount, if any, by which the Fair Value of the property to be released, as specified in the Engineer's Certificate provided for in subdivision (3) above, exceeds the aggregate of the following items:

(*a*) the principal amount of any obligations delivered to the Corporate Trustee, to be held as part of the Mortgaged and Pledged Property, consisting of obligations secured by purchase money mortgage upon the property released;

(*b*) the Cost or Fair Value to the Company (whichever is less) of any Property Additions made the basis of the application which are not then Funded Property (after making any deductions and any additions required by the provisions of Section 4 hereof) as shown by a further Engineer's Certificate (made and dated not more than ninety (90) days prior to the date of such application) delivered to the Corporate Trustee;

(*c*) the principal amount of each bond or fraction of bond to the authentication and delivery of which the Company shall be entitled under the provisions of Section 26 or Section 29 hereof, by virtue of compliance with all applicable provisions of said Section 26 or Section 29, as the case may be (except as hereinafter in this Section otherwise provided); provided, however, that the application for such release shall operate as a waiver by the Company of such right to the authentication and delivery of each such bond or fraction thereof on the basis of which right such property is released and to such extent no such bond or fraction thereof may thereafter be authenticated and delivered hereunder;

(*d*) the principal amount of any obligations secured by purchase money mortgage upon the property to be released and/or any amount in cash, that is evidenced to the Corporate Trustee by a certificate of the trustee or other holder of a

Prior Lien or a lien prior hereto, as the case may be, to have been received by it in accordance with the provisions of such Prior Lien or lien prior hereto in consideration for the release of such property or any part thereof from such Prior Lien or lien prior hereto;

provided, however, that the principal amount of any obligations secured by purchase money mortgage delivered to the Corporate Trustee as permitted by clause (*a*) of this subdivision (4), or delivered to the trustee or other holder of a Prior Lien or a lien prior hereto as permitted by clause (*d*) of this subdivision (4), shall not in the aggregate exceed sixty per centum (60%) of the Fair Value of the property to be released, as specified in the Engineer's Certificate provided for in subdivision (3) above, and that the aggregate principal amount of such obligations and all other obligations secured by purchase money mortgage delivered to the Corporate Trustee pursuant to the provisions of this Section and then held as part of the Mortgaged and Pledged Property or delivered to the trustee or other holder of a Prior Lien or a lien prior hereto and used as a credit under clause (*d*) of this subdivision (4) and then held by such trustee or other holder, shall not exceed forty per centum (40%) of the aggregate principal amount of bonds at the time Outstanding under this Indenture;

(5) Opinion of counsel on purchase money mortgage

(5) in case any obligations secured by purchase money mortgage upon the property to be released are included in the consideration for such release and are delivered to the Corporate Trustee or to the trustee or other holder of a Prior Lien or a lien prior hereto in connection with any release of such property, an Opinion of Counsel to the effect that, in his or their opinion, such obligations are valid obligations, and that any purchase money mortgage securing the same is sufficient to afford a valid purchase money lien upon the property to be released, subject to no lien prior thereto except such liens, if any, as shall have existed thereon just prior to such release as Prior Liens or liens prior to the Lien of this Indenture; and

(6) Opinion of counsel if franchises are released

(6) in case the Trustees are requested to release any franchise, an Opinion of Counsel to the effect that in his or their opinion such release will not impair the right of the Company to operate any of its remaining properties.

Conditions if release is based on property additions, bonds retired hereunder, or retirement of prior lien bonds

In case the release of property is, in whole or in part, based upon Property Additions (as permitted under clause (*b*) of subdivision (4) of this Section), the Company shall comply with all applicable provisions of this Indenture as if such Property Additions were made the basis of an application for the authentication and delivery of bonds thereon in principal amount equivalent to sixty per centum (60%) of the Fair Value of that portion of the property to be released which is to be released on the basis of such Property Additions, as shown by the Engineer's Certificate in subdivision (3) of this Section provided for, and in case the release of property is in whole or in part based upon the right to the authentication and delivery of bonds (as permitted under clause (*c*) of subdivision (4) of this Section) the Company shall comply with all applicable provisions of Section 26 or Section 29 hereof, as the case may be, relating to such authentication and delivery, except that in no such case shall the Company be required to comply with any earning requirements or to deliver to the Corporate Trustee any Resolution, Treasurer's Certificate, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (2), (6) and (8) of Section 28 hereof; provided, however, that the Cost of any Property Additions received or to be received by the Company in whole or in part as consideration in exchange for the property to be released shall for all purposes of this Indenture be deemed to be the amount stated in the Engineer's Certificate provided for in subdivision (3) of this Section to be the Fair Value of the property to be released (*a*) plus the amount of any cash and the Fair Value of any other consideration, further to be stated in such Engineer's Certificate, paid and/or delivered or to be paid and/or delivered by, and the amount of any obligations assumed or to be assumed by, the Company in connection with such exchange as additional consideration for such Property Additions or (*b*) less the amount of any cash and the Fair Value of any other consideration, which shall also be stated in such Engineer's Certificate,

received or to be received by the Company in connection with such exchange in addition to such Property Additions.

Property additions made basis of release of unfunded property do not *become funded* property

Notwithstanding any of the other provisions of this Indenture, (1) to the extent that any property to be released is not Funded Property and the Property Additions made the basis of such release shall have been acquired in exchange or consideration for, or acquired, made or constructed in anticipation of, the release of property, such Property Additions shall not have the status of Funded Property, and (2) to the extent that any property released shall not have been Funded Property just prior to its release, any Property Additions made the basis of such release of property shall not be deemed to be Funded Property and any waiver of the right to the authentication and delivery of bonds made the basis of such release of property shall cease to be effective and shall no longer be deemed to have been made, if the Company shall within two (2) years after the release of such property, file with the Corporate Trustee such Treasurer's Certificates, Engineer's Certificates, Independent Engineer's Certificates, Opinions of Counsel and other papers (other than any Resolution, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (6) and (8) of Section 28 hereof) as under the provisions of Article V hereof, would entitle the Company, on the basis of Property Additions acquired, made or constructed subsequent to the application for the release of such property, to the authentication and delivery of bonds equal in principal amount to sixty per centum (60%) of the Fair Value of the property so released, and the inclusion of such subsequently acquired Property Additions in any such Treasurer's Certificate, Engineer's Certificate, Independent Engineer's Certificate, Opinion of Counsel or other papers shall not make such Property Additions Funded Property.

Disposition of bonds to purchase money obligations deposited

Any bonds Outstanding under this Indenture deposited with the Corporate Trustee, pursuant to the provisions of this Section, shall forthwith be canceled by the Corporate Trustee and upon the request of the Company the Corporate Trustee may cremate the same and

deliver to the Company a certificate of such cremation, and any prior Lien Bonds deposited with the Corporate Trustee pursuant to the provisions of this Section shall be held by the Corporate Trustee subject to the provisions of Article IX hereof and any moneys and/or obligations secured by purchase money mortgage and/or other property and/or the proceeds of any thereof and/or substitutes therefor received by the Corporate Trustee under this Section shall be held as part of the Mortgaged and Pledged Property and such moneys and/or obligations secured by purchase money mortgage shall be paid over, withdrawn, used or applied, in the manner, to the extent, and for the purposes and subject to the conditions provided in Section 61 hereof.

Substituted property to become subject to lien hereof

Any property acquired by the Company by exchange or purchase to take the place of any property released under any provisions of this Article shall forthwith and without further conveyance become subject to the Lien of and be covered by this Indenture as a part of the Mortgaged and Pledged Property, subject to no lien except Prior Liens and Excepted Encumbrances and any liens existing thereon just prior to the acquisition thereof; but the Company shall, if requested by the Corporate Trustee, convey the same, or cause the same to be conveyed, to the Trustees as may be so requested by appropriate instruments of conveyance upon the trusts and for the purposes of this Indenture.

Release of real estate unimproved for Company's business

SECTION 60. Unless to the knowledge of the Trustees or either of them the Company is in default in the payment of the interest on any bonds then Outstanding hereunder or one or more of the Completed Defaults specified in Section 65 hereof shall have occurred and be continuing, the Corporate Trustee shall whenever from time to time requested by the Company (such request to be evidenced by a Resolution) and without requiring compliance with any of the provisions of Section 59 hereof, release from the Lien hereof real estate unimproved for use in the conduct of the business of the Company, provided the Company has sold, exchanged, dedicated or disposed of, or agreed to sell, exchange, dedicate or dispose of, such real estate and provided the

aggregate value of the Company's interest in such real estate so released without such compliance in any period of twelve (12) consecutive calendar months shall not exceed the sum of Fifty Thousand Dollars ($50,000). A Treasurer's Certificate delivered to the Corporate Trustee as to any facts required to be known by it as a condition precedent to action by it under this Section shall fully protect it in any action taken upon the faith thereof. The Company covenants that it will deposit with the Corporate Trustee, to be dealt with in the manner provided in Section 61 hereof, the consideration, if any, received by it upon the sale or other disposition of any such real estate so released (to the extent that the same shall not have been paid or delivered to the trustee or other holder of a Prior Lien or a lien prior to the Lien of this Indenture in accordance with the provisions thereof and a Treasurer's Certificate to that effect shall have been furnished to the Corporate Trustee).

Deposit of proceeds with Corporate Trustee

Withdrawal or application of moneys received for releases, etc. Such moneys may be:

SECTION 61. Unless to the knowledge of the Corporate Trustee the Company is in default in the payment of the interest on any bonds then Outstanding hereunder or one or more of the Completed Defaults specified in Section 65 hereof shall have occurred and be continuing, any money received by the Corporate Trustee in consideration of any release under this Article XI, including payment on account of the principal of any obligations secured by purchase money mortgage which obligations have been delivered to the Corporate Trustee shall be held by the Corporate Trustee and, subject to the provisions of Section 64 hereof, such money and any money which may be applied as in this Section provided,

(1) Withdrawn on basis of property additions

(1) may be withdrawn from time to time by the Company to the extent of the Cost or the Fair Value to the Company (whichever is less) of Property Additions not then Funded Property (after making any deductions and additions required by the provisions of Section 4 hereof);

(2) Withdrawn on basis of rights to issue bonds

(2) may be withdrawn from time to time by the Company in an amount equal to the principal amount of each bond or fraction of bond to the authentication and delivery of which the

Company shall be entitled under the provisions of Section 26 or Section 29 hereof, by virtue of compliance with all applicable provisions of said Section 26 or Section 29, as the case may be (except as hereinafter in this Section otherwise provided); provided, however, that the application for such withdrawal of cash shall operate as a waiver by the Company of such right to the authentication and delivery of each such bond or fraction thereof, on the basis of which right such cash is withdrawn;

(3) Applied to purchase bonds

(3) may, upon the request of the Company, evidenced by a Resolution delivered to the Corporate Trustee, be used by the Corporate Trustee for the purchase of bonds issued hereunder in accordance with the provisions of Section 55 hereof; or

(4) Applied to redeem bonds

(4) may, upon the request of the Company, evidenced by a Resolution delivered to the Corporate Trustee, be applied by the Corporate Trustee to the redemption of any bonds issued hereunder which are by their terms redeemable before maturity, of such series as may be designated by the Company, such redemption to be in the manner and as provided in Article X hereof.

Requirements for withdrawal of moneys

Such moneys shall, from time to time, be paid out or used or applied by the Corporate Trustee, as aforesaid, upon the request of the Company evidenced by a Resolution, and upon receipt by the Corporate Trustee of a Treasurer's Certificate stating that the Company is not in default in the payment of the interest on any bonds then Outstanding hereunder and that none of the Completed Defaults specified in Section 65 hereof has occurred and is continuing. In case the withdrawal of cash is, in whole or in part, based upon Property Additions (as permitted under clause (1) of this Section), the Company shall comply with all applicable provisions of this Indenture as if such Property Additions were made the basis of an application for the authentication and delivery of bonds thereon in principal amount equivalent to sixty per centum (60%) of the cash to be withdrawn on such basis; or in case the withdrawal of cash is, in whole or in part, based upon the right to the authentication and delivery of bonds (as permitted under clause (2) of this Section) the Company shall comply with all applicable provisions of this Indenture relating to such authentication and

delivery, except that in no such case shall the Company be required to comply with any earning requirements or to deliver to the Corporate Trustee any Resolution, Treasurer's Certificate, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (2), (6) and (8) of Section 28 hereof.

When property additions made basis of withdrawal do not become funded property

Notwithstanding any of the other provisions of this Indenture, (a) to the extent that any cash to be withdrawn represents the proceeds of property (other than Funded Property) released, taken by eminent domain or purchased by any governmental body or agency or its designee upon exercise of any right which it may have to purchase the same or designate a purchaser thereof or damaged or destroyed by fire or represents payment on account of principal of, or consideration for the release of, obligations secured by purchase money mortgage which shall have been deposited with the Corporate Trustee as the basis of the release of property (other than Funded Property), and the application for the withdrawal of such cash is based upon Property Additions acquired, or to be acquired with such cash, or acquired, made or constructed in anticipation of the release of property or the withdrawal of cash, then such Property Additions shall not have the status of Funded Property, and (b) to the extent that any such cash withdrawn shall have represented the proceeds of property (other than Funded Property) released, taken by eminent domain or so purchased or damaged or destroyed by fire or shall have represented payment on account of principal of, or consideration for the release of, obligations secured by purchase money mortgage which shall have been deposited with the Corporate Trustee as the basis of the release of property (other than Funded Property), any Property Additions made the basis of such withdrawal of cash shall not be deemed to be Funded Property and any waiver of the right to the authentication and delivery of bonds, made the basis of such withdrawal of cash, shall cease to be effective and shall no longer be deemed to have been made, if the Company shall, within two (2) years after the withdrawal of such cash, file with the Corporate Trustee such Treasurer's Certificates, Engineer's Certificates, Independent Engineer's Certificates, Opinions of

Counsel and other papers (other than any Resolution, Net Earning Certificate or Opinion of Counsel such as is described in subdivisions (1), (6) and (8) of Section 28 hereof) as, under the provisions of Section 28 hereof, would entitle the Company, on the basis of Property Additions acquired, made or constructed subsequent to the receipt by the Corporate Trustee of such cash, to the authentication and delivery of bonds equal in principal amount to sixty per centum (60%) of such cash so withdrawn, and the inclusion of such subsequently acquired Property Additions in any such Treasurer's Certificate, Engineer's Certificate, Independent Engineer's Certificate, Opinion of Counsel or other papers shall not make such Property Additions Funded Property.

Release of purchase money mortgage obligations

Any obligations secured by purchase money mortgage received or to be received by the Corporate Trustee under any of the provisions of this Indenture in consideration of the release of any property, may be released upon payment by the Company to the Corporate Trustee of all of the unpaid portion of the principal of such obligations.

Corporate Trustee shall collect purchase money mortgage obligations

The principal of and interest on any such obligations secured by purchase money mortgage held by the Corporate Trustee, shall be collected by the Corporate Trustee as and when the same become payable, and the Corporate Trustee may take any action which in its judgment may be desirable or necessary to avail of the security of such purchase money mortgage. Unless to the knowledge of the Corporate Trustee, the Company is in default in the payment of the interest on any of the bonds then Outstanding hereunder or one or more of the Completed Defaults specified in Section 65 hereof shall have occurred and be continuing, the interest received by the Corporate Trustee on any such obligations shall be paid over to the Company.

Disposition of bonds deposited under this section

Any bonds issued under this Indenture deposited with the Corporate Trustee pursuant to the provisions of this Section shall forthwith be canceled by the Corporate Trustee and at the request of the Company the Corporate Trustee may cremate the same and deliver a certificate of such cremation to the Company, and any Prior Lien Bonds deposited with the Corporate Trustee pursuant to the provisions of

this Section shall be held by the Corporate Trustee subject to the provisions of Article IX hereof.

Release of property taken by eminent domain or purchased by governmental body

SECTION 62. Should any of the Mortgaged and Pledged Property be taken by exercise of the power of eminent domain or should any governmental body or agency, at any time, exercise any right which it may have to purchase or designate a purchaser of any part of the Mortgaged and Pledged Property, the Trustees or either of them shall, upon request of the Company, release the property so taken or purchased, and shall be fully protected in doing so upon being furnished with an Opinion of Counsel to the effect that such property has been taken by exercise of the power of eminent domain, or purchased in the exercise of a right which a governmental body or agency had to purchase or designate a purchaser of the same. The proceeds of all property so taken or purchased shall be paid over to the Corporate Trustee (unless the same shall have been paid or delivered to the trustee or other holder of a mortgage or other lien constituting a Prior Lien or lien prior hereto, in accordance with the provisions thereof and a Treasurer's Certificate to that effect shall have been furnished to the Corporate Trustee), and (if paid over to the Corporate Trustee hereunder) may, subject to the provisions of Section 64 hereof, thereafter be withdrawn, used or applied in the manner, to the extent and for the purposes and subject to the conditions provided in Section 61 hereof.

Application of proceeds

If property is in hands of receiver, etc.

SECTION 63. In case the Mortgaged and Pledged Property shall be in the possession of a receiver or trustee, lawfully appointed, the powers hereinbefore conferred upon the Company with respect to the sale or other disposition of the Mortgaged and Pledged Property or the withdrawal of cash may be exercised, with the approval of the Corporate Trustee, by such receiver or trustee, notwithstanding the Company may be in default and any request, certificate, appointment or approval made or signed by such receiver or trustee for such purposes shall be as effective as if made by the Company or its Board of Directors or any of its officers or appointees in the manner herein provided; and if the Trustees or either of them shall be in possession of the Mortgaged and Pledged Property under any provision of this Indenture, then such powers may be exercised by the Trustees in their discretion notwithstanding the Company may be in default.

Notwithstanding default, Trustees may release property

Notwithstanding the existence of a default in the payment of interest on any bonds Outstanding hereunder or the existence of a Completed Default specified in Section 65 hereof, the Trustees, or either of them, in their discretion, may release from the Lien hereof any part of the Mortgaged and Pledged Property or permit the withdrawal of cash, upon compliance with the other conditions specified in this Article in respect thereof.

Purchaser in good faith not put on inquiry

No purchaser in good faith of property purporting to have been released hereunder shall be bound to ascertain the authority of the Trustees, or either of them, to execute the release, or to inquire as to any facts required by the provisions hereof for the exercise of this authority; nor shall any purchaser or grantee of any property or rights permitted by this Article to be sold, granted, exchanged or otherwise disposed of, be under obligation to ascertain or inquire into the authority of the Company to make any such sale, grant, exchange or other disposition.

Redemption of bonds if funds from sale to governmental body equal $1,000,000

SECTION 64. If, during any twelve (12) months' period, any of the Mortgaged and Pledged Property is taken by the exercise of the power of eminent domain and/or any of such property is sold by the Company to one or more Federal, State, County, Municipal or other governmental bodies or agencies or public or semi-public corporations, districts or authorities and/or a governmental body or agency exercises a right to order the Company to divest itself of any of such property and any of such property is sold by the Company pursuant to such order, with the result that the Company receives or becomes entitled to receive (during such period or otherwise) cash and/or a principal amount of obligations secured by purchase money mortgage, aggregating not less than One Million Dollars ($1,000,000), at a time or times when bonds Outstanding hereunder are, by their terms, redeemable before maturity by the application of cash deposited pursuant to this Section, the Company covenants that (to the extent that any cash received by the Company for such property, or in payment on account of principal of such obligations, including cash pro-

ceeds from the disposition of any of such obligations or of property received by the Company in exchange for any of such obligations, has not theretofore been applied to the purchase or redemption of bonds secured hereby, or is not paid or delivered by the Company to the trustee or other holder of a Prior Lien or a lien prior hereto, under circumstances in which such cash may not be withdrawn and may not be applied for any purpose except to retire Prior Lien Bonds or bonds secured by a lien prior hereto), the Company will deposit cash in an amount equal to the cash theretofore received by the Company for said property (including cash received on account of principal of such obligations as aforesaid) with the Corporate Trustee under the provisions of this Article XI and (to the extent that such cash is not paid or delivered to the trustee or other holder of a Prior Lien or lien prior hereto, as aforesaid) will deposit, when and as received, all cash thereafter received for said property (including cash received on account of principal of such obligations as aforesaid) with the Corporate Trustee under the provisions of this Article XI, and, subject to Section 119 hereof, will (to the extent that any cash so deposited is not applied, within four (4) months after the date deposited, to the purchase or redemption of bonds Outstanding hereunder, pursuant to the provisions of Article X hereof) irrevocably direct the Corporate Trustee to apply the cash so deposited with the Corporate Trustee to the redemption of bonds Outstanding hereunder pursuant to the provisions of Article X hereof to the extent that bonds then Oustanding hereunder are, by their terms, redeemable before maturity by the application of cash deposited pursuant to this Section. For the purpose of this Section, cash at any time remaining on deposit with the Corporate Trustee representing payment to it on account of principal of any of such obligations secured by purchase money mortgage upon the property taken or sold as aforesaid, or representing consideration deposited by the Company in connection with the release of any of such obligations or representing consideration deposited by the Company in connection with the release of any property taken or sold as aforesaid, may, at the option of the Company (evidenced by a notice in writing delivered to the Corporate Trustee), be deemed to have been deposited (as of the time of

delivery of such notice) by the Company pursuant to this Section and shall thereupon be credited against any amount required to be deposited by the Company pursuant to this Section.

If the principal of the bonds hereby secured shall be declared due as provided in Section 65 hereof and if

(a) the Corporate Trustee shall then hold any cash which shall have been deposited pursuant to this Section or the Company shall then be obligated to deposit cash pursuant to this Section; or

(b) the Company shall then hold or be entitled to receive or the Corporate Trustee shall then hold any obligations secured by purchase money mortgage the proceeds of payment of which would (except for such default), if paid, be required to be deposited pursuant to this Section; or

(c) property of the Company shall have been taken by exercise of the power of eminent domain or proceedings for such taking shall have been commenced or are about to be commenced or the Company shall have sold or agreed to sell or shall then contemplate the sale of any of its property under circumstances which in any such case (assuming the completion of such taking or sale) would (except for such default) require the deposit of cash pursuant to this Section or result in the receipt by the Company of obligations secured by purchase money mortgage, the proceeds of payment of which would (except for such default) be required to be deposited pursuant to this Section;

Bonds for redemption to be selected by lot

then, to the extent that bonds then outstanding would (except for such default) by their terms be redeemable before maturity by the application of cash deposited pursuant to this Section, the Corporate Trustee shall select by lot such amount of bonds so redeemable as could be redeemed by the application of an amount of cash equal to the aggregate amount of cash and obligations (taken at their principal amount) referred to in (a), (b) and (c) above, and the bonds so selected shall be payable at the respective redemption prices then applicable in the case of the redemption of bonds with cash deposited pursuant to this Section.

ARTICLE XII.

Remedies of Trustees and Bondholders upon Default.

Definition of "Completed Defaults"

SECTION 65. Upon the occurrence of any one or more of the following events (herein sometimes called "Completed Defaults"), viz.:

(*a*) Default in payment of the principal of any bond hereby secured when the same shall have become due and payable, whether at maturity as therein expressed or by declaration or otherwise; or

(*b*) Default continued for sixty (60) days in the payment of any interest upon any bond hereby secured; or

(*c*) Default in the payment of any interest upon or principal (whether at maturity as therein expressed or by declaration, or otherwise) of any Outstanding Prior Lien Bonds continued beyond the period of grace, if any, specified in the Prior Lien securing the same; or

(*d*) Default in the covenants of the Company contained in Section 44 hereof; or

(*e*) Default continued for ninety (90) days after notice to the Company from the Corporate Trustee in the performance of any other covenant, agreement or condition contained herein or in any indenture supplemental hereto or in any bond secured hereby;

Declaring principal and accrued interest due upon default

the Trustees may, and upon written request of the holders of twenty-five per centum (25%) in principal amount of the bonds then Outstanding hereunder, shall, by notice in writing delivered to the Company, declare the principal of all bonds hereby secured then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable; subject, however, to the right of the holders of a majority in principal amount of all Outstanding bonds, by written notice to the Company and to the Trustees to annul such

Holders of majority in p. a. may annul declaration

declaration and destroy its effect at any time before any sale hereunder, if, before any such sale, all agreements with respect to which default shall have been made shall be fully performed or made good, and all arrears of interest upon all bonds Outstanding hereunder and the reasonable expenses and charges of the Trustees, their agents and attorneys, and all other indebtedness secured hereby, except the principal of any bonds not then due by their terms and except interest accrued on such bonds since the last interest payment date, shall be paid, or the amount thereof shall be paid to the Trustees for the benefit of those entitled thereto. Whenever in this Article it is provided that any action may be requested, directed or taken by a stated percentage of bonds then Outstanding hereunder, in arriving at such percentage bonds shall be subject to challenge and exclusion on the same grounds that they may be challenged as provided in Section 113 hereof.

Trustees may take possession and operate

SECTION 66. Upon the occurrence of one or more Completed Defaults, the Company, upon demand of the Trustees, shall forthwith surrender to the Trustees the actual possession of, and it shall be lawful for the Trustees, by such officer or agent as they may appoint, to take possession of, all the Mortgaged and Pledged Property (with the books, papers and accounts of the Company) and to hold, operate and manage the same, and from time to time to make all needful repairs and such extensions, additions and improvements as to the Trustees shall seem wise, and to receive the tolls, rents, revenues, issues, earnings, income, products and profits thereof, and out of the same to pay all proper costs and expenses of so taking, holding and managing the same, including reasonable compensation to the Trustees, their agents and counsel, and any charges of the Trustees hereunder, and any taxes and assessments and other charges prior to the Lien of this Indenture which the Trustees may deem it wise to pay, and all expenses of such repairs, extensions, additions and improvements, and to apply the remainder of the moneys so received by the Trustees, subject to the provisions of Section 75 hereof with respect to extended, transferred

or pledged coupons or claims for interest, first to the payment of the instalments of interest which are due and unpaid, in the order of their maturity, and next, if the principal of any of said bonds is due, to the payment of the principal and accrued interest thereon at the same rate as is expressed in the bonds *pro rata* without any preference or priority whatever, except as aforesaid. Whenever all that is due upon such bonds and instalments of interest and under any of the terms of this Indenture shall have been paid and all defaults made good, the Trustees shall surrender possession to the Company, its successors or assigns; the same right of entry, however, to exist upon any subsequent default.

When trustees shall surrender possession to Company

Power to sell all the mortgaged property

SECTION 67. Upon the occurrence of one or more Completed Defaults, the Trustees, by such officer or agent as they may appoint, with or without entry, may, if at the time such action shall be lawful, sell all the Mortgaged and Pledged Property as an entirety, or in such parcels as the holders of a majority in principal amount of the bonds Outstanding hereunder shall in writing request, or in the absence of such request, as the Trustees may determine, at public auction, at some convenient place in the City of Spokane, Washington, or such other place or places as may be required by law, having first given notice of such sale by publication in at least one Daily Newspaper published and of general circulation in the City of Spokane, Washington (if there be such a Daily Newspaper), at least once a week for four (4) weeks next preceding such sale, and by like publication in at least one Daily Newspaper published and of general circulation in the Borough of Manhattan, The City of New York, and any other notice which may be required by law, and from time to time may adjourn such sale in their discretion by announcement at the time and place fixed for such sale without further notice, and upon such sale may make and deliver to the purchaser or purchasers a good and sufficient deed or deeds for the same, which sale shall, to the extent then permitted by law, be a perpetual bar, both at law and in equity, against the Company and all persons, firms and corporations lawfully claiming or who may claim by, through or under it.

Notice

Judicial proceedings by trustees

SECTION 68. In case of the breach of any of the covenants or conditions of this Indenture, the Trustees shall have the right and power to take appropriate judicial proceedings for the enforcement of their rights and the rights of the bondholders hereunder. In case of a Completed Default hereunder, the Trustees may either after entry, or without entry, proceed by suit or suits at law or in equity to enforce payment of the bonds then Outstanding hereunder and to foreclose this Indenture and to sell the Mortgaged and Pledged Property under the judgment or decree of a court of competent jurisdiction; and it shall be obligatory upon the Trustees to take action, either by such proceedings or by the exercise of their powers with respect to entry or sale, as they may determine, upon being requested so to do by the holders of twenty-five per centum (25%) in principal amount of the bonds then Outstanding hereunder and upon being indemnified as hereinafter provided. No bondholder or bondholders shall be entitled to take any such proceeding except in case of refusal or neglect of the Trustees to act after such Completed Default and such request and tender of indemnity as aforesaid, subject, however, to the provisions of Section 79 hereof.

When obligatory

Remedies are cumulative

No remedy by the terms of this Indenture conferred upon or reserved to the Trustees or either of them (or to the bondholders), is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Delay, etc. not waiver of rights

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

Waiver of default not to extend to subsequent defaults

No waiver of any default hereunder, whether by the Trustees or by the bondholders, shall extend to or shall affect any subsequent default or shall impair any rights or remedies consequent thereon.

Majority in p. a. may direct sale, etc. of property

SECTION 69. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in principal amount of the bonds then Outstanding hereunder shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustees, to direct the method and place of conducting all proceedings to be taken for any sale of the Mortgaged and Pledged Property, or for the foreclosure of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

Appointment of receiver

SECTION 70. In case of a Completed Default hereunder, and upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Trustees and of the bondholders under this Indenture, the Trustees shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Mortgaged and Pledged Property, and of the tolls, rents, revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer, whether or not the Mortgaged and Pledged Property shall be adequate to satisfy the bonds then Outstanding.

Bonds due upon sale of property

SECTION 71. Upon any sale being made either under the power of sale hereby given or under judgment or decree in any judicial proceedings for the foreclosure or otherwise for the enforcement of this Indenture, the principal of all bonds then secured hereby, if not previously due, shall become and be immediately due and payable.

Purchase by trustees or bondholders

SECTION 72. Upon any sale made either under the power of sale hereby given or under judgment or decree in any judicial proceedings for foreclosure or otherwise for the enforcement of this Indenture, any bondholder or bondholders or the Trustees may bid for and purchase the Mortgaged and Pledged Property or any part thereof and upon

compliance with the terms of sale may hold, retain and possess and dispose of such property in his, their or its own absolute right without further accountability, and any purchasers at any such sale may, in paying the purchase money, turn in any of the bonds Outstanding hereunder and coupons or claims for interest outstanding hereunder in lieu of cash to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon, subject, however, to the provisions in respect to extended, pledged and transferred coupons and claims for interest contained in Section 75 hereof. Said bonds and coupons, in case the amounts so payable thereon shall be less than the amount due thereon, shall be returned to the holders thereof after being appropriately stamped to show partial payment.

Bonds as part of purchase price

Receipt by Trustee or officer making sale to be a discharge to purchaser

SECTION 73. Upon any sale made either under the power of sale hereby given or under judgment or decree in any judicial proceedings for the foreclosure, or otherwise for the enforcement, of this Indenture, the receipt of the Trustees or of the officer making such sale shall be a sufficient discharge to the purchaser or purchasers at any sale for his or their purchase money and such purchaser or purchasers, his or their assigns or personal representatives, shall not, after paying such purchase money and receiving such receipt of the Trustees or of such officer therefor, be obliged to see to the application of such purchase money, or be in any wise answerable for any loss, misapplication or non-application thereof.

Effect on sale of rights of Company

SECTION 74. Any sale made either under the power of sale hereby given or under judgment or decree in any judicial proceedings for foreclosure or otherwise for the enforcement of this Indenture shall, if and to the extent then permitted by law, operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity of the Company of, in and to the property so sold, and be a perpetual bar both at law and in equity against the Company, its successors and assigns and against any and all persons, firms or corporations claiming

or who may claim the property sold, or any part thereof, from, through or under the Company, its successors or assigns.

Disposition of proceeds of sale

SECTION 75. The proceeds of any sale made either under the power of sale hereby given, or under judgment or decree in any judicial proceedings for the foreclosure or otherwise for the enforcement of this Indenture, together with any other amounts of cash which may then be held by the Trustees or either of them, as part of the Mortgaged and Pledged Property shall be applied, as follows:

Order of application:

(1) Taxes, etc., compensation of Trustees

First.—To the payment of all taxes, assessments, governmental charges, Prior Liens and liens prior to the Lien of this Indenture, except those subject to which such sale shall have been made, and of all the costs and expenses of such sale, including reasonable compensation to the Trustees, their agents and attorneys, and of all other sums payable to the Trustees hereunder by reason of any expenses incurred or advances made in connection with the management or administration of the trusts hereby created;

(2) Principal and interest on bonds

Second.—To the payment in full of the amounts then due and unpaid for principal, premium and interest upon the bonds then secured hereby; and in case such proceeds shall be insufficient to pay in full the amounts so due and unpaid, then to the payment thereof ratably, with interest on the overdue principal at the rates expressed in the bonds, without preference or priority as to principal, premium or interest, or of any instalment of interest over any other instalment of interest; *provided, however*, that if the time for the payment of any coupon or claim for interest upon any of the bonds secured hereby shall have been extended (except pursuant to action taken under Article XVIII hereof) by or with the consent of the Company, or if any thereof at or after maturity shall have been transferred or pledged separate from the bond to which they relate, such coupons or claims for interest shall not be entitled in case of default hereunder to the benefit or security of this Indenture except after the prior payment in full of the principal and premium, if any, of all bonds issued hereunder and then secured

hereby and of all coupons and claims for interest on such bonds the payment of which has not been so extended, or not so transferred or pledged; but the foregoing provisions of this paragraph *Second* shall not be applicable to any coupon or claim for interest the time for the payment of which shall have been extended, if such extension be pursuant to a plan proposed by the Company to all holders of any one or more series of bonds then Outstanding and accepted by and binding upon the holder of such coupon or claim for interest;

(3) Surplus to Company

Third.—Any surplus thereof remaining to the Company, its successors or assigns or to whoseover may be lawfully entitled to receive the same.

Waiver of advantage of appraisement, valuation, stay, extension or redemption laws, and of right to marshal assets

SECTION 76. In case of a default on its part, as aforesaid, to the extent that such rights may then lawfully be waived, neither the Company nor any one claiming through or under it shall or will set up, claim, or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or hereafter in force in any locality where any of the Mortgaged and Pledged Property may be situated, in order to prevent or hinder the enforcement or foreclosure of this Indenture, or the absolute sale of the Mortgaged and Pledged Property, or the final and absolute putting into possession thereof, immediately after such sale, of the purchaser or purchasers thereat, but the Company, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may so do, the benefit of all such laws and all right of appraisement and redemption to which it may be entitled under the laws of the State of Washington or Idaho or of any other state where any of the Mortgaged and Pledged Property may be situated. And the Company, for itself and all who may claim through or under it, waives any and all right to have the estates comprised in the security intended to be created hereby marshalled upon any foreclosure of the lien hereof, and agrees that any court having jurisdiction to foreclose such lien may sell the Mortgaged and Pledged Property as an entirety.

Payment of principal and interest by Company

SECTION 77. The Company covenants that if default shall be made in the payment of the principal of any bond hereby secured when the same shall become payable, whether by the maturity of said bond or otherwise, then upon demand of the Trustees, the Company will pay to the Trustees, for the benefit of the holders of the bonds and coupons then secured hereby, the whole amount due and payable on all such bonds and coupons for principal, premium, if any, and interest, with interest upon the overdue principal at the same rate borne by the bonds which are overdue, and in case the Company shall fail to pay the same forthwith upon such demand, the Trustees in their own names and as trustees of an express trust shall be entitled to sue for and to recover judgment for the whole amount so due and unpaid, and in case of the pendency of any receivership, insolvency or bankruptcy proceeding affecting the Company or its property, to file and prove a claim for the whole amount so due and unpaid, with interest as aforesaid.

Trustees may sue and recover judgment

The Trustees, to the extent permitted by law, shall be entitled to sue and recover judgment and/or to file and prove such claim as aforesaid either before or after or during the pendency of any proceedings for the enforcement of the Lien of this Indenture upon the Mortgaged and Pledged Property, and in case of a sale of any of the Mortgaged and Pledged Property and of the application of the proceeds of sale to the payment of the debt hereby secured, the Trustees in their own names and as trustees of an express trust shall be entitled to enforce payment of and to receive all amounts then remaining due and unpaid upon any and all the bonds and coupons then Outstanding hereunder, for the benefit of the holders thereof, and the Trustees shall be entitled to recover judgment for any portion of the debt remaining unpaid, with interest. No recovery of any such judgment by the Trustees and no levy of any execution upon any such judgment upon any of the Mortgaged and Pledged Property or upon any other property, shall in any manner or to any extent affect the Lien of this Indenture upon the Mortgaged and Pledged Property or any part thereof, or any rights, powers or remedies of the Trustees hereunder, or any lien,

Lien not to be affected by judgment taken by Trustees

rights, powers or remedies of the holders of the said bonds, but such lien, rights, powers and remedies of the Trustees and of the bondholders shall continue unimpaired as before. In case of any receivership, insolvency, bankruptcy or other similar proceedings affecting the Company or its property, the Trustees shall be entitled to file and prove a claim for the entire amount due and payable by the Company under this Indenture at the date of the institution of such proceedings and for any additional amount which may become due and payable by the Company hereunder after such date, without regard to or deduction for any amount which may have been or which may thereafter be received, collected or realized by the Trustees from or out of the Mortgaged and Pledged Property or any part thereof or from or out of the proceeds thereof or any part thereof; but shall not be entitled to consent to any composition or plan of reorganization on behalf of any bondholder unless by him specifically authorized so to do.

Trustees may file claim if Company is in receivership

Any moneys thus collected or received by the Trustees under this Section shall be applied by them, first, to the payment of their expenses, disbursements and compensation and the expenses, disbursements and compensation of their agents and attorneys, and, second, toward payment of the amounts then due and unpaid upon such bonds and coupons in respect of which such moneys shall have been collected, ratably and without preference or priority of any kind (subject to the provisions of Section 75 hereof with respect to extended, transferred or pledged coupons and claims for interest), according to the amounts due and payable upon such bonds and coupons, respectively, at the date fixed by the Trustees for the distribution of such moneys, upon presentation of the several bonds and coupons and upon stamping such payment thereon, if partly paid, and upon surrender thereof, if fully paid.

Application of moneys collected by Trustees

SECTION 78. All rights of action (including the right to file proof of claim) under this Indenture or under any of the bonds or coupons may be enforced by the Trustees, or either of them, without the possession of any of the bonds or coupons or the production thereof in any

Trustee may sue without possessing bonds

trial or other proceeding relating thereto and any such suit or proceeding instituted by the Trustees, or either of them, shall be brought in their names as Trustees, or in its or his name as Trustee, and any recovery of judgment shall be for the equal benefit of the holders of the Outstanding bonds and coupons, subject to the provisions of Section 75 hereof with respect to extended, transferred or pledged coupons and claims for interest.

Bondholders not necessary parties

In any proceeding brought by the Trustees, or either of them, such Trustees or Trustee shall be held to represent all the holders of the bonds and coupons secured by this Indenture and it shall not be necessary to make such holders of the bonds and coupons parties to any such proceedings.

Limitation upon right of bondholders to institute legal proceedings

SECTION 79. No holder of any bond or coupon shall have any right to institute any suit, action or proceeding in equity or at law for the foreclosure of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless such holder shall have previously given to the Trustees written notice of a Completed Default, nor unless also the holders of twenty-five per centum (25%) in principal amount of the bonds then Outstanding hereunder shall have made written request to the Trustees and shall have offered them reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in their own names, nor unless also they shall have offered to the Trustees adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby; and such notification, request and offer of indemnity are hereby declared in every such case at the option of the Trustees to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for foreclosure or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of the bonds or coupons shall have any right in any manner whatsoever to affect, disturb or prejudice

the Lien of this Indenture by his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of Outstanding bonds and coupons. Nothing in this Indenture contained shall, however, affect or impair the right of any bondholder which is absolute and unconditional to enforce the payment of the principal of and interest on his bonds at and after the maturity thereof or the obligation of the Company which is also absolute and unconditional to pay the principal of and interest on each of the bonds issued hereunder to the respective holders thereof at the time and place in said bonds and the appurtenant coupons expressed.

Waiver of grace period

SECTION 80. The Company may waive any period of grace provided for in this Article.

If proceedings abandoned

SECTION 81. In case the Trustees shall have proceeded to enforce any right under this Indenture by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustees, then and in every such case the Company and the Trustees shall be restored to their former positions and rights hereunder with respect to the Mortgaged and Pledged Property, and all rights, remedies and powers of the Trustees shall continue as if no such proceedings had been taken.

ARTICLE XIII.

Evidence of Rights of Bondholders and Ownership of Bonds.

Execution of instruments by bondholders

SECTION 82. Any request, declaration or other instrument, which this Indenture may require or permit to be signed and executed by the bondholders, may be in any number of concurrent instruments of similar tenor, and shall be signed or executed by such bondholders in person or by attorney appointed in writing. Proof of the execution of any

Proof of execution:

such request or other instrument, or of a writing appointing any such attorney, or of the holding by any person of the bonds or coupons appertaining thereto, shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(a) Acknowledgment

(*a*) The fact and date of the execution by any person of such request or other instrument or writing may be proved by a certificate acknowledged as required for an instrument to be recorded in the State of New York;

(b) Certificate by bank, etc.

(*b*) The amount of bonds transferable by delivery held by any person executing such request or other instrument as a bondholder, and the series and serial numbers thereof, held by such person, and the date of his holding the same, may be proved by a certificate executed by any trust company, bank, banker or other depositary wherever situated, if such certificate shall be deemed by the Corporate Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with such depositary the bonds described in such certificate. The Trustees or either of them may nevertheless in their discretion require further proof in cases where they deem further proof desirable. The ownership of registered bonds shall be proved by the registry books.

Any request, consent or vote of the owner of any bond shall bind all future owners of said bond or of any bond issued in exchange or substitution for said bond in respect of anything done or suffered by the Company or the Trustees in pursuance thereof.

Evidence of ownership of temporary or coupon bonds and coupons

SECTION 83. The Company and the Trustees may deem and treat the bearer of any temporary or coupon bond Outstanding hereunder, which shall not at the time be registered as to principal as hereinbefore authorized, and the bearer of any coupon for interest on any such bond, whether such bond shall be registered or not, as the absolute owner of such bond or coupon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, and

neither the Company nor the Trustees shall be affected by any notice to the contrary.

Evidence of ownership of registered bonds

The Company and the Trustees may deem and treat the person in whose name any fully registered bond Outstanding hereunder shall be registered upon the books of the Company, as herein authorized, as the absolute owner of such bond for the purpose of receiving payment of or on account of the principal of and interest on such bond and for all other purposes, and they may deem and treat the person in whose name any coupon bond shall be so registered as to principal as the absolute owner thereof for the purpose of receiving payment of or on account of the principal thereof and for all other purposes, except to receive payment of interest represented by outstanding coupons; and all such payments so made to any such registered holder, or upon his order, shall be valid and effectual to satisfy and discharge the liability upon such bond to the extent of the sum or sums so paid, and neither the Company nor the Trustees shall be affected by any notice to the contrary.

Inspection of bonds

Neither the Company nor the Trustees shall be bound to recognize any person as the holder of a bond Outstanding under this Indenture unless and until his bond is submitted for inspection, if required, except as may otherwise be provided by regulations made under Section 109 hereof, and his title thereto satisfactorily established, if disputed.

ARTICLE XIV.

Immunity of Incorporators, Subscribers to the Capital Stock, Stockholders, Officers and Directors.

No recourse clause

SECTION 84. No recourse under or upon any obligation, covenant or agreement contained in this Indenture or in any indenture supplemental hereto, or in any bond or coupon hereby secured, or because of the creation of any indebtedness hereby secured, shall be had against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any prede-

cessor or successor corporation, as such, either directly or through the Company or any predecessor or successor corporation, under any rule of law, statute, constitution or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise; it being expressly agreed and understood that this Indenture, any indenture supplemental hereto and the obligations hereby and thereby secured, are solely corporate obligations, and that no personal liability whatever shall attach to, or be incurred by, such incorporators, subscribers to the capital stock, stockholders, officers or directors of the Company or of any predecessor or successor corporation, or any of them, as such, because of the incurring of the indebtedness hereby authorized, or under or by reason of any of the obligations, covenants or agreements contained in this Indenture or in any indenture supplemental hereto or in any of the bonds or coupons hereby secured, or implied therefrom, and that any and all such personal liability of every name and nature, and any and all rights and claims against every such incorporator, subscriber to the capital stock, stockholder, officer or director, as such, whether arising at common law or in equity, or created by rule of law, statute, constitution or otherwise, are expressly released and waived as a condition of, and as part of the consideration for, the execution of this Indenture and the issue of the bonds and interest obligations secured hereby.

ARTICLE XV.

Effect of Merger, Consolidation, Etc.

Provision for merger, consolidation, etc.

SECTION 85. Nothing in this Indenture shall prevent any consolidation of the Company with, or merger of the Company into, any corporation having corporate authority to carry on any of the businesses mentioned in Section 4 of this Indenture, or any conveyance, transfer or lease, subject to the Lien of this Indenture, of all or substantially all of the Mortgaged and Pledged Property as an entirety to any corporation lawfully entitled to acquire or lease or operate the same;

Lien not to be impaired

provided, however, and the Company covenants and agrees, that such consolidation, merger, conveyance, transfer or lease shall be upon such terms as fully to preserve and in no respect to impair the Lien or security of this Indenture, or any of the rights or powers of the Trustees or the bondholders hereunder; and provided, further, that any such lease shall be made expressly subject to immediate termination by the Company or by the Trustees at any time during the continuance of a Completed Default hereunder, and also by the purchaser of the property so leased at any sale thereof hereunder, whether such sale be made under the power of sale hereby conferred or under judicial proceedings; and provided further, that, upon any such consolidation, merger, conveyance or transfer, or upon any such lease the term of which extends beyond the date of maturity of any of the bonds secured hereby, the due and punctual payment of the principal and interest of all said bonds according to their tenor and the due and punctual performance and observance of all the covenants and conditions of this Indenture to be kept or performed by the Company shall be expressly assumed in writing by the corporation formed by such consolidation or into which such merger shall have been made, or acquiring all or substantially all the Mortgaged and Pledged Property as an entirety, as aforesaid, or by the lessee under any such lease the term of which extends beyond the date of maturity of any of the bonds secured hereby.

Assumption of obligation

Rights of successor corporation

SECTION 86. In case the Company, as permitted by Section 85 hereof, shall be consolidated with or merged into any other corporation, or shall convey or transfer, subject to the Lien of this Indenture, all or substantially all the Mortgaged and Pledged Property as an entirety, the successor corporation formed by such consolidation, or into which the Company shall have been merged, or which shall have received a conveyance or transfer as aforesaid—upon executing with the Trustees and causing to be recorded an indenture, satisfactory to the Trustees, whereby such successor corporation shall assume and agree

Execution of indenture

to pay, duly and punctually, the principal of and interest on the bonds issued hereunder in accordance with the provisions of said bonds and coupons and this Indenture, and shall agree to perform and fulfill all the covenants and conditions of this Indenture to be kept or performed by the Company—shall succeed to and be substituted for the Company with the same effect as if it had been named herein, and shall have and may exercise under this Indenture the same powers and rights as the Company, and (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing general powers and rights) such successor corporation thereafter may cause to be executed, authenticated and delivered, either in its own name or in the name of The Washington Water Power Company, as its name shall then exist, in respect of property of the character defined in Section 4 hereof as Property Additions, such bonds as could or might have been executed, issued and delivered by the Company had it acquired such property of such character by purchase on or after the date of such consolidation, merger, conveyance or transfer, and had such consolidation, merger, conveyance or transfer not occurred, and upon the order of such successor corporation in lieu of the Company, and subject to all the terms, conditions and restrictions in this Indenture prescribed, concerning the authentication and delivery of bonds, the Corporate Trustee shall authenticate and deliver any bonds delivered to it for authentication which shall have been previously signed by the proper officers of the Company, and such bonds as the successor corporation shall thereafter, in accordance with the provisions of this Indenture, cause to be executed and delivered to the Corporate Trustee for such purpose, and such successor corporation shall also have and may exercise in respect of the property of such character, and subject to all the terms, conditions and restrictions in this Indenture prescribed applicable thereto, whether as to withdrawal of cash, release of property, credit under Section 38 or Section 39 hereof, or otherwise, the same powers and rights which the Company might or could exercise had it acquired the property of such character by purchase on or after

Issuance of bonds, etc. on basis of property additions by successor corporation

the date of such consolidation, merger, conveyance or transfer, and had such consolidation, merger, conveyance or transfer not occurred. All the bonds so issued shall in all respects have the same legal right and security as the bonds theretofore issued in accordance with the terms of this Indenture as though all of said bonds had been authenticated and delivered at the date of the execution hereof. As a condition precedent to the execution by such successor corporation and the authentication and delivery by the Corporate Trustee of any such additional bonds or the withdrawal of cash or the release of property, under any of the provisions of this Indenture or the taking of a credit under Section 38 or Section 39 hereof, on the basis of property of the character defined in this Indenture as Property Additions acquired, made or constructed by the successor corporation or by any corporation with which the Company or any successor corporation may be so consolidated or into which the Company or any successor corporation may be so merged or to which the Company or any successor corporation may make any such conveyance, the indenture with the Trustees to be executed and caused to be recorded by the successor corporation as in this Section provided, or a subsequent indenture, shall contain a conveyance or transfer and mortgage in terms sufficient to subject such property to the Lien hereof; and provided further that the lien created thereby and the lien thereon shall have similar force, effect and standing as the Lien of this Indenture would have if the Company should not be consolidated with or merged into such other corporation or should not convey or transfer, subject to this Indenture, all or substantially all the Mortgaged and Pledged Property as an entirety, as aforesaid, to such successor corporation, and should itself on or after the date of such consolidation, merger, conveyance or transfer, acquire or construct such property, and in respect thereof should request the authentication and delivery of bonds or the withdrawal of cash or the release of property under the provisions of this Indenture or take a credit under Section 38 or Section 39 hereof.

Proviso

Opinion of Counsel

The Trustees may receive an Opinion of Counsel as conclusive evidence that any such assumption and any such lien and any such indenture complies with the foregoing conditions and provisions of this Section.

Extent of lien on property of successor corporation

SECTION 87. In case the Company, as permitted by Section 85 of this Indenture, shall be consolidated with or merged into any other corporation, or shall convey or transfer, subject to this Indenture, all or substantially all the Mortgaged and Pledged Property as an entirety as aforesaid, neither this Indenture nor the indenture with the Trustees to be executed and caused to be recorded by the successor corporation as in Section 86 hereof provided, shall, unless such indenture shall otherwise provide, become or be a lien upon any of the properties or franchises of the successor corporation except (*a*) those acquired by it from the Company, and improvements, extensions and additions thereto and renewals and replacements thereof, (*b*) the property made and used by the successor corporation as the basis under any of the provisions of this Indenture for the authentication and delivery of additional bonds or the withdrawal of cash or the release of property or a credit under Section 38 or Section 39 hereof, and (*c*) such franchises, repairs and additional property as may be acquired, made or constructed by the successor corporation (1) to maintain, renew and preserve the franchises covered by this Indenture or (2) to maintain the property mortgaged and intended to be mortgaged hereunder as an operating system or systems in good repair, working order and condition, or (3) in pursuance of some covenant or agreement hereof to be kept or performed by the Company.

ARTICLE XVI.

Concerning the Trustees.

Acceptance of trust

SECTION 88. The Trustees hereby accept the trust hereby created and full responsibility for the exercise of due care in the performance of their powers and duties as the same have been defined by the express terms of this Indenture.

Recitals deemed made by Company

SECTION 89. The recitals of fact herein contained shall be taken as the statements of the Company and the Trustees assume no responsibility for the correctness of the same. The Trustees make no representations as to the value of the Mortgaged and Pledged Property or any part thereof, or as to the title of the Company thereto, or as to the security afforded thereby and hereby, or as to the validity of this Indenture or of the bonds or coupons issued hereunder, and the Trustees shall incur no responsibility in respect of such matters.

Trustees under no duty as to recording, etc.

SECTION 90. The Trustees shall be under no duty to file or record or cause to be filed or recorded this Indenture, or any instruments supplemental hereto, as a mortgage, conveyance or transfer of real or personal property, or otherwise, or to re-file or re-record or renew the same, or to procure any further, other, or additional instruments of further assurance, or to see to the delivery to them of any personal property intended to be mortgaged or pledged hereunder, or to do any other act which may be suitable to be done for the better maintenance or continuance of the Lien or security hereof, or for giving notice of the existence of such Lien, or for extending or supplementing the same or to see that any property intended now or hereafter to be conveyed in trust hereunder is subjected to the Lien hereof. The Trustees shall not be liable for failure of the Company to insure or renew insurance or for responsibilities of insurers, or for the adequacy of any method or plan of protection against loss by fire adopted by the Company as

Insurance

Taxes

permitted by the provisions of Section 37 hereof, or for the failure of the Company to pay any tax or taxes in respect of the Mortgaged and Pledged Property, or any part thereof, or otherwise, nor shall the Trustees be under any duty in respect of any tax which may be assessed against them or the owners of the bonds Outstanding hereunder in respect of the Mortgaged and Pledged Property. The Trustees shall be under no duty or responsibility with respect to the validity or value of any securities at any time held by them hereunder. The Trustees

Disposition of bonds and proceeds

shall be under no responsibility or duty with respect to the disposition of the bonds authenticated and delivered hereunder or the application of the proceeds thereof or the application of any moneys paid to the Company under any of the provisions hereof. No implied covenant shall be read into this Indenture against the Trustees, or against either or any of them, but the duties and obligations of the Trustees to the

Duties of Trustees solely as expressed herein

Company and to all others shall be determined solely by the express provisions of this Indenture.

Trustees may act through agents, etc.

SECTION 91. The Trustees may execute any of the trusts or powers hereof and perform any duty hereunder, either themselves or by or through their attorneys or agents, and they shall not be answerable or accountable for any act, default, neglect, or misconduct of any such attorneys or agents, if reasonable care shall have been exercised in the appointment and retention thereof, nor shall the Trustees be otherwise answerable or accountable under any circumstances whatsoever, except for their own negligence or bad faith. Whenever it is provided in this Indenture that the Trustees shall take any action either upon the happening of a specified event or upon the fulfillment of any condition or upon the request of the Company, the Trustees taking such action shall have full power to give any and all notices and to do any and all acts and things incidental to such action. The Trustees shall

Liability of Trustees

not be liable in case of entry by them upon the Mortgaged and Pledged Property for debts contracted or liability or damages incurred in the management or operation of said property.

Nothing in this Article contained, however, shall be construed to deprive any holder or holders of any of the bonds hereby secured of any legal or equitable remedy that such holder or holders may have by reason of fraud, collusion, negligence or wilful misconduct.

Action by Trustees

SECTION 92. The Trustees shall not be required, save as herein specifically provided, to ascertain or inquire as to the performance of any of the covenants or agreements herein contained on the part of the Company. The Trustees shall not be under any obligation to take any action in respect of any default or otherwise, or toward the execution or enforcement of any of the trusts hereby created, or to institute, appear in or defend any suit or other proceeding in connection therewith, unless requested in writing so to do by the holders of twenty-five per centum (25%) in principal amount of the bonds then Outstanding hereunder; but this provision shall not affect any discretionary power

Discretion of Trustees

herein given to the Trustees or either of them. Anything in this Indenture to the contrary notwithstanding, the Trustees shall be under no obligation or duty to perform any act hereunder (other than the delivery of a notice in writing declaring the principal and interest of the Outstanding bonds to be due and payable as provided in Section 65 hereof) or to institute or defend any suit in respect hereof, unless

Indemnity

properly indemnified to their satisfaction.

Notice by Trustees to Company

SECTION 93. Except as herein otherwise provided, any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustees on the Company shall be deemed to have been sufficiently given and served, for all purposes, by being deposited postage prepaid in a postoffice letter box in The City of New York, addressed (until another address is filed by the Company with the Trustees), as follows: The Washington Water Power Company, Spokane, Washington.

Trustees protected

SECTION 94. The Trustees or either of them shall be protected in acting upon any Resolution, Treasurer's Certificate, Engineer's Cer-

tificate, Independent Engineer's Certificate, Net Earning Certificate, Opinion of Counsel, notice, resolution, request, consent, order, certificate, appraisal, report, opinion, bond, or other paper or document believed by them or either of them to be genuine and to have been signed or presented by the proper party or parties. The Trustees may consult with counsel and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by them hereunder in good faith and in accordance with the opinion of such counsel. The Trustees shall not be under any responsibility for the selection, appointment or approval of any engineer, appraiser, or counsel or of any other person or firm for any of the purposes expressed in this Indenture. Any Resolution of the Board of Directors or Executive Committee shall be evidenced to the Trustees by a copy thereof certified as such by the Secretary or an Assistant Secretary of the Company, and the Trustees may accept such copy as conclusive evidence of the adoption of such Resolution and of the facts and statements therein contained.

Trustees may rely on counsel

Resolution

Reliance by Trustee on facts stated in engineer's certificates, etc.

SECTION 95. Upon any application for the authentication and delivery of bonds hereunder or for the payment of any moneys held by the Trustees or either of them under any provision of this Indenture, or for the execution of any release, or upon any other application to the Trustees hereunder, the Resolutions, Treasurer's Certificates, Engineer's Certificates, Independent Engineer's Certificates, Net Earning Certificates, Opinions of Counsel, resolutions, certificates, statements, opinions, appraisals, reports, documents, and orders required by any of the provisions of this Indenture to be delivered to the Trustees or to the Corporate Trustee as a condition of the granting of such application may be received by the Trustees or by the Corporate Trustee as conclusive evidence of any fact or matter therein set forth and shall be full warrant, authority and protection to the Trustees or to the Corporate Trustee acting on the faith thereof, not only in respect of the facts but also in respect of the opinions therein set forth; and

before granting any such application the Trustees or the Corporate Trustee shall not be bound to make any further investigation into the matters stated in any such Resolution, Treasurer's Certificate, Engineer's Certificate, Independent Engineer's Certificate, Net Earning Certificate, Opinion of Counsel, resolution, certificate, statement, opinion, appraisal, report, document, or order, but the Trustees or the Corporate Trustee may, and if requested in writing so to do by the holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding bonds and furnished with adequate security and indemnity against the costs and expenses of such examination, shall, make such further investigation as to them or it may seem proper. If the Trustees or the Corporate Trustee shall determine or shall be requested, as aforesaid, to make such further inquiry, they or it shall be entitled to examine the books, records and premises of the Company, either themselves or by agent or attorney; and unless satisfied, with or without such examination, of the truth and accuracy of the matters stated in such Resolutions, Treasurer's Certificates, Engineer's Certificates, Independent Engineer's Certificates, Net Earning Certificates, Opinions of Counsel, resolutions, certificates, statements, opinions, appraisals, reports, documents, or orders, they or it shall be under no obligation to grant the application. If after such examination or other inquiry the Trustees or the Corporate Trustee shall determine to grant the application they or it shall not be liable for any action taken in good faith. The reasonable expense of every such examination shall be paid by the Company, or if paid by the Trustees or the Corporate Trustee shall be repaid by the Company, upon demand, with interest at the rate of six per centum (6%) per annum, and until such repayment, shall be secured by a lien on the Mortgaged and Pledged Property and the proceeds thereof prior to the lien of the bonds and coupons issued hereunder.

Trustee may make further investigation

Expenses of investigation

SECTION 96. Subject to the provisions of Section 106 hereof, all moneys received by the Trustees or the Corporate Trustee or any

Trustee need not segregate funds

paying agent under any provision of this Indenture shall, until used or applied as herein provided, be held in trust for the purposes for which they were paid, but need not be segregated from other funds. The Corporate Trustee shall allow and credit to the Company interest on any moneys received by it hereunder at such rate as may be agreed upon with the Company from time to time and as may be permitted by law. The Corporate Trustee may act as depositary for the Company or any committee formed to protect the rights of holders of bonds or any other securities of the Company or to effect or aid in any reorganization growing out of the enforcement of the bonds or this Indenture, whether or not any such committee shall represent the holders of a majority in principal amount of the bonds Outstanding hereunder.

Interest on funds with Trustee

Compensation of Trustee

SECTION 97. The Company covenants and agrees to pay to the Trustees from time to time reasonable compensation for all services rendered hereunder, and also all their reasonable expenses, charges, counsel fees and other disbursements and those of their attorneys, agents, and employees, incurred in and about the administration and execution of the trusts hereby created, and the performance of their powers and duties hereunder. In default of such payments by the Company, the Trustees shall have a lien therefor on the Mortgaged and Pledged Property and the proceeds thereof prior to the lien of the bonds and coupons issued hereunder.

Reliance on matters stated in certificate by Company

SECTION 98. Whenever in the administration of the trusts of this Indenture the Trustees or the Corporate Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company and delivered to the Corporate Trustee and such certificate shall be full warrant to the Trustees or the Corporate Trustee for any action taken or suffered by them or it under the provisions of this Indenture upon the faith thereof; but in their discretion the Trustees or the Corporate Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to them may seem reasonable.

Action to be taken by Trustee who becomes creditor of Company

SECTION 99. If any Trustee for the time being hereunder shall be, or shall become, a creditor, directly or indirectly, secured or unsecured, of the Company prior to a default by the Company as defined by the Statutes of the United States of America, now or hereafter enacted, applicable to indentures relating to securities similar to the bonds secured by this Indenture, or by the rules, regulations or orders of any regulatory body having jurisdiction pursuant to such Statutes, within such period or periods prior to such default as may be specified in such Statutes or in such rules, regulations or orders or subsequent to such a default then, unless and until such default shall be cured, such Trustee shall set apart and hold in a special account for the benefit of such Trustee individually and of the holders of the bonds and coupons secured by this Indenture, to the extent and in the manner required in such Statutes or in such rules, regulations or orders, such amounts and such property as may be prescribed by such Statutes or by such rules, regulations or orders; and, if such Trustee shall be required to account, any funds and property held in such special account and the proceeds thereof shall be apportioned between such Trustee and the holders of the bonds and coupons secured by this Indenture in such manner as may be provided in any such Statutes or in such rules, regulations or orders.

Effect of conflicting interests on part of Trustee

If any Trustee hereunder for the time being has or acquires any conflicting interest as now or hereafter defined by the Statutes of the United States of America applicable to trustees under indentures relating to securities similar to the bonds secured by this Indenture, or by the rules, regulations or orders of any regulatory body having jurisdiction pursuant to such Statutes, which Statutes or rules or regula-

tions or orders would require trustees subject thereto having, or acquiring, any such conflicts of interest to resign, or which would disqualify any such Trustee from accepting any trusteeship under any indenture similar to this Indenture, such Trustee shall either eliminate such conflicting interest within the time prescribed by such Statutes or rules or regulations or orders, or resign in the manner herein provided.

Trustees may acquire bonds; proviso

Subject to the foregoing provisions of this Section, the Corporate Trustee, Individual Trustee or other trustee hereunder and any successor hereafter appointed may each acquire and hold bonds and coupons secured by this Indenture and otherwise deal with the Company in the same manner and to the same extent and with like effect as though they, he or it were not a Corporate Trustee, Individual Trustee or other trustee hereunder.

Trustee to transmit such reports, etc., as are required by statute

If it shall be so required by any Statutes of the United States of America, now or hereafter enacted, applicable to trustees under indentures relating to securities similar to the bonds secured by this Indenture, or by the rules, regulations or orders of any regulatory body having jurisdiction pursuant to such Statutes, the Corporate Trustee shall transmit to the holders of the bonds secured by this Indenture and to such regulatory body and to such other persons as may be prescribed in such Statutes or in such rules, regulations or orders, to the extent and in the manner provided in such Statutes or in such rules, regulations or orders, such reports as may be required by such Statutes or by such rules, regulations or orders.

Resignation of Trustees

SECTION 100. The Trustees, or any successor or successors hereafter appointed, or any of them, may at any time resign and be discharged of the trusts hereby created by giving written notice to the Company and thereafter publishing notice thereof, specifying a date when such resignation shall take effect, once a week for three (3) successive calendar weeks in a Daily Newspaper published and of general circulation in the Borough of Manhattan, The City of New York, upon any secular day of each such calendar week, which need not be the same day in each week, and such resignation shall take effect upon the day specified in such notice unless previously a successor trustee shall have been appointed by the bondholders or the Company as hereinafter provided, and in such event such resignation shall take effect immediately on the appointment of such successor trustee.

Removal of Trustees

SECTION 101. The Trustees or either of them, or any successor or successors hereafter appointed, may be removed at any time by an instrument or concurrent instruments in writing filed with the Corporate Trustee, or a successor corporate trustee, and signed and acknowledged by the holders of a majority in principal amount of the bonds then Outstanding hereunder or by their attorneys in fact duly authorized.

Qualifications of Corporate Trustee

In case at any time any Corporate Trustee shall cease to be an institution incorporated and doing business under the laws of the United States of America or of any State or territory or of the District of Columbia which (A) is authorized under such laws to exercise corporate trust powers and (B) is subject to supervision or examination by Federal, State, territorial or district authority or shall cease to have a combined capital and surplus of at least Two Hundred Fifty Thousand Dollars ($250,000), then such Corporate Trustee shall resign immediately; and, in the event that such Corporate Trustee does not resign immediately in such case, then the Corporate Trustee may be removed forthwith by an instrument or concurrent instruments in writing filed with the Corporate Trustee and either (a) signed and sealed by the President or a Vice-President of the Company with its corporate seal attested by a Secretary or an Assistant Secretary of the Company or (b) signed and acknowledged by the holders of a majority in principal amount of the bonds then Outstanding hereunder or by their attorneys in fact duly authorized.

Appointment of successor Trustee

SECTION 102. In case at any time any Corporate Trustee, Individual Trustee or other trustee, or any successor or successors here-

after appointed, shall resign, or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver of any Corporate Trustee, Individual Trustee or other trustee or of any such successor or of its or his property shall be appointed, or if any public officer shall take charge or control of any Corporate Trustee, Individual Trustee or other trustee or of any such successor or of its or his property or affairs, a successor or successors may be appointed by the holders of a majority in principal amount of the bonds then Outstanding hereunder, by an instrument or concurrent instruments in writing signed and acknowledged by such bondholders or by their attorneys in fact duly authorized, and delivered to such new Corporate Trustee, Individual Trustee or other trustee, notification thereof being given to the Company, and the predecessor Corporate Trustee, Individual Trustee or other trustee; provided, nevertheless, that until a new Corporate Trustee, Individual Trustee or other trustee shall be appointed by the bondholders as aforesaid, the Company, by instrument executed by order of its Board of Directors and duly acknowledged by its proper officers, may appoint a Corporate Trustee, Individual Trustee or other trustee to fill such vacancy until a new Corporate Trustee, Individual Trustee or other trustee shall be appointed by the bondholders as herein authorized. The Company shall publish notice of any such appointment made by it once in each week for two (2) successive calendar weeks in a Daily Newspaper published and of general circulation in the Borough of Manhattan, The City of New York, upon any secular day of each such calendar week, which need not be the same day in each week. Any new Corporate Trustee, Individual Trustee or other trustee appointed by the Company shall, immediately and without further act, be superseded by a Corporate Trustee, Individual Trustee or other trustee appointed by the bondholders, as above provided.

By bondholders

By Company

It is the intention of the parties to this Indenture that there shall at all times be one or more trustees under this Indenture, one of whom shall be the Corporate Trustee as that term is defined in this Indenture. If in a proper case no appointment of a successor Corporate Trustee, Individual Trustee or other trustee shall be made pursuant to the foregoing provisions of this Section within six (6) months after a vacancy shall have occurred in the office of Corporate Trustee, Individual Trustee or other trustee the holder of any bond Outstanding hereunder or any retiring Corporate Trustee, Individual Trustee or other trustee may apply to any court of competent jurisdiction to appoint a successor Corporate Trustee, Individual Trustee or other trustee. Said court may thereupon after such notice, if any, as such court may deem proper and prescribe, appoint a successor Corporate Trustee, Individual Trustee or other trustee.

Any Corporate Trustee appointed under the provisions of this Section in succession to the Corporate Trustee shall be a trust company organized under the laws of the State of New York or of the United States of America, and doing business in the Borough of Manhattan, The City of New York, or a national banking association doing business in the Borough of Manhattan, The City of New York, (a) which shall have at all times a combined capital and surplus aggregating at least Five Million Dollars ($5,000,000), (b) which shall be authorized under the laws under which it is incorporated to exercise corporate trust powers, and (c) which is subject to supervision or examination by Federal, State, territorial or district authority, if there be such a trust company or national banking association willing and able to accept the trust on reasonable and customary terms.

Qualifications of successor Corporate Trustee

Any Individual Trustee appointed in succession to Ralph E. Morton shall always be an individual, a citizen of the United States of America, unless otherwise required by law.

Of individual Trustee

SECTION 103. All the estates, rights, titles and interest by this Indenture conveyed or assigned or transferred to the Trustees are conveyed, assigned and transferred to them as joint tenants and not as tenants in common.

Estate of Trustees is joint tenancy

Notice to Corporate Trustee sufficient

Except as herein expressly provided to the contrary, any notice, request, or other writing by or on behalf of the Company delivered solely to the Corporate Trustee shall be deemed to have been delivered to both of the Trustees hereunder as effectually as if delivered to each of them.

Corporate Trustee to hold funds etc.

All cash collected by, or payable to, the Trustees or either of them pursuant to this Indenture shall be paid to and deposited with, and all stocks, bonds and other obligations or securities shall be held by the Corporate Trustee, except as otherwise required by law. Any moneys at any time coming into the hands of the Individual Trustee pursuant to this Indenture shall be at once paid over to the Corporate Trustee.

Title to funds, etc., to be in both Trustees

Whenever any moneys, bonds, shares of stock or other obligations are, under any provision of this Indenture, paid or delivered to or deposited with the Corporate Trustee, title to the same shall be deemed to be vested in both Trustees hereunder, and the same shall be deemed for all purposes hereunder to be part of the security for the bonds issued hereunder, but nothing in this Section contained shall be deemed to affect or impair any power or right conferred by any provision of this Indenture upon the Corporate Trustee to apply, disburse or otherwise act or deal with respect to any moneys, bonds, shares of stock or other obligations received or held by it as aforesaid.

Individual Trustee may act at request of Corporate Trustee, and may delegate powers to Corporate Trustee

Whenever and so long as a trust company, a bank or a national banking association shall be one of the Trustees hereunder, any request in writing by such trust company, bank or national banking association to the Individual Trustee shall be a sufficient warrant for the Individual Trustee to take such action as may be so requested.

The Individual Trustee or any successor, so far as permitted by law, may delegate to the Corporate Trustee, or any successor, the exercise of any power, discretionary or otherwise, conferred by any of the provisions of this Indenture.

Purpose for and powers of individual Trustee

The Individual Trustee has been joined as trustee in order to comply with any legal requirements respecting trustees under mortgages or deeds of trust of property in the states, or some of them, in which the mortgaged premises or part thereof are situate, and shall as such trustee possess such powers, and such powers only, as may be necessary to comply with such requirements. If by reason of the repeal of such requirements, or for any other reason, it shall not be necessary, in the Opinion of Counsel, that one of the trustees hereunder be an individual, and the Company shall file with the Corporate Trustee a written request for the removal of the Individual Trustee, together with an Opinion of Counsel to that effect, satisfactory to the Corporate Trustee, said Ralph E. Morton, or any successor, shall forthwith cease to be a trustee hereunder, and all powers of the Individual Trustee shall forthwith terminate, as shall his right, title or interest in and to the trust estate; and, unless and until there shall be appointed a new trustee as successor to the Individual Trustee, all the right, title and powers of the Trustees shall devolve upon the Corporate Trustee and its successors alone.

Removal

Corporate Trustee may act without reference to Individual Trustee

Any rights, powers or duties by any provisions of this Indenture conferred or imposed upon the Trustees may be exercised and performed by the Corporate Trustee alone without reference to the Individual Trustee in so far as permitted by law, and the Individual Trustee hereby irrevocably constitutes and appoints the Corporate Trustee his true and lawful attorney in fact with full power and authority, in so far as permitted by law, either in the name and on behalf of the Individual Trustee or of the Trustees jointly, to exercise any and all rights or powers conferred upon the Individual Trustee alone, or upon the Trustees jointly, by any of the provisions of this Indenture, but subject to the duties hereby imposed upon the Individual Trustee, with full power of substitution and revocation, hereby ratifying and confirming all and singular the acts and things lawfully done by the Corporate Trustee or any substitute by virtue of this power of attorney. Any rights, powers or duties by any provisions of this Indenture

conferred or imposed upon the Trustees or the Corporate Trustee which may not be exercised and performed by the Corporate Trustee alone, or by the Individual Trustee and the Corporate Trustee jointly, may and shall be exercised and performed by the Individual Trustee without reference to the Corporate Trustee in so far as permitted by law.

Appointment of additional trustees

If at any time, in order to conform to any law of any locality in which the Company now or at any time hereafter shall hold any property subject to the Lien of this Indenture, it becomes necessary or prudent, or if the Corporate Trustee shall be advised by counsel satisfactory to it (who may be of counsel for the Company) that it is necessary or prudent in the interest of the bondholders so to do, or if the holders of a majority in principal amount of bonds Outstanding under this Indenture shall in writing request the Corporate Trustee and the Company so to do, the Trustees and the Company shall unite in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint another trust company, bank or banking association having power so to act or one or more persons either to act as co-trustee or co-trustees of all or any of the property subject to the Lien hereof, jointly with the Trustees originally named herein, or their successors, or to act as separate trustee or trustees of any such property, with such powers and duties, not inconsistent herewith, as may be specified in the instrument of appointment. In the event that the Company shall not have joined in such appointment within fifteen (15) days after the receipt by it of a request so to do, the Trustees alone or the Corporate Trustee alone shall have power to make such appointment.

Conditions:

Every separate trustee, every co-trustee and every successor trustee, shall, to the extent permitted by law, but to such extent only, be appointed subject to the following provisions and conditions, namely:

(1) Authentication, etc., of bonds

(1) The bonds secured hereby shall be authenticated and delivered, and all powers, duties, obligations and rights, conferred upon the Corporate Trustee in respect of the custody of all bonds and other securities and of all cash pledged or deposited hereunder, shall be exercised solely by City Bank Farmers Trust Company or its successor in the trust hereunder; and

(2) Removal of additional trustee

(2) The Company and the Corporate Trustee, at any time by an instrument in writing executed by them jointly, may accept the resignation of or remove any separate trustee or co-trustee appointed under this Section or otherwise, and may likewise and in like manner appoint a successor to such separate trustee or co-trustee so resigned or removed, anything herein contained to the contrary notwithstanding.

Notice by bondholders need be given only to Corporate Trustee

Any notice, request or other writing, by or on behalf of the holders of the bonds issued hereunder, delivered to City Bank Farmers Trust Company, or its successor in the trust, shall be deemed to have been delivered to the Individual Trustee and all of the trustees or co-trustees then serving hereunder as effectually as if delivered to each of them. Every instrument appointing any trustee or trustees other than a successor to City Bank Farmers Trust Company shall refer to this Indenture and the conditions in this Article expressed, and upon the acceptance in writing by such trustee or trustees or co-trustee or co-trustees, he, they or it shall be vested with the estates or property specified in such instrument, either jointly with City Bank Farmers Trust Company, or its successor, or separately, as may be provided therein, subject to all the trusts, conditions and provisions of this Indenture; and every such instrument shall be filed with City Bank Farmers Trust Company or its successors in the trust. The Individual Trustee, or any separate trustee or trustees, or any co-trustee or co-trustees, may at any time by an instrument in writing constitute City Bank Farmers Trust Company or its successor in the trust hereunder his, their or its agent or attorney in fact, with full power and authority, to the extent which may be authorized by law, to do all acts and things and exercise all discretion authorized or permitted by him, them or it, for and in behalf of him, them or it, and in his, their or its name. In case the Individual Trustee or any separate trustee or trustees or co-trustee or co-trustees, or a successor to any of them shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of said separate trustee

Contents of instrument appointing trustee

Incapacity, etc., of Individual Trustee, co-trustee, etc.

or co-trustee, so far as permitted by law, shall vest in and be exercised by City Bank Farmers Trust Company or its successor in the trust, until the appointment of a new trustee as successor to the Individual Trustee or to such separate trustee or co-trustee.

Acceptance by successor trustee

SECTION 104. Any successor trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor trustee, and also to the Company, an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as trustee herein; but the trustee ceasing to act shall nevertheless, on the written request of the Company, or of the successor trustee, or of the holders of ten per centum (10%) in principal amount of the bonds then Outstanding hereunder, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor trustee all the right, title and interest of the trustee to which he or it succeeds in and to the Mortgaged and Pledged Property and such rights, powers, trusts, duties and obligations, and the trustee ceasing to act shall also, upon like request, pay over, assign and deliver to the successor trustee any money or other property subject to the Lien of this Indenture, including any pledged securities which may then be in his or its possession. Should any deed, conveyance or instrument in writing from the Company be required by the new trustee for more fully and certainly vesting in and confirming to such new trustee such estates, properties, rights, powers, trusts and duties, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Company.

Action to be taken by retiring trustee

Merger, etc., by Corporate Trustee

SECTION 105. Any corporation into which the Corporate Trustee may be merged or with which it may be consolidated or any corporation

resulting from any merger or consolidation to which the Corporate Trustee shall be a party or any corporation to which substantially all the business and assets of the Corporate Trustee may be transferred, provided such corporation shall be a trust company organized under the laws of the State of New York or of the United States of America or a national banking association and shall have an office for the transaction of business in the Borough of Manhattan, The City of New York, shall be the successor Corporate Trustee under this Indenture, without the execution or filing of any paper or the performance of any further act on the part of any other parties hereto, anything herein to the contrary notwithstanding. In case any of the bonds contemplated to be issued hereunder shall have been authenticated but not delivered, any such successor to the Corporate Trustee may adopt the certificate of authentication of the original Corporate Trustee or of any successor to it, as trustee hereunder, and deliver the said bonds so authenticated; and in case any of said bonds shall not have been authenticated, any successor to the Corporate Trustee may authenticate such bonds either in the name of any predecessor hereunder or in the name of the successor trustee, and in all such cases such certificate shall have the full force which it is anywhere in said bonds or in this Indenture provided that the certificate of the Corporate Trustee shall have; provided, however, that the right to authenticate bonds in the name of City Bank Farmers Trust Company shall apply only to its successor or successors by merger, consolidation or sale as aforesaid.

Bonds authenticated by prior trustee

ARTICLE XVII.

Discharge of Mortgage.

SECTION 106. The Trustees (and any trustee or trustees or co-trustee or co-trustees appointed pursuant to Section 102 or Section 103 hereof) may, and upon request of the Company shall, cancel and discharge the Lien hereof and of all indentures supplemental hereto and

execute and deliver to the Company such deeds and instruments as shall be requisite to satisfy the Lien hereof and of all indentures supplemental hereto, and reconvey and transfer to the Company the Mortgaged and Pledged Property, whenever all indebtedness secured hereby shall have been paid, including all proper charges of the Trustees hereunder.

Bonds and interest obligations for the payment of which and bonds for the redemption of which moneys shall have been set apart by or deposited with the Corporate Trustee, with irrevocable direction so to apply the same, subject to the provisions of Section 119 hereof (with or without any additional right given to the holders to surrender their bonds or obtain therefrom payment therefor prior to the redemption date) shall for purposes of satisfaction of the Lien of this Indenture be deemed to have been paid; provided that in case of redemption the notice requisite to the validity of such redemption shall have been given or arrangements shall have been made insuring to the satisfaction of the Corporate Trustee that the same will be given; and provided, further, that no such bond and/or interest obligation shall be deemed to have been paid until at least ten (10) days after the date when the principal, interest or redemption price shall have become payable, unless the funds deposited for the payment thereof shall have been deposited with irrevocable direction to segregate and hold the same as a separate trust fund for the benefit of the holders of such Outstanding unpaid obligations.

ARTICLE XVIII.

Meetings of Bondholders.

Modification of Indenture

SECTION 107. Modifications and alterations of this Indenture and/or of any indenture supplemental hereto and/or of the rights and obligations of the Company and/or of the rights of the holders of bonds and coupons issued hereunder may be made as provided in the nine next succeeding Sections hereof numbered 108 to 116, both inclusive.

Call and notice of meeting

SECTION 108. The Corporate Trustee may at any time call a meeting of the bondholders and it shall call such a meeting on the written request of the Company, given pursuant to a Resolution of its Board of Directors, or a resolution of the holders of fifteen per centum (15%) or more in principal amount of the bonds Outstanding hereunder at the time of such request. In the event of the Corporate Trustee's failing for ten (10) days to call a meeting after being thereunto requested by the Company or the bondholders as above set forth, holders of Outstanding bonds to the amount above specified in this Section or the Company, pursuant to Resolution of its Board of Directors, may call such meeting. Every such meeting called by and at the instance of the Corporate Trustee shall be held in the Borough of Manhattan, The City of New York, or with the written approval of the Company, at any other place in the United States of America, and written notice thereof, stating the place and time thereof and in general terms the business to be submitted, shall be mailed by the Corporate Trustee not less than thirty (30) days before such meeting (*a*) to each registered holder of bonds then Outstanding hereunder addressed to him at his address appearing on the registry books, (*b*) to each holder of any bond then Outstanding hereunder payable to bearer whose name and address appear on the last list of bondholders furnished to the Corporate Trustee by the Company pursuant to the provisions of Section 43 hereof, and (*c*) to the Company addressed to it at Spokane, Washington (or at such other address as may be designated by the Company from time to time), and shall be published by the Corporate Trustee at least once a week for four (4) successive calendar weeks immediately preceding the meeting, upon any secular day of each such calendar week, which need not be the same day of each week, in a Daily Newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York; provided, however, that the mailing of such notice to any bondholders shall in no case be a condition precedent to the validity of any action taken at such meeting. If such meeting is called by or

Place of meeting is called by Corporate Trustee

Written notice

Publication

at the instance either of the Company or of the bondholders, it shall be held at such place in the United States of America as may be specified in the notice calling such meeting and notice thereof shall be sufficient for all purposes hereof if given by newspaper publication as aforesaid stating the place and time of the meeting and in general terms the business to be transacted. Any meeting of bondholders shall be valid without notice if the holders of all bonds then Outstanding hereunder are present in person or by proxy and if the Company and the Corporate Trustee are present by duly authorized representatives, or if notice is waived in writing before or after the meeting by the Company, the holders of all bonds Outstanding hereunder and by the Corporate Trustee, or by such of them as are not present in person or by proxy.

When notice not required

Attendance at meetings

Section 109. Officers and nominees of the Corporate Trustee and of the Company and the Individual Trustee or his nominees may attend such meeting, but shall not as such be entitled to vote thereat. Attendance by bondholders may be in person or by proxy. In order that the holder of any bond payable to bearer and his proxy may attend and vote without producing his bond, the Corporate Trustee, with respect to any such meeting called by the Corporate Trustee, may make and from time to time vary such regulations as it shall think fit for deposit of bonds with, or the stamping of bonds by, any banks, bankers or trust or insurance companies, and for the issue to the persons depositing the same of certificates by such depositaries entitling the holders thereof to be present and vote at any such meeting and to appoint proxies to represent them and vote for them at any such meeting in the same way as if the persons so present and voting, either personally or by proxy, were the actual bearers of the bonds in respect of which such certificate shall have been issued and any regulations so made shall be binding and effective. In lieu of or in addition to providing for such deposit, the Corporate Trustee may, in its discretion, permit such institutions to issue certificates which shall entitle the holders thereof to vote at any

Certificate in lieu of production of bonds

meeting only if the bonds with respect to which they are issued are not produced at the meeting by any other person and are not at the time of the meeting registered in the name of any other person. If any such meeting shall have been called by bondholders or by the Company as aforesaid upon failure of the Corporate Trustee to call the same after having been so requested to do under the provisions of Section 108 hereof, regulations to like effect for such deposit of bonds with and issue of certificates by any bank or trust company organized under the laws of the United States of America or of any state thereof, having a capital of not less than Five Hundred Thousand Dollars ($500,000) shall be similarly binding and effective for all purposes hereof if adopted or approved by the bondholders calling such meeting or by the Board of Directors of the Company, if such meeting shall have been called by the Company, provided that in either such case copies of such regulations shall be filed with the Corporate Trustee.

Persons entitled to vote at meeting

Proof of bond ownership

Proxies

Section 110. Subject to the restrictions specified in Sections 109 and 113 hereof, any registered holder of bonds Outstanding hereunder and any holder of a certificate provided for in Section 109 hereof, shall be entitled in person or by proxy to attend and vote at such meeting as holder of the bonds registered or certified in the name of such holder without producing such bonds. All others seeking to attend or vote at such meeting in person or by proxy must, if required by any authorized representative of the Corporate Trustee or the Company or by any other bondholder, produce the bonds claimed to be owned or represented at such meeting, and every one seeking to attend or vote shall, if required as aforesaid, produce such further proof of bond ownership or personal identity as shall be satisfactory to the authorized representative of the Corporate Trustee, or if none be present then to the Inspectors of Votes hereinafter provided for. Proxies shall be acknowledged as required for an instrument to be recorded in the State of New York or their genuineness shall be otherwise established to the satisfaction of the Inspectors of Votes, and all proxies and certificates

presented at any meeting shall be delivered to said Inspectors of Votes and filed with the Corporate Trustee.

Temporary Chairman and Secretary

SECTION 111. Persons named by the Corporate Trustee if it is represented at the meeting shall act as temporary Chairman and Secretary, respectively, of the meeting, but if the Corporate Trustee shall not be represented or shall fail to nominate such persons or if any person so nominated shall not be present, the bondholders and proxies present shall by a majority vote, irrespective of the amount of their holdings, elect another person or other persons from those present to act as temporary Chairman and/or Secretary. A permanent Chairman and a permanent Secretary of such meeting shall be elected from those present by the bondholders and proxies present by a majority vote irrespective of the amount of their holdings. The Corporate Trustee, if represented at the meeting, shall appoint two Inspectors of Votes who shall decide as to the right of anyone to vote and shall count all votes cast at such meeting, except votes on the election of a Chairman and Secretary, both temporary and permanent, as aforesaid, and who shall make and file with the permanent Secretary of the meeting their verified written report in duplicate of all such votes so cast at said meeting. If the Corporate Trustee shall not be represented at the meeting or shall fail to nominate such Inspectors of Votes or if either Inspector of Votes fails to attend the meeting, the vacancy shall be filled by appointment by the permanent Chairman of the meeting.

Permanent Chairman and Secretary

Inspectors of votes

Quorum

SECTION 112. Subject to the provisions of Section 116 hereof, the holders of not less than seventy-five per centum (75%) in principal amount of the bonds Outstanding hereunder when such meeting is held must be present at such meeting in person or by proxy in order to constitute a quorum for the transaction of business, less than a quorum, however, having power to adjourn; provided, however, that if such meeting is adjourned by less than a quorum for more than fourteen (14) days, notice thereof shall forthwith be mailed by the Corporate Trustee if such meeting shall have been called by the Corporate Trustee

Notice of adjournment

(*a*) to the Company addressed to it at Spokane, Washington (or at such other address as may be designated by the Company in writing from time to time), (*b*) to each registered holder of bonds then Outstanding hereunder addressed to him at his address appearing on the registry books, and (*c*) to each holder of any bond then Outstanding hereunder payable to bearer whose name and address appear upon the last list of bondholders furnished to the Corporate Trustee by the Company pursuant to the provisions of Section 43 hereof, addressed to him at such address, and shall be published at least once in each fourteen (14) day period of such adjournment in a Daily Newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York. The failure to mail such notice to any such bondholder as aforesaid shall in no case affect the validity of any action taken at any meeting held pursuant to such adjournment. If such meeting shall have been called by bondholders or by the Company after the failure of the Corporate Trustee to call the same after being requested so to do in accordance with the provisions of Section 108 hereof, notice of such adjournment shall be given by the permanent Chairman and permanent Secretary of the meeting in the newspaper and for the number of times above specified in this Section and shall be sufficient if so given.

Vote necessary to modify, etc., Indenture

SECTION 113. Subject to the provisions of Section 116 hereof, any modification or alteration of this Indenture and/or of any indenture supplemental hereto and/or of the rights and obligations of the Company and/or the rights of the holders of bonds and/or coupons issued hereunder in any particular may be made at a meeting of bondholders duly convened and held in accordance with the provisions of this Article, but only by resolution duly adopted by the affirmative vote of the holders of seventy-five per centum (75%) or more in principal amount of the bonds Outstanding hereunder, and, if the rights of one or more, but less than all, series of bonds then Outstanding are to be affected by action taken at such meeting, then also by affirmative vote

of the holders of at least seventy-five per centum (75%) in principal amount of each series of bonds so to be affected and Outstanding hereunder, when such meeting is held, and in every case approved by Resolution of the Board of Directors of the Company as hereinafter specified; provided, however, that no such modification or alteration shall, without the consent of the holder of any bond issued hereunder affected thereby, permit (1) the extension of the maturity of the principal of, or interest on, such bonds, or (2) the reduction in such principal or the rate of interest thereon or any other modification in the terms of payment of such principal or interest, or (3) the creation of any lien ranking prior to, or on a parity with, the Lien of this Indenture with respect to any of the Mortgaged and Pledged Property, or (4) the deprivation of any non-assenting bondholder of a lien upon the Mortgaged and Pledged Property for the security of his bonds (subject only to the lien of taxes for the then current year, the lien of taxes, assessments or governmental charges not then delinquent and to any mortgage or other liens existing upon said property which are prior hereto at the date of the calling of any such bondholders' meeting), or (5) the modification of the obligations of the Company under the provisions of Section 64 hereof, or (6) the reduction of the percentage required by the provisions of this Section for the taking of any action under this Section with respect to any bond Outstanding hereunder. For all purposes of this Article, the Trustees shall be entitled to rely upon an Opinion of Counsel with respect to the extent, if any, as to which any action taken at such meeting affects the rights under this Indenture or under any indenture supplemental hereto of any holders of bonds then Outstanding hereunder.

Limitations on right to modify Indenture, etc.

Opinion of Counsel

Bonds held for account of Company

Bonds owned and/or held by and/or for account of and/or for the benefit or interest of the Company, or any corporation of which the Company shall own twenty-five per centum (25%) or more of the outstanding voting stock, shall not be deemed Outstanding for the purpose of any vote or of any calculation of bonds Outstanding in Article XVI hereof or in this Article XVIII or for the purpose of the quorum

provided for in Section 112 of this Article. For all purposes of this Indenture, the Corporate Trustee, the Chairman and Secretary of any meeting held pursuant to the provisions of this Article XVIII and the Inspectors of Votes at any such meeting shall (unless the fact is challenged at such meeting by any holder of bonds Outstanding hereunder and a contrary fact is established) be entitled conclusively to rely upon a notification in writing by the Company, specifying the principal amount of bonds Outstanding hereunder owned by or held by or for the account of or for the benefit or interest of the Company or any corporation of which the Company shall own twenty-five per centum (25%) or more of the outstanding voting stock, or stating that no such bonds are so owned or held. In case the meeting shall have been called otherwise than on the written request of the Company, the Corporate Trustee shall be entitled conclusively to assume that none of the bonds Outstanding hereunder is so owned or held unless a notification by the Company is furnished as in this paragraph provided or unless the fact is challenged at such meeting by any holder of bonds Outstanding hereunder and a contrary fact is established.

Record of meetings

SECTION 114. A record in duplicate of the proceedings of each meeting of bondholders shall be prepared by the permanent Secretary of the meeting and shall have attached thereto the original reports of the Inspectors of Votes, and affidavits by one or more persons having knowledge of the facts showing a copy of the notice of the meeting and a copy of the notice of adjournment thereof, if required under the provisions of Section 112 hereof, and showing that said notices were mailed and published as provided in Section 108 hereof and, in a proper case, as provided in Section 112 hereof. Such record shall be signed and verified by the affidavits of the permanent Chairman and the permanent Secretary of the meeting, and one duplicate thereof shall be delivered to the Company and the other to the Corporate Trustee for preservation by the Corporate Trustee. Any record so signed and verified shall be proof of the matters therein stated, and if such record

Conclusiveness of record

shall also be signed and verified by the affidavit of a duly authorized representative of the Corporate Trustee, such meeting shall be deemed conclusively to have been duly convened and held and such record shall be conclusive, and any resolution or proceeding stated in such record to have been adopted or taken, shall be deemed conclusively to have been duly adopted or taken by such meeting. A true copy of any resolution adopted by such meeting shall be mailed by the Corporate Trustee to each registered holder of bonds Outstanding hereunder addressed to him at his address appearing on the registry books and to each holder of any such bond then Outstanding hereunder payable to bearer whose name and address appear upon the last list of bondholders furnished to the Corporate Trustee by the Company pursuant to the provisions of Section 43 hereof, addressed to him at such address, and proof of such mailing by the affidavit of some person having knowledge of the fact shall be filed with the Corporate Trustee, but failure to mail copies of such resolution as aforesaid shall not affect the validity thereof. No such resolution shall be binding until and unless such resolution is approved by Resolution of the Board of Directors of the Company, of which such Resolution of approval, if any, it shall be the duty of the Company to file a copy certified by the Secretary or an Assistant Secretary of the Company with the Corporate Trustee, but if such Resolution of the Board of Directors of the Company is adopted and a certified copy thereof is filed with the Corporate Trustee, the resolution so adopted shall be deemed conclusively to be binding upon the Company, the Trustees and the holders of all bonds and coupons issued hereunder, at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such resolution, or annulling the action taken thereby in a legal action or equitable proceeding for such purposes commenced within such sixty (60) day period; provided, however, that no such resolution of the bondholders, or of the Company, shall in any manner be so construed as to change or modify any of the rights, immunities, or obligations of the Trustees or of either of them without their, its or his written assent thereto.

Copy of resolutions to be mailed to bondholders

Approval of resolution by Company

Effective date of resolution

Notation of action taken may be made on bonds

SECTION 115. Bonds authenticated and delivered after the date of any bondholders' meeting may bear a notation in form approved by the Corporate Trustee as to the action taken at meetings of bondholders theretofore held, and upon demand of the holder of any bond Outstanding at the date of any such meeting and presentation of his bond for the purpose at the principal office of the Corporate Trustee, the Company shall cause suitable notation to be made on such bond by endorsement or otherwise as to any action taken at any meeting of bondholders theretofore held. If the Company or the Corporate Trustee shall so determine, new bonds so modified as in the opinion of the Corporate Trustee and the Board of Directors of the Company to conform to such bondholders' resolution shall be prepared, authenticated and delivered, and upon demand of the holder of any bond then Outstanding and affected thereby shall be exchanged without cost to such bondholder for bonds then Outstanding hereunder upon surrender of such bonds with all unmatured coupons, if any, appertaining thereto. The Company or the Corporate Trustee may require bonds Outstanding to be presented for notation or exchange as aforesaid if either shall see fit to do so. Instruments supplemental to this Indenture embodying any modification or alteration of this Indenture or of any indenture supplemental hereto made at any bondholders' meeting and approved by Resolution of the Board of Directors of the Company, as aforesaid, may be executed by the Trustees and the Company and upon demand of the Corporate Trustee, or if so specified in any resolution adopted by any such bondholders' meeting, shall be executed by the Company and the Trustees.

New bonds

Execution of supplemental instruments

Company may direct that provisions of this article are ineffective

SECTION 116. Notwithstanding anything in this Article contained, the Company may at any time, and from time to time, by Resolution of the Board of Directors filed with the Corporate Trustee, stipulate that from and after the date of the filing of such Resolution with the Corporate Trustee no action thereafter taken under the provisions of this Article shall be of any force and effect whatever either as

respects (1) all bonds theretofore authenticated and delivered by the Corporate Trustee hereunder and then Outstanding and/or (2) as to any bonds and/or all bonds thereafter authenticated and delivered by the Corporate Trustee hereunder, and in any such event a supplemental indenture setting out in detail the stipulations contained in such resolution shall be made.

ARTICLE XIX.

Miscellaneous.

To whom benefits of Indenture extend

SECTION 117. Nothing in this Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding hereunder, any right, remedy, or claim under or by reason of this Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Indenture contained by and on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons Outstanding hereunder.

Investment of funds held by Corporate Trustee

SECTION 118. Any money which has been deposited with the Corporate Trustee (other than money which has been deposited with the Corporate Trustee for the purpose of effecting payment or redemption of any bonds issued hereunder or which the Corporate Trustee has been directed to hold and apply for the purpose of such payment or redemption) shall, at the request of the Company evidenced by a Resolution, be invested or reinvested by the Corporate Trustee in any bonds or other obligations of the United States of America designated by the Company or in any obligations which at the time of investment are lawful investments for savings banks under the laws of the State of New York, designated by the Company and not disapproved by the

Corporate Trustee, and, unless to the knowledge of the Corporate Trustee the Company is in default in the payment of interest on any of the bonds then Outstanding hereunder or one or more of the Completed Defaults specified in Section 65 hereof shall have occurred and be continuing, any interest on such bonds, obligations and securities which may be received by the Corporate Trustee shall be forthwith paid to the Company. Such bonds, obligations and securities shall be held by the Corporate Trustee as a part of the Mortgaged and Pledged Property and subject to the same provisions hereof as the cash used to purchase the same, but upon a like request of the Company, the Corporate Trustee shall sell all or any designated part of the same and the proceeds of such sale shall be held by the Corporate Trustee subject to the same provisions hereof as the cash used by it to purchase the bonds, obligations and securities so sold. If such sale shall produce a net sum less than the cost of the bonds or other obligations so sold, the Company covenants that it will pay promptly to the Corporate Trustee such amount of cash as with the net proceeds from such sale will equal the cost of the bonds or other obligations so sold, and if such sale shall produce a net sum greater than the cost of the bonds or obligations so sold, the Corporate Trustee shall promptly pay to the Company an amount in cash equal to such excess.

Deposit with Corporate Trustee of funds to pay overdue bonds and coupons

SECTION 119. In the event that any bond issued hereunder shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for the redemption thereof, or in the event that any coupon shall not be presented for payment at the due date thereof and the Company shall have deposited with the Corporate Trustee for the purpose or left with it if previously so deposited, moneys sufficient to pay the principal of such bonds (and premium, if any), together with all interest due thereon to the date of the maturity of such bond or to the date fixed for the redemption thereof, or to pay such coupon, as the case may be, for the use and benefit of the holder thereof, the Corporate Trustee shall, upon demand

Return of such deposit to Company

of the Company, in case the holder of any such bond or coupon shall not, within six (6) years after the maturity of any such bond or coupon or the date fixed for the redemption of any such bond, claim the amount deposited as above stated, for the payment thereof, pay over to the Company, such amount so deposited, if the Company is not at the time in default hereunder; provided, however, that the Corporate Trustee before being required to make any such payment to the Company may, at the expense of the Company, cause to be published once in one Daily Newspaper, printed in the English language and published and

Publication as to unclaimed funds

of general circulation in the Borough of Manhattan, The City of New York, a notice stating that such moneys remain unclaimed as aforesaid and that after a date stated therein such moneys will be returned to the Company; but the Corporate Trustee shall be under no duty to cause such notice to be published; and the Corporate Trustee shall thereupon be relieved from all responsibility to the holder thereof, and in the event of such payment to the Company the holder of any such bond or coupon shall be deemed to be an unsecured creditor of the Company for an amount equivalent to the amount deposited as above stated for the payment thereof and so paid over to the Company.

Company may surrender and waive rights created herein

SECTION 120. Any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of this Indenture, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued hereunder and provide that a breach thereof shall be equivalent to a default under this Indenture, or the Company may cure any ambiguity contained herein, or in

Company may make further covenants

any supplemental indenture, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in

which any property at the time subject to the Lien hereof shall be situated. The Trustees are hereby authorized to join with the Company in the execution of any such instrument or instruments. Such instrument, executed and acknowledged as aforesaid, shall be delivered to the Trustees and thereupon any modification of the provisions of these presents therein set forth, authorized by this Section, shall be binding upon the parties hereto, their successors and assigns, and the holders of the bonds and coupons hereby secured. Anything herein to the contrary notwithstanding, this Section shall not be construed to permit any act, waiver, surrender or restriction adversely affecting any bonds then Outstanding hereunder.

Trustees may join with Company in execution of further instruments

SECTION 121. Notwithstanding anything in this Indenture contained, the Company may, at any time and from time to time, amend this Indenture so as to decrease (but not below the amount of bonds at the time Outstanding hereunder) the maximum amount of obligations to be secured hereby by executing and delivering to the Trustees, and thereafter appropriately recording or causing to be recorded in all places where this Indenture is recorded, a supplemental indenture specifying the maximum amount of such obligations thereafter to be secured hereby; provided, however, that this Indenture may be so amended only if such amendment will be legally effective under the laws of the several states in which this Indenture is then recorded and will not adversely affect the lien and validity of this Indenture or the validity of any bonds Outstanding hereunder and the Corporate Trustee shall have received an Opinion of Counsel to that effect, upon which Opinion of Counsel the Corporate Trustee may conclusively rely and be fully protected in respect of any action taken by it with regard to such amendment. Unless and until this Indenture shall have been so amended, the maximum amount of obligations to be secured hereby shall be and remain One Hundred and Fifty Million Dollars ($150,000,000), as stated in Section 20 hereof.

Maximum amount secured hereby

Decrease of maximum

Successors and assigns

SECTION 122. Subject to the provisions of Article XV and Article XVI hereof, whenever in this Indenture either of the parties hereto is named or referred to (except in subdivision 1 of Section 5 hereof) this shall be deemed to include the successors or assigns of such party, and all the covenants and agreements in this Indenture contained by or on behalf of the Company or by or on behalf of the Trustees shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

Titles of articles not part of Indenture

SECTION 123. The titles of the several Articles of this Indenture shall not be deemed to be any part thereof.

Execution in counterparts

SECTION 124. This Indenture shall be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Testimonium

IN WITNESS WHEREOF, on this 27th day of June, 1939, THE WASHINGTON WATER POWER COMPANY, party hereto of the first part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and CITY BANK FARMERS TRUST COMPANY, one of the parties hereto of the second part, in token of its acceptance of the trust hereby created, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries, and Ralph E. Morton, one of the parties hereto of the second part, has for all like purposes hereunto set his hand and affixed his seal, all in

The City of New York, New York, as of the day and year first above written.

THE WASHINGTON WATER POWER COMPANY,

By K. M. ROBINSON
President.

[CORPORATE SEAL]

Attest:

W. F. MILLER
Assistant Secretary.

Executed, sealed and delivered by THE WASHINGTON WATER POWER COMPANY, in the presence of:

W. W. STAPLIN
M. A. CONTEY

CITY BANK FARMERS TRUST COMPANY,

By STEWART C. PRATT
Vice-President.

[CORPORATE SEAL]

Attest:

H. BOTTENUS
Assistant Secretary.

Executed, sealed and delivered by CITY BANK FARMERS TRUST COMPANY, in the presence of:

N. E. HANF
M. E. COOPER

RALPH E. MORTON [L. S.]

Executed, sealed and delivered by RALPH E. MORTON, in the presence of:

N. E. HANF
M. E. COOPER

Acknowledgments

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On the 27th day of June, 1939, before me personally appeared K. M. ROBINSON, to me known to be the President of The Washington Water Power Company, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

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

PHYLLIS HOFFMAN
Notary Public.

Residing at New York, N. Y.

[NOTARIAL SEAL]

PHYLLIS HOFFMAN
NOTARY PUBLIC
N. Y. Co. Clerk's No. 241
N. Y. Co. Reg. No. 1-H-415
Term Expires March 30, 1941

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On the 27th day of June, in the year 1939, before me, PHYLLIS HOFFMAN, a Notary Public in and for the State and County aforesaid, personally appeared K. M. ROBINSON, known to me to be the President of The Washington Water Power Company, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

PHYLLIS HOFFMAN
Notary Public.

[NOTARIAL SEAL]

PHYLLIS HOFFMAN
NOTARY PUBLIC
N. Y. Co. Clerk's No. 241
N. Y. Co. Reg. No. 1-H-415
Term Expires March 30, 1941

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

Acknowledgments

On the 27th day of June, in the year 1939, before me personally appeared STEWART C. PRATT, to me known to be a Vice-President of City Bank Farmers Trust Company, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

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

STANLEY A. NELSON
Notary Public.

Residing at Queens, N. Y.

[NOTARIAL SEAL]

STANLEY A. NELSON
Notary Public, Queens County No. 2616, Reg. No. 6481
Cert. filed in N. Y. Co. No. 131, Reg. No. 1-N-84
Commission expires March 30, 1941

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On the 27th day of June, in the year 1939, before me, STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared STEWART C. PRATT, known to me to be a Vice-President of City Bank Farmers Trust Company, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

STANLEY A. NELSON
Notary Public.

[NOTARIAL SEAL]

STANLEY A. NELSON
Notary Public, Queens County No. 2616, Reg. No. 6481
Cert. filed in N. Y. Co. No. 131, Reg. No. 1-N-84
Commission expires March 30, 1941

Acknowledgments

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On this 27th day of June, in the year of 1939, before me STANLEY A. NELSON, personally appeared RALPH E. MORTON, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

Given under my hand and official seal the day and year first above written.

STANLEY A. NELSON
Notary Public.

Residing at Queens, N. Y.

[NOTARIAL SEAL]

STANLEY A. NELSON
Notary Public, Queens County No. 2616, Reg. No. 6481
Cert. filed in N. Y. Co. No. 131, Reg. No. 1-N-84
Commission expires March 30, 1941

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

On this day personally appeared before me RALPH E. MORTON, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 27th day of June, 1939.

STANLEY A. NELSON
Notary Public.

Residing at Queens, N. Y.

[NOTARIAL SEAL]

STANLEY A. NELSON
Notary Public, Queens County No. 2616, Reg. No. 6481
Cert. filed in N. Y. Co. No. 131, Reg. No. 1-N-84
Commission expires March 30, 1941

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

Affidavit of good faith

K. M. ROBINSON, being duly sworn, deposes and says that he is the President of The Washington Water Power Company, the Mortgagor named in the foregoing instrument, and makes this affidavit for and on its behalf; that said instrument is made in good faith and without any design to hinder, delay or defraud creditors.

K. M. ROBINSON

Subscribed and sworn to before me this 27th day of June, 1939.

PHYLLIS HOFFMAN
Notary Public.

Residing at New York, N. Y.

[NOTARIAL SEAL]

PHYLLIS HOFFMAN
NOTARY PUBLIC
N. Y. Co. Clerk's No. 241
N. Y. Co. Reg. No. 1-H-415
Term Expires March 30, 1941

Recordation Data*

13318

STATE OF WASHINGTON }
County of Adams, } SS.

Filed 7-1 1939 at 10:30 A.M. at request of Wash. Water Power recorded in Book 77 Page 1 to 107 of Mortgages records of Adams County.

Laura Schragg
Auditor Adams County, Wash.
By Mabel Bierman
Deputy

$100.70

10322

Filed for Record July 1-1939 at 9 o'clock and 15 minutes A.M., at the request of J. L. Stirn for Wash. Water Pwr. Co. and recorded in book #33 of records of Mtgs of Asotin County, Wash., on Page 366

Lillie Ausman
County Auditor

300308

290

Fee 100.70
Filed for Record
Wash. Water Power Co.
1939 Jun 30 PM 2 05
Mtg.
Book 267 Page 290
M. O.

Madge Cushing Auditor
Chelan County
Wenatchee

* The Recordation Data was not a part of the Mortgage and Deed of Trust as executed.

92581

STATE OF WASHINGTON }
County of Douglas }

Filed for record in the office of the County Auditor of said County on the 1st day of July A.D., 1939 at 9 o'clock and 20 minutes A.M. at request of Washington Water Power Co., Spokane, Wash. and recorded on page 174 of book 70 of Mtgs.

G. Merton Dick
County Auditor

Bernice Halcomb
Deputy

Fee 102.35

84149

STATE OF WASHINGTON, }
County of Ferry } SS.

I hereby certify that the within instrument was filed for record in the office of the County Auditor of said County, on the 1st day of July A.D. 1939 at 9 o'clock and 21 minutes A.M. at the request of Washington Water Power Co. and recorded on 21 day of July 1939 in Book 11 of Mortgages Page 73

Ed M. Walter
Auditor of Ferry County, Wash.

By.....
Deputy

Fee $100.65 Return Fee.....
When Recorded Mail to
Above
Spokane Wn.

85689

Pasco, Wash.
Office of the Auditor
Franklin County Washington

Filed for record Jul 1-1939 at 8:10 A.M. by Warren W. Russell Atty at Law—Spokane, Wn and recorded in Vol 42 of Mtgs. Page 90 to 191

E. F. Redd
Auditor Franklin County

By Hazel A. Lang
Deputy

Fee $100.65

No. 3551

STATE OF WASHINGTON } SS.
County of Garfield. }

I hereby certify that the within instrument was filed for record July 1 1939 at 8 o'clock—minutes A.M. at the request of Washington Water Power Co. L. E. Morse Treas and recorded in Book 43 of Mortgages on page 528

C. E. Rathbun
County Auditor

Deputy

Fees $100.70 Washington Water Power Co.
Mail to L. E. Morse Treas.
Address 825 Trent Ave
Spokane, Wash.

82405

STATE OF WASHINGTON } SS.
County of Grant }

Filed for record this 1 day of July A.D., 1939 at 11 o'clock and 20 minutes A.M. At the request of Wash. W. P. Co Co. Spokane and recorded on page 409- of Book 37 of Mortgages

P. A. Staley
County Auditor

By Bernice Stronf
Deputy

$100.70 fee

226064

STATE OF WASHINGTON } SS.
County of Lincoln }

This is to certify that this instrument was filed for record in the office of the Auditor of Lincoln County at the request of Wash. Water Power Co. on this 30 day of June 1939 at 10:30 o'clock A.M. and recorded in Volume 86 Records of Mtgs. of said County on Page 1 to 199

Lloyd B. Peffley
County Auditor

By Ruth Downie
Deputy

Recorded.....

100.70

282751

STATE OF WASHINGTON }
County of Okanogan } SS

This is to certify that this instrument was filed for record in the office of the Auditor of Okanogan County on the 1st day of July 1939, at 11 o'clock and min. a.m. at the request of Wash. Water Power Co. and recorded in volume 39 records of Mtgs. of said county, on pages 350 to 453 inclusive.

Lucille S. Burghardt
Auditor Okanogan County, Wash.

By .....
Deputy.

51783

STATE OF WASHINGTON }
County of Pend Oreille } SS.

This certifies that this instrument was filed for record in the Auditor's office of said county on July 1 1939 at 11 o'clock and ..... min. A M. at the request of Ralph Stewart and recorded in vol. 12 page 455 Book of Mortgages Pend Oreille County, Washington.

Chas. I. Barker
Auditor of Pend Oreille County

By .....
Deputy

100.50

394674A

STATE OF WASHINGTON }
County of Spokane } SS.

This is to certify that this instrument was filed for record in the office of the Auditor of Spokane County at the request of W W P Co. on this Jun 30 1939 at 12-54 P M and Recorded in volume 477 record of Mtgs of said County on page 78.

Joe A. Stewart
County Auditor

E. Armstrong
Deputy

Recorded by Vincent Sherman
Deputy

Mail To Reg
City

Fee 100.70

174809

STATE OF WASHINGTON }
County of Stevens, } SS.

This certifies that this instrument was filed for record in the Auditor's office of said County on the 1 day of July 1939 at 10 o'clock and 25 Min. A M., at the request of Washington Water Power Co. and recorded in book 61 of records of Mtgs Stevens County, Washington, on page 1 July 28 1939

B. P. Taylor
Auditor of Stevens Co., Wash.

C. K. Ledgerwood
Deputy

$100.70

152638

STATE OF WASHINGTON, } SS.
County of Whitman, }

The within instrument was filed for record on Jul 1 1939 at 11 o'clock and 45 minutes A M. at the request of Washington Water Power Co. and recorded in book 239 of Records of Mortgages of Whitman County, State of Washington, on page 1

Witness my hand
L. W. Squires, County Auditor
By Mary L. Liddle
Deputy

When recorded mail to
Name L. E. Morse
Address % W.W.P.Co. Spokane

$100.50

52152

STATE OF IDAHO } SS.
County of Benewah }

Filed for record at the request of The Washington Water Power Co. on the 5th day of July 1939, at 4:30 o'clock P M., and recorded in Book P of Mtgs. on page 301

R. H. Whiteside
County Recorder

By .....
Deputy

Fee $134.00

Mail to .....

98623

STATE OF IDAHO } SS.
County of Bonner }

Filed for record at the request of Washington Water Power Co. on the 5 day of July, 1939 at 11:11 o'clock A.M. and recorded in Book 26 of Mortgages on page 273.

Robt. S. McCrea,
County Recorder

By Margaret Nyberg
Deputy

Fee $134.00
Mail to Spokane, Wash.

40502

STATE OF IDAHO } SS
County of Clearwater }

I hereby certify that this instrument was filed for record at request of W. W. P. Co at 11 45 o'clock A M. on 5 day of July 1939 in my office and duly recorded in Book 13A of Mtgs on Page 1---199.

Joseph Kauffman
Ex Officio Auditor and Recorder

By J. S. Ross
Deputy

Fee 134.00

126835

STATE OF IDAHO }
County of Idaho } SS

I hereby certify that this instrument was filed for record in the office of the Recorder of Idaho County at the request of L. L. Smith at 9 o'clock A.M. this 6 day of July A.D. 1939, and duly recorded in Book 49 of Mtgs. at page 1 Records of said County.

Henry Telcher
County Recorder

By Margaret Robinson
Deputy

Fee $134.00 City

116371

STATE OF IDAHO }
County of Kootenai } SS.

Filed for record at the request of Wash. Water Power Co. on Jun 30 1939 at 11:35 o'clock A.M. and recorded in book 50 of Mortgages, Page 91.

Jas. A. Foster
County Recorder

By Jos. C. White
Deputy

Fee $134.00

Return to L. E. Morse, Treas.
W. W. P. Co.
Spokane, Wn.

138572

STATE OF IDAHO }
County of Latah } SS

I certify that this instrument was filed on the 6 day of July 1939 at 3:35 o'clock P M. Request of Washington Water Power recorded in vol. 64 of Mortgages on page 1

Harry A. Thatcher
County Recorder

By Bessie Babcock
Deputy

Fee $134.00

43749

STATE OF IDAHO, }
County of Lewis } SS.

Filed for record July 5, 1939 at 3 o'clock P.M., at the request of Washington Water Power Co. and recorded in book 25 of Mortgages at page 476

W. R. Emerson
County Recorder

By Loretta Lux
Deputy

Fees $134.00

168946

OFFICE OF CLERK OF THE DISTRICT COURT AND EX-OFFICIO AUDITOR AND RECORDER

STATE OF IDAHO }
County of Nez Perce } SS

I hereby certify that the within instrument was filed for record on Jun 30 1939 at the request of Wash. Water Power Co. at 1 o'clock P.M., and was duly recorded in book 130 of Mortgages on page 444

Philip Weisgerber
Clerk of the District Court and
Ex-Officio auditor and recorder

By L. H. Kurth
Deputy

Fees, $134.00
Mail to L. E. Morse
At Spokane, Wash.
% Wash. Water Power Co.

110380

STATE OF IDAHO }
County of Shoshone } SS.

I hereby certify that the within instrument was filed for record at the request of Wash. Water Power Co Jul 5 1939 at 2 o'clock P M., and recorded in Book 8 of Mortgages page 7, records of said County.

Harry A. Rogers
County Recorder

By.....
Deputy

Fee $134.00 pd

Return To .....

78032
Indexed A

STATE OF MONTANA)
County of Sanders) ss

Filed for Record this 12 day of September, 1952 at 3:45 o'clock P.M., recorded in Vol. 31 of Mtgs., Page 107

Fee $134.00

Dorothy Dodson
County Recorder

Filed as a Chattel Mtg., Document 78048,
Sept. 16, 1952 - 9:06 A.M. - File No. 12915

STATE OF NEW YORK,)
: ss.:
COUNTY OF NEW YORK,)

RALPH E. MORTON, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice President of City Bank Farmers Trust Company, a corporation, and its duly authorized agent for the purpose of making this affidavit on behalf of said City Bank Farmers Trust Company and also makes this affidavit in his capacity as Individual Trustee.

That said City Bank Farmers Trust Company and he are mortgagees and trustees under a certain Mortgage and Deed of Trust dated as of June 1, 1939, executed and delivered by The Washington Water Power Company to said City Bank Farmers Trust Company and Ralph E. Morton, as Trustees.

That said Mortgage and Deed of Trust was made in good faith to secure the amount named therein and without design to hinder, delay or defraud creditors.

That this affidavit is made for the purpose of complying with the laws of the State of Montana with respect to the lien of said Mortgage and Deed of Trust as a chattel mortgage lien.

/s/ Ralph E. Morton
Ralph E. Morton

Subscribed and sworn to before me this 2nd day of September, 1952.

(SEAL) /s/ Andrew J. Weger
Notary Public

Andrew J. Weger
Notary Public, State of New York
No. 41-4186425
Qualified in Queens County
Cert. filed with Queens Reg., Bronx, Kings & New York County Clerks and Registers; also Westchester County
Term Expires March 30, 1953

C
O
P
Y

RECEIPT

The undersigned, THE WASHINGTON WATER POWER COMPANY, the mortgagor in the foregoing mortgage and deed of trust, hereby acknowledges surrender, without cost, by the mortgagees and trustees to the undersigned at the time of the execution of the foregoing mortgage and deed of trust of a correct copy of said original mortgage and deed of trust, as signed, with the acknowledgments shown thereon, and acknowledges receipt thereof.

Dated this 2nd day of September, 1952.

THE WASHINGTON WATER POWER COMPANY

By /s/ K. M. Robinson
President

(SEAL)

ATTEST:

/s/ B. J. Lindsay
Secretary

I, E. B. Talkington, Assistant Secretary of The Washington Water Power Company, hereby certify that the following is a true and complete copy of the Mortgage and Deed of Trust dated as of June 1, 1939, of The Washington Water Power Company and that said Mortgage and Deed of Trust is in full force and effect as of this 18th day of November, 1952.

WITNESS my hand and the seal of said Company, at Spokane, Washington, this 18th day of November, 1952.

E B Talkington

Assistant Secretary of
The Washington Water Power Company

THE WASHINGTON WATER POWER COMPANY

TO

CITY BANK FARMERS TRUST COMPANY

AND

RALPH E. MORTON,
As Trustees under The Washington Water Power Company's Mortgage and Deed of Trust, Dated as of June 1, 1939

Second Supplemental Indenture

Dated as of May 1, 1953

96 2179
Complete book filmed.

SECOND SUPPLEMENTAL INDENTURE

THIS INDENTURE, dated as of the first day of May, 1953, made and entered into by and between THE WASHINGTON WATER POWER COMPANY, a corporation of the State of Washington, whose post office address is West 825 Trent Avenue, Spokane, Washington (hereinafter sometimes called the Company), party of the first part, and CITY BANK FARMERS TRUST COMPANY, a corporation of the State of New York, whose post office address is 22 William Street, New York, New York (hereinafter sometimes called the Corporate Trustee), and RALPH E. MORTON, of Glenville Road, Greenwich, Connecticut (hereinafter sometimes called the Individual Trustee), parties of the second part (the Corporate Trustee and the Individual Trustee being hereinafter together sometimes called the Trustees), as Trustees under the Mortgage and Deed of Trust, dated as of June 1, 1939 (hereinafter called the Mortgage), executed and delivered by The Washington Water Power Company to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, this indenture (hereinafter called Second Supplemental Indenture) being supplemental thereto.

WHEREAS the Mortgage has been or will be recorded in various counties in the states of Washington, Idaho and Montana which counties include or will include all counties in which this Second Supplemental Indenture is to be recorded; and

WHEREAS by the Mortgage the Company covenanted that it would execute and deliver such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired intended to be subject to the lien thereof; and

WHEREAS the Company executed and delivered to the Trustees its First Supplemental Indenture, dated as of October 1, 1952, as a supplement to the Mortgage, which First Supplemental Indenture was recorded in counties in the states of Washington, Idaho and Montana as follows:

Washington

Date Filed for Record	County	Office of	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage Records—Auditor's File No.
10/6/52	Adams	Auditor	85	359	6723
10/6/52	Asotin	Auditor	40	375-A	12144
10/6/52	Chelan	Auditor	494	570	85282
10/6/52	Douglas	Auditor	84	357	48279
10/6/52	Ferry	Auditor	Micro-Film Roll 21 of Mtgs.		109664
10/6/52	Franklin	Auditor	69	33	148087
10/6/52	Garfield	Auditor	47	1	11620
10/6/52	Grant	Auditor	66	733	62888
10/6/52	Lincoln	Auditor	95	97	267201
10/6/52	Pend Oreille	Auditor	18	200	10918
10/6/52	Spokane	Auditor	726	203	127958B
10/6/52	Stevens	Auditor	78	287	49986
10/6/52	Whitman	Auditor	272	1	64794

Idaho

Date Filed for Record	County	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage File No.
10/6/52	Benewah	S	387	77376
10/6/52	Bonner	35	363	43570
10/6/52	Clearwater	16	517	62303
10/6/52	Idaho	57	5	174627
10/6/52	Kootenai	68	73	263312
10/6/52	Latah	77	213	29766
10/6/52	Lewis	30	17	58830
10/6/52	Nez Perce	146	300	234686
10/6/52	Shoshone	19	1	156250

Montana

Date Filed for Record	County	Real Estate Mortgage Records—Book	Real Estate Mortgage Records—Page	Chattel Mortgage File No.
10/6/52	Sanders	31	209	78131

WHEREAS in addition to the property described in the Mortgage, as supplemented, the Company has acquired certain other property, rights and interests in property; and

WHEREAS the Company has heretofore issued, in accordance with the provisions of the Mortgage, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1964 (hereinafter called the bonds of the First Series), and in accordance with the provisions of the Mortgage, as supplemented, bonds of a series entitled and designated First Mortgage Bonds, 3½% Series due 1982 (sometimes referred to as bonds of the Second Series); and

WHEREAS Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder and of the coupons to be attached to the coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company; that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof; and that such Series may also contain such provisions not inconsistent with the provisions of the Mortgage, as supplemented, as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage, as supplemented; and

WHEREAS Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, as supplemented, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived

or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or the Company may cure any ambiguity contained therein, or in any supplemental indenture, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS the Company now desires to create a new series of bonds and to add to its covenants and agreements contained in the Mortgage, as supplemented, certain other covenants and agreements to be observed by it and to supplement and amend in certain respects the covenants and provisions contained in the Mortgage, as supplemented; and

WHEREAS the execution and delivery by the Company of this Second Supplemental Indenture, and the terms of the bonds of the Third Series hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors, and all things necessary to make this Second Supplemental Indenture a valid, binding and legal instrument for the security of the bonds have been performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That The Washington Water Power Company, in consideration of the premises and of one dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustees and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, as supplemented, according to their tenor and effect and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any

modification made as in the Mortgage provided) and of such bonds, and to confirm the lien of the Mortgage on certain after acquired property, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms unto Ralph E. Morton and (to the extent of its legal capacity to hold the same for the purposes hereof) unto City Bank Farmers Trust Company, as Trustees under the Mortgage, and to their successor or successors in said trust, and to said Trustees and their successors, heirs and assigns forever, all the following described properties of the Company, acquired by the Company since the execution and delivery of the Mortgage, whether now owned or hereafter acquired—that is to say:

All of the property, real, personal and mixed, of every character and wheresoever situated (except any hereinafter or in the Mortgage, as supplemented, expressly excepted) which the Company now owns or, subject to the provisions of Section 87 of the Mortgage, may hereafter acquire prior to the satisfaction and discharge of the Mortgage, as fully and completely as if herein or in the Mortgage, as supplemented, specifically described, and including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Second Supplemental Indenture) all lands, real estate, easements, servitudes, rights of way and leasehold and other interests in real estate; all rights to the use or appropriation of water, flowage rights, water storage rights, flooding rights, and other rights in respect of or relating to water; all plants for the generation of electricity, power houses, dams, dam sites, reservoirs, flumes, raceways, diversion works, head works, waterways, water works, water systems, gas plants, steam heat plants, hot water plants, ice or refrigeration plants, stations, substations, offices, buildings and other works and structures and the equipment thereof and all improvements, extensions and additions thereto; all generators, machinery, engines, turbines, boilers, dynamos, transformers, motors, electric machines, switchboards, regulators, meters, electrical and mechanical appliances, conduits, cables, pipes and

mains; all lines and systems for the transmission and distribution of electric current, gas, steam heat or water for any purpose; all towers, mains, pipes, poles, pole lines, conduits, cables, wires, switch racks, insulators, compressors, pumps, fittings, valves and connections; all motor vehicles and automobiles; all tools, implements, apparatus, furniture, stores, supplies and equipment; all franchises (except the Company's franchise to be a corporation), licenses, permits, rights, powers and privileges; and (except as hereinafter or in the Mortgage, as supplemented, expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature.

The property so conveyed or intended to be so conveyed hereunder shall include, but shall not be limited to, the following property, the particular description of which is intended only to aid in the identification thereof and shall not be construed as limiting the force, effect and scope of the foregoing, namely:

FIRST.

THE ADDITIONAL ELECTRIC SUBSTATIONS AND SUBSTATION SITES OF THE COMPANY, in the States of Washington and Idaho, including all buildings, structures, towers, poles, equipment, appliances and devices for transforming, converting and distributing electric energy, and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits and other rights and other property forming a part of said substations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including, but not limited to, the following situated in the States of Washington and Idaho:

1. University of Idaho Substation, in Town of Moscow, Latah County, Idaho.

2. Van Stone Mine Substation, near Aladdin, Stevens County, Washington.

3. Onion Creek Substation, near Marble, Stevens County, Washington.

4. Echo Valley Regulating Station, near Coleville, Stevens County, Washington.

5. Orofino 110 KV Substation, near Orofino, Clearwater County, Idaho.

SECOND.

THE ADDITIONAL ELECTRIC TRANSMISSION LINES OF THE COMPANY, in the States of Washington and Idaho, including towers, poles, pole lines, wires, switch racks, insulators and appurtenances, appliances and equipment and all of the Company's other property, real, personal, or mixed, forming a part of or used, occupied or enjoyed in connection with or in anywise appertaining to said transmission lines or any of them, together with all rights of way, easements, permits, privileges, municipal or other franchises, licenses, consents, and rights for or relating to the construction, maintenance or operation thereof through, over, under or upon any public streets or highways or other lands, public or private, including, but not limited to, the following:

1. Van Stone single circuit 33KV line extending in a northeasterly direction from present 33KV Marble line to the Van Stone substation in Stevens County, Washington, a distance of 10 miles.

THIRD.

Miscellaneous Real Estate in the States of Washington, Idaho and Montana:

1. That part of the N½ of the NW¼ of Section 14, Township 25 North, Range 43 East of the Willamette Meridian, in the County of Spokane and State of Washington, described as follows: Beginning at a point on the north line 633.7 feet east of the northwest corner; thence east along the north line to a point 859.9 feet west of the northeast corner of the NW¼; thence S. 72°34′ west 1302.54 feet to a point 533.7 feet east of the west line; thence north parallel to the west line 359.05 feet to a point 15 feet southeasterly measured at right angles to the southerly line of original Trent Road; thence northeasterly and parallel to the southerly line of original Trent Road to point of beginning, Spokane County, Washington; EXCEPT that part of the above described tract which lies on the southwesterly side of the westerly line

produced southeasterly of Lot 11, Block 84 of the Plat of Parkwater, recorded in Book "P" of Plats, page 48.

SUBJECT TO easement in Book 173 of Deeds, p. 348 and reservations and provisions in deed in Book 519 of Deeds, p. 226 and in deed filed April 28, 1950, as Document No. 950446A.

2. That part of the Northeast quarter of the Southeast quarter (NE¼ SE¼) of Section Six (6), Township Thirty-six (36) North, Range Two ('') E.B.M., Clearwater County, Idaho described as follows:

Beginning at the southwest corner of the NE¼ SE¼, thence north along the west line of said NE¼ SE¼ a distance of 502.6 feet to the true point of beginning; thence right 90°00′ along a bearing N. 90°00′ E. a distance of 150 feet; thence left 90°00′ along a true north bearing a distance of 190.7 feet; thence left 105°10′ along a bearing S. 74°50′ W. a distance of 155.1 feet; thence left 74°50′ along the west line of said NE¼ SE¼ a distance of 150 feet more or less to the true point of beginning.

3. All that part of the northeast quarter (NE¼) of the southwest quarter (SW¼) of Section Seventeen (17), Township Twenty-five (25) North, Range Forty-three (43) East of the Willamette Meridian, in the City of Spokane, County of Spokane and State of Washington, more particularly described as follows:

Beginning at the intersection of the southeasterly margin of the right of way of the Great Northern Railway Company with the east line of said northeast quarter (NE¼) of the southwest Quarter (SW ¼); thence southwesterly along said southeasterly margin six hundred thirty-six and 4/10 (636.4) feet, more or less, to a corner of that certain tract conveyed to the St. Paul, Minneapolis & Manitoba Railway Company by deed dated August 1, 1892, recorded in Book 47 of Deeds, page 378; thence south 27°00′ east along the boundary of said tract, three hundred seventy (370) feet, more or less, to a point on the north line of Block Twelve (12) of Resurvey of the Second Addition to Third Addition to Railroad Addition to Spokane, as per map thereof recorded in Book "C" of Plats, page 79, extended east; thence west along the north line of said Block Twelve (12) extended east, to the northeasterly line of said Block Twelve (12); thence southeasterly along said northeasterly line to the northerly boundary line of Trent Avenue; thence east along the northerly boundary of said Trent Avenue extended east to the southwesterly boundary line of Superior Street; thence northwesterly along said southwesterly line to the east line of said northwest quarter (NE¼) of the southwest quarter (SW¼); thence north along said east line to the point of beginning, EXCEPT a strip of land

twenty-five (25) feet wide south of and adjoining the southeasterly margin of said railroad right of way, as conveyed to the Great Northern Railway Company, a corporation, by deed recorded in Book 445 of Deeds, page 389;

ALSO, Lots Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12), Thirteen (13), Fourteen (14), Fifteen (15), Sixteen (16) and Seventeen (17) in Block One (1) of DENNIS AND BRADLEY'S ADDITION to Spokane Falls (now Spokane), in the City of Spokane, County of Spokane and State of Washington, as per map thereof recorded in Book "A" of Plats, page 160, in the office of the County Auditor of said County, EXCEPT all that part of said Lot Seventeen (17) included within the boundaries of the following described tract conveyed to the Great Northern Railway Company, a corporation, by deed recorded in Book 445 of Deeds, page 389;

Beginning at the northeast corner of said Lot Seventeen (17); thence west along the north boundary thereof and said north boundary extended one hundred thirty (130) feet; thence south twenty (20) feet; thence at an angle of 90° to the left ten (10) feet, more or less, to the west line of said Lot Seventeen (17); thence northeasterly in a direct line to the place of beginning;

ALSO EXCEPT that part of said Lot Three (3) situated northerly of a direct line extending from the northeast corner to the southwest corner thereof;

ALSO, Lots Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), Twelve (12), Thirteen (13), Fourteen (14), Fifteen (15), Seventeen (17) and Eighteen (18) in Block Two (2) and all of Block Fourteen (14) of DENNIS AND BRADLEY'S ADDITION to Spokane Falls (now Spokane);

ALSO, all of Block Fifteen (15) of DENNIS AND BRADLEY'S ADDITION to Spokane Falls (now Spokane), together with vacated alley north and south through said Block Fifteen (15);

ALSO, beginning at the northwest corner of Lot Twelve (12) in Block Fifteen (15) of DENNIS AND BRADLEY'S ADDITION to Spokane Falls (now Spokane); thence south along the west line thereof thirty-five and 1/10 (35.1) feet to the most westerly southwest corner of said lot; thence west twenty (20) feet, more or less, to the east line of the northeast quarter (NE¼) of the southwest quarter (SW¼) of Section Seventeen (17), Township Twenty-five (25) North, Range Forty-three (43) East of the Willamette Meridian; thence north along said east line to the south line of the tract conveyed to the Great Northern Rail-

way Company, a corporation, by deed recorded in Book 445 of Deeds, page 389; thence easterly along said south line to the west line of Lot Seventeen (17) in Block One (1) of said Dennis and Bradley's Addition; thence south along the west line of said Block One (1) to the southwest corner thereof; thence along said line extended south to the northwest corner of Block Fifteen (15) of said Addition; thence along the west line of said Block Fifteen (15), to the point of beginning;

ALSO, all that part of Springfield Avenue (vacated) more particularly described as follows:

Beginning at the northeast corner of Lot Seventeen (17) in Block Fifteen (15) of Dennis and Bradley's Addition to Spokane Falls (now Spokane); thence north to the southeast corner of Lot Eleven (11) in Block One (1) of said addition; thence west along the south line of said Lot Eleven (11) to the southwest corner thereof; thence south to the northwest corner of Lot Seventeen (17) in said Block Fifteen (15); thence east along the north line of said Lot Seventeen (17) to the point of beginning.

4. The North half (N½) of Lots one (1) and three (3) of Block Six (6), Original Plat of Wallace, Shoshone County, Idaho according to the official and recorded plat thereof in said County.

5. Lot 16 in Block 2 of DENNIS AND BRADLEY'S ADDITION to Spokane Falls (now Spokane), in the City of Spokane, County of Spokane and State of Washington, as per map thereof recorded in Book "A" of Plats, page 160, in the office of the County Auditor of said County.

6. Lots 18 and 19 of PLAT NO. 1 OF WEST FARMS IRRIGATED TRACTS, in the County of Spokane and State of Washington, as per map thereof recorded in Book "O" of Plats, page 37, in the office of the County Auditor of said County.

7. Lots 9 to 16 both inclusive in Block 12 of CENTRAL PARK ADDITION to Spokane Falls (now Spokane), in the County of Spokane and State of Washington, as per map thereof recorded in Book "C" of Plats, page 14, in the office of the County Auditor of said County.

8. That part of the Northeast Quarter of the Northeast Quarter (NE¼) (NE¼) of Section Thirty-five (35), Township Twenty-five (25) North, Range Forty-two (42) E. W. M. in the City of Spokane, County of Spokane and State of Washington more particularly described as follows:

Beginning at a point 80 rods north of the southwest corner of the NE¼ of the NE¼ of said Section 35; thence east 317 feet; thence south 380 feet; thence west 317 feet; thence north to the point of beginning, except all that part thereof within the following described strip of land:

Beginning at a point 1003.5 feet west of the northeast corner of the NE¼ of said Section 35; thence in a westerly direction on and along the north line of the NE¼ of the NE¼ of said section to the northwest corner of said quarter quarter section; thence in a southerly direction on and along the west line of said quarter quarter section a distance of 100 feet; thence in an easterly direction parallel with and 100 feet distant from, at right angles, to a line running south from the point of beginning; thence in a northerly direction a distance of 100 feet to the point of beginning.

9. That part of the Northeast Quarter of the Northeast Quarter (NE¼) (NE¼) of Section Thirty-five (35), Township Twenty-five (25) North, Range Forty-two (42) EWM, in the County of Spokane and State of Washington, described as follow:

Beginning at a point 293½ feet west and 100 feet south of the northeast corner of said Section 35; thence west 710 feet; thence south 280 feet; thence east 622 feet; thence northeasterly to a point which is 193½ feet south of the point of beginning; thence north 193½ feet to the point of beginning.

Also: Beginning at a point on the westerly side of Thorp Road, 380 feet, measured at right angles, south of the north line of said NE¼; thence southwesterly along the northwesterly line of Thorp Road, 350 feet to a point; thence in a northwesterly direction 390 feet, more or less, to a point on the south line of the north 380 feet of said NE¼ of the NE¼, which point is 155 feet east of the west line of the NE¼ of the NE¼; thence east to the point of beginning.

Subject to right of way deed through the land between the main road and the house of the grantors, recorded in Book 84 of Deeds, page 52.

10. The north 110 feet of the east 150 feet of the Northwest Quarter of the Northwest Quarter (NW¼) (NW¼) of Section Thirty-four (34) and the south 40 feet of the east 150 feet of the Southwest Quarter of the Southwest Quarter (SW¼) (SW¼) of Section Twenty-seven (27), all in Township Twenty-six (26) North, Range Forty-four (44) E.W.M., in the County of Spokane and State of Washington.

11. That part of the Northwest Quarter of the Southwest Quarter (NW¼) (SW¼) of Section Seventeen (17), Township Twenty (20) North, Range Forty-three (43) E.W.M. described as follows: Beginning at the point of intersection of the southerly line of the Rosalia-Malden Road and the west line of the NW¼ SW¼ of said Section 17; thence south on the section line 212 feet to point on the westerly side of old County road; thence N. 23°37′ East 323 feet along the westerly side of said old road and said line produced to its intersection with the southerly side of the Rosalia-Malden Road; thence S. 57°00′ West 154 feet more or less along the southerly side of said road to the point of beginning.

12. That part of the Northeast Quarter of the Southeast Quarter (NE¼) (SE¼) of Section Eighteen (18), Township Twenty (20) North, Range Forty-three (43) E.W.M. described as follows: Beginning at the point of intersection of the southerly line of the Rosalia-Malden Road and the east line of the NE¼ SE¼ of said Section 18; thence S. 57°00′ West along the southerly line of said road 150 feet; thence S. 33°00′ East 178.1 feet; thence N. 57°00′ East 34 feet more or less to a point on the east line of said NE¼ SE¼ of Section 18; thence north along said Section line 212. feet more or less to the point of beginning.

13. That portion of Lot 13 Block 6, lying Northwest of a line drawn from the Northwest corner of Lot 1 Block 6 to the Northwest corner of Lot 7 Block 7

Lots 1 and 13 in Block 7
Lots 1 and 13 in Block 8
Lots 1 and 13 in Block 9
Lots 1 and 13 in Block 10
Lots 1 and 13 in Block 11
Lots 1-2-13 and 14 in Block 12
Lots 1-2-3 and Lots 13 to 24 inclusive in Block 13
Lots 13-14 and 15 in Block 22

All in OCCIDENT ADDITION TO SPOKANE FALLS (now Spokane), in the County of Spokane and State of Washington, as per map thereof, recorded in Book "C" of Plats, page 64, situated in the County of Spokane, State of Washington.

14. All of the following described real estate, situated in County of Bonner, State of Idaho, to-wit:

Beginning on Northerly line of the Northern Pacific Railway right of way 600 feet west from where said right of way crosses the East line

of Section 28 in Township 55 North of Range 3 East of the Boise Meridian; thence North 650 feet to Clarksfork River; thence westerly along meanderings of river to point where same crosses the center line of Section 28; thence south to north line of right of way of Northern Pacific Railway Company; thence easterly along right of way 2000 feet to place of beginning.

15. Lot Nine (9) of Block One (1), Mrs. S. C. Thompson's Second Addition to the City of Lewiston, Nez Perce County, State of Idaho, according to the recorded plat thereof.

16. Lots Eleven (11) and Twelve (12) in Block One (1), of BETTMAN'S ADDITION, in the County of Spokane and State of Washington.

17. County Treasurer's Deed No. 741, Pend Oreille County, Washington: Northwest Quarter Northeast Quarter (NW¼ NE¼) Section Thirty-four (34), Township Thirty-two (32) N., Range Forty-three (43), E.W.M.

18. All those lands lying or situate in Sanders County, Montana, conveyed to The Washington Water Power Company by deeds recorded as follows in Sanders County, Montana:

Date Recorded	Document No.	Book	Page
August 20, 1952	77896	57	506
August 11, 1952	77849	57	483
September 10, 1952	78024	58	26
January 17, 1953	78743	58	365
January 29, 1953	78742	58	363
December 11, 1952	78529	58	253
December 11, 1952	78531	58	257
December 11, 1952	78530	58	255
August 11, 1952	77847	57	481
September 29, 1952	78112	58	86
August 20, 1952	77897	57	508
January 8, 1953	78640	58	319
January 8, 1953	78638	58	315
January 8, 1953	78639	58	317
March 26, 1953	78992	58	480
March 26, 1953	78993	58	482
March 26, 1953	78994	58	484

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid

property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 of the Mortgage, all the property, rights, and franchises acquired by the Company after the date hereof (except any hereinbefore or hereinafter or in the Mortgage, as supplemented, expressly excepted) shall be as fully embraced within the lien hereof and the lien of the Mortgage, as supplemented, as if such property, rights and franchises were now owned by the Company and were specifically described herein or in the Mortgage and conveyed hereby or thereby.

Provided that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Second Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, viz: (1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered under the Mortgage, as supplemented, or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for the consumption in the operation of any properties of the Company; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage, as supplemented, or this Second Supplemental Indenture or covenanted so to be; (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; and (5) any property heretofore released pursuant to any provisions of the Mortgage, as supplemented, and not heretofore disposed of by the Company; provided, however, that the property and rights expressly excepted from the lien and operation of this Second Supplemental Indenture and from the lien and operation of the Mortgage, as supplemented, in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event that either or both of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII of the Mortgage by reason of the occurrence of a Completed Default as defined in said Article XII.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Individual Trustee and (to the extent of its legal capacity to hold the same for the purposes hereof) unto the Corporate Trustee, and their successors, heirs and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as supplemented, this Second Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as supplemented, shall affect and apply to the property hereinbefore described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length

described in and conveyed to said Trustees by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustees and their successor or successors in such trust under the Mortgage, as follows:

ARTICLE I.

Third Series of Bonds.

SECTION 1. There shall be a series of bonds designated "3⅞% Series due 1983" (herein sometimes referred to as the "Third Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof and of the appurtenant coupons, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Third Series shall mature on May 1, 1983, and shall be issued as coupon bonds in the denomination of One Thousand Dollars, registerable as to principal, and as fully registered bonds in denominations of One Thousand Dollars and Ten Thousand Dollars and, at the option of the Company, as to either coupon bonds or fully registered bonds, in the denomination of One Hundred Dollars or in any multiple or multiples thereof (the exercise of such option to be evidenced by the execution and delivery thereof); they shall bear interest at the rate of three and seven-eighths per centum (3⅞%) per annum, payable semi-annually on November 1 and May 1 of each year until the principal thereof shall become due and payable (whether at maturity, by declaration, or otherwise) and at the rate of six per centum (6%) per annum on any overdue principal and (to the extent permitted by law) on any overdue installment of interest; and the principal of and interest on each such bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment

is legal tender for public and private debts. Coupon bonds of the Third Series shall be dated as of May 1, 1953, and fully registered bonds of the Third Series shall be dated as in Section 10 of the Mortgage provided.

(I) Bonds of the Third Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage, as supplemented, in whole at any time, or in part from time to time, prior to maturity, upon notice published as provided in Section 52 of the Mortgage, once on at least four different days before the date fixed for redemption, the first publication to be at least thirty (30) days prior to the date fixed for redemption, at the following general redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

GENERAL REDEMPTION PRICES

If redeemed during 12 months period ending April 30,

1954	104.00%	1964	102.63%	1974	101.25%
1955	103.87%	1965	102.49%	1975	101.11%
1956	103.73%	1966	102.35%	1976	100.97%
1957	103.59%	1967	102.21%	1977	100.83%
1958	103.45%	1968	102.07%	1978	100.69%
1959	103.32%	1969	101.94%	1979	100.56%
1960	103.18%	1970	101.80%	1980	100.42%
1961	103.04%	1971	101.66%	1981	100.28%
1962	102.90%	1972	101.52%	1982	100.14%
1963	102.76%	1973	101.38%	1983	100.00%

in each case together with accrued interest to the date fixed for redemption.

(II) Bonds of the Third Series shall also be redeemable in whole at any time, or in part from time to time, prior to maturity, upon like notice, by the application (either at the option of the Company or pur-

suant to the requirements of the Mortgage) of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38, Section 39 or Section 64 of the Mortgage or with the Proceeds of Released Property; provided, however, that in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be prior to January 1 of the calendar year in which such deposit of cash shall become due under the provisions of Section 39 of the Mortgage, they shall be redeemable at the general redemption prices set forth in subdivision (I) of this Section, together with accrued interest to the date fixed for redemption; and provided further, that

(1) in the case of application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, if the date fixed for such redemption shall be on or after January 1 of the calendar year in which such deposit of cash shall become due, or

(2) in the case of redemption by the application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 38 or Section 64 of the Mortgage or with the Proceeds of Released Property,

they shall be redeemable at the special redemption price of the principal amount of the bonds to be redeemed, without premium, together with accrued interest to the date fixed for redemption.

(III) At the option of the holder, any coupon bonds of the Third Series, upon surrender thereof with all unmatured coupons appertaining thereto at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of fully registered bonds of the same series of authorized denominations. All such coupon bonds to be exchanged as aforesaid shall be in bearer form or, if registered, accompanied by a written instrument of transfer, if required by the Company, duly executed

by the registered owner or by his duly authorized attorney. At the option of the registered owner, any fully registered bonds of the Third Series, upon surrender thereof, for cancellation, at said office or agency of the Company, together with a written instrument of transfer, if required by the Company, duly executed by the registered owner or by his duly authorized attorney, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of coupon bonds of the same series, with all unmatured coupons attached, or for a like aggregate principal amount of fully registered bonds of the same series of other authorized denominations.

The holder of any coupon bond of the Third Series may have the ownership thereof registered as to principal at the office or agency of the Company in the Borough of Manhattan, The City of New York, and such registration noted on such bond. After such registration no transfer of such bond shall be valid unless made at said office or agency by the registered owner in person or by his duly authorized attorney and similarly noted on such bond; but (subject to the provisions of Section 12 of the Mortgage) the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; but such bond may again from time to time be registered or transferred to bearer in accordance with the above procedure. Such registration, however, shall not affect the negotiability of the coupons appertaining to such bonds, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer. Fully registered bonds of the Third Series shall also be transferable (subject to the provisions of Section 12 of the Mortgage) at said office or agency of the Company.

ARTICLE II.

Miscellaneous Provisions.

SECTION 2. The last paragraph of Section 54 of the Mortgage is hereby amended to read as follows:

"If any fully registered bond of a denomination larger than One Thousand Dollars ($1,000) shall be called for redemption in part only, the notice of redemption shall specify the principal amount thereof to be redeemed, and such fully registered bond shall be presented for cancellation properly endorsed for transfer at or after the date fixed for the redemption of said bonds so called for redemption, and thereupon the payment with respect to said bond shall be made upon surrender of said bond so endorsed, and coupon bonds or fully registered bonds for the unpaid balance of the principal amount of the fully registered bond so presented and surrendered shall be executed by the Company and authenticated and delivered by the Corporate Trustee without charge therefor to the holder thereof, provided, however, that in the case of redemption or purchase by the Corporate Trustee in part of any fully registered bond of the 3⅞% Series due 1983 or any subsequent series of a denomination larger than Ten Thousand Dollars ($10,000), under any provisions of this Indenture, the registered owner need not surrender such fully registered bond for cancellation, and the Corporate Trustee or its authorized agent shall upon presentation of such bond at its office for such purpose make notation thereon of the payment of the portion of the principal amount of such bond so called for redemption or purchased in part and of the number or numbers, if any, of the coupon bonds theretofore endorsed upon or reserved for such fully registered bond which are canceled upon such payment. On and after the date fixed for such redemption, or, on and after the date of any such purchase, as the case may be, interest shall be payable only on the portion of each such fully registered bond not so called for redemption or purchased and only such portion shall continue to be entitled to the benefit of the Lien of this Indenture."

SECTION 3. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Second Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 4. The Trustees hereby accept the trusts hereby declared, provided, created or supplemented and agree to perform the same upon the terms and conditions herein and in the Mortgage, as supplemented, set forth, including the following:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Second Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. Each and every term and condition contained in Article XVI of the Mortgage, as supplemented, shall apply to and form part of this Second Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Second Supplemental Indenture.

SECTION 5. Whenever in this Second Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XV and XVI of the Mortgage, as supplemented, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Second Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustees, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 6. Nothing in this Second Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons outstanding under

the Mortgage, any right, remedy or claim under or by reason of this Second Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Second Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons Outstanding under the Mortgage.

SECTION 7. So long as any bonds of the Third Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Third Series Outstanding at the time of such waiver, notwithstanding the provisions of the second paragraph of Section 7 of the Mortgage, in any Net Earning Certificate required to be delivered to the Corporate Trustee there shall be included in the operating expenses all interest on customers' deposits and all provisions for renewal, replacement, depreciation, depletion and retirement of property and for property losses; provided, however, that the amounts actually expended for and the amounts accrued for repairs and maintenance plus the provisions for renewal, replacement, depreciation, depletion and retirement of property and for property losses so included shall not be less than an amount equal to thirteen and one-half per centum (13½%) of the Gross Operating Revenues for the twelve (12) consecutive calendar months covered by such certificate.

SECTION 8. The Company covenants that it will file with the Corporate Trustee, on or before November 1 of each year beginning with the year 1954, a Treasurer's Certificate stating that, except as may be set forth to the contrary in such certificate, the Company has complied with all of the provisions of this Indenture and as of the date of the certificate is not in default with respect to any of its covenants contained in this Indenture.

The Company covenants that it will notify the Corporate Trustee immediately upon the occurrence of any event specified in Section 44

of the Mortgage without waiting for the passage of the ninety (90)-day period of grace specified therein.

The Company covenants that, so long as any bonds of the Third Series remain Outstanding (unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Third Series Outstanding at the time of such waiver), it will not convey or transfer any property which is subject to the lien of the Mortgage to any subsidiary of the Company except in accordance with the provisions of Article XV of the Mortgage or except such property as shall thereupon be released from the lien of the Mortgage under the provisions of Article XI thereof.

SECTION 9. The fifth paragraph of Section 38 of the Mortgage is hereby amended by inserting "(other than cash subsequently withdrawn under the provisions of subdivision (A) of this Section or, on the basis of the right to the authentication and delivery of bonds on the basis of property additions, under the provisions of subdivision (B) of this Section)" after the words "shall deduct the aggregate amount of any cash".

SECTION 10. The Company may enter into agreements which have the approval of the Corporate Trustee with any holders of registered bonds without coupons providing for the payment to such holders of the principal of, and the premium, if any, and interest on, such bonds, or any part thereof, at a place other than the place of payment stated in such bonds, and for the making of notations, if any, of such payments on such bonds by such bank or trust company or banks or trust companies as may be designated by the Corporate Trustee to act as its agent or agents for such purpose. The Corporate Trustee is authorized to enter into or approve any such agreement and, subject to the provisions of Sections 137 and 138 of the Mortgage, shall not be liable or responsible for any act or omission to act on the part of any such agent in connection with any such agreement.

SECTION 11. The Company covenants that it will not request the cancelation and discharge of the lien of the Mortgage under the provisions of Section 106 thereof unless it shall have authorized the Corporate Trustee to give to the holders of bonds of the Third Series notice by publication in one Daily Newspaper printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York, that funds for the immediate payment of such bonds and the premium, if any, and interest thereon are on deposit with the Corporate Trustee.

SECTION 12. This Second Supplemental Indenture shall be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 13. The titles of the several Articles of this Second Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on this 8th day of June, 1953, THE WASHINGTON WATER POWER COMPANY, party hereto of the first part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and CITY BANK FARMERS TRUST COMPANY, one of the parties hereto of the second part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice-Presidents and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries, and RALPH E. MORTON, one of the parties hereto of the second part, has for all like purposes hereunto set his hand and affixed

his seal, all in The City of New York, New York, as of the day and year first above written.

THE WASHINGTON WATER POWER COMPANY,

By K. M. ROBINSON
President.

Attest:

C. D. ROOT
Assistant Secretary.

(SEAL)

Executed, sealed and delivered by THE WASHINGTON WATER POWER COMPANY, in the presence of:

W. W. STAPLIN

JOHN M. STUART

CITY BANK FARMERS TRUST COMPANY,
As Trustee.

By GEO. J. KENNY
Vice-President.

Attest:

B. FALCONER
Assistant Secretary.

(SEAL)

Executed, sealed and delivered by CITY BANK FARMERS TRUST COMPANY, in the presence of:

G. R. D. WILLIAMS

A. HALL

RALPH E. MORTON (L. S.)
RALPH E. MORTON

Executed, sealed and delivered by RALPH E. MORTON, in the presence of:

G. R. D. WILLIAMS

A. HALL

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On the 8th day of June, 1953, before me personally appeared K. M. ROBINSON, to me known to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 8th day of June, in the year 1953, before me, ALICE M. POWELL, a Notary Public in and for the State and County aforesaid, personally appeared K. M. ROBINSON, known to me to be the President of THE WASHINGTON WATER POWER COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

ALICE M. POWELL
Notary Public.

(SEAL)

ALICE M. POWELL
Notary Public, State of New York
Qualified in Queens County
No. 41-3145500
Cert. filed in Queens, New York
Kings & Westchester
Register's Office-Queens, N. Y. & Kings
Commission Expires March 30, 1955
Residing at Jackson Heights, N. Y.

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On the 8th day of June, 1953, before me personally appeared GEO. J. KENNY, to me known to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation for the uses and purposes therein mentioned and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation.

On the 8th day of June, in the year 1953, before me, STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared GEO. J. KENNY, known to me to be a Vice-President of CITY BANK FARMERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument and acknowledged to me that such Corporation executed the same.

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

STANLEY A. NELSON
Notary Public.

(SEAL)

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificates filed in the following Offs.
County Clerks: New York and Fulton
City Register: New York County
Term Expires March 30, 1955
Residing at Westbury, New York

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On this 8th day of June, in the year 1953, before me STANLEY A. NELSON, a Notary Public in and for the State and County aforesaid, personally appeared RALPH E. MORTON, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

On this day personally appeared before me RALPH E. MORTON, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 8th day of June, 1953.

STANLEY A. NELSON
Notary Public

(SEAL)

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificates filed in the following Offs.
County Clerks: New York and Fulton
City Register: New York County
Term Expires March 30, 1955

Residing at Westbury, New York

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

K. M. ROBINSON, being duly sworn, deposes and says that he is the President of THE WASHINGTON WATER POWER COMPANY, the Mortgagor named in the foregoing instrument, and makes this affidavit for and on its behalf; that said instrument is made in good faith and without any design to hinder, delay or defraud creditors.

K. M. ROBINSON

Subscribed and sworn to before me }
this 8th day of June, 1953. }

ALICE M. POWELL
Notary Public

ALICE M. POWELL
Notary Public, State of New York
Qualified in Queens County
No. 41-3145500
Cert. filed in Queens, New York
Kings & Westchester
Register's Office-Queens, N. Y. & Kings
Commission Expires March 30, 1955

Residing at Jackson Heights, N. Y. (SEAL)

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

GEO. J. KENNY, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice-President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that said mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000), subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without design to hinder, delay or defraud creditors, and that he makes this affidavit on behalf of said City Bank Farmers Trust Company.

GEO. J. KENNY

Subscribed and sworn to before me
this 8th day of June, 1953.

STANLEY A. NELSON
Notary Public

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificates filed in the following Offs.
County Clerks: New York and Fulton
City Register: New York County
Term Expires March 30, 1955

(SEAL)

Residing at Westbury, New York

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

RALPH E. MORTON, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and trustees named in the foregoing mortgage and deed of trust; that the mortgage and deed of trust is made in good faith to secure the amount named therein (not in excess of One Hundred and Fifty Million Dollars ($150,000,000), subject to being increased to an amount not exceeding Five Hundred Million Dollars ($500,000,000), as therein provided) and without any design to hinder, delay or defraud creditors.

RALPH E. MORTON

Subscribed and sworn to before me
this 8th day of June, 1953.

STANLEY A. NELSON
Notary Public

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificates filed in the following Offs.
County Clerks: New York and Fulton
City Register: New York County
Term Expires March 30, 1955

Residing at Westbury, New York

(SEAL)

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

GEO. J. KENNY, being first duly sworn, upon oath, deposes and says: that he is an officer, to-wit, a Vice President of CITY BANK FARMERS TRUST COMPANY, a corporation, one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust and that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

GEO J. KENNY

Subscribed and sworn to before me
this 8th day of June, 1953.

STANLEY A. NELSON
Notary Public

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificates filed in the following Offs.
County Clerks: New York and Fulton
City Register: New York County
Term Expires March 30, 1955

Residing at Westbury, New York

(SEAL)

STATE OF NEW YORK,
COUNTY OF NEW YORK, } ss.:

RALPH E. MORTON, being first duly sworn, upon oath, deposes and says: that he is one of the mortgagees and/or trustees named in the foregoing mortgage and deed of trust; that the foregoing mortgage and deed of trust is a true copy of said original mortgage and deed of trust.

RALPH E. MORTON

Subscribed and sworn to before me
this 8th day of June, 1953.

STANLEY E NELSON
Notary Public

STANLEY A. NELSON
Notary Public, State of New York
No. 30-2866000
Qualified in Nassau County
Certificates filed in the following Offs.
County Clerks: New York and Fulton
City Register: New York County
Term Expires March 30, 1955

Residing at Westbury, New York

(SEAL)

Receipt

The undersigned, The Washington Water Power Company, the mortgagor in the foregoing mortgage and deed of trust, hereby acknowledges surrender, without cost, by the mortgagees and trustees to the undersigned at the time of the execution of the foregoing mortgage and deed of trust of a correct copy of said original mortgage and deed of trust, as signed, with the acknowledgments shown thereon, and acknowledges receipt thereof.

Dated this 8th day of June, 1953.

The Washington Water Power Company

By K.M. Robinson
President.

Attest:

C.D. Root
Assistant Secretary.

(SEAL)

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: James J. Hoecker, Chairman;
William L. Massey, Linda Breathitt,
and Curt Hébert, Jr.

Avista Corporation Project No. 2058-014

ORDER ISSUING NEW LICENSE

(Issued February 23, 2000)

On February 17, 1999, Avista Corporation (Avista)[1] filed an application for a new license pursuant to Sections 15 and 4(e) of the Federal Power Act (FPA),[2] for the continued operation and maintenance of the Noxon Rapids Hydroelectric Project No. 2075 and Cabinet Gorge Hydroelectric Project No. 2058. The projects are located on the Clark Fork River in Bonner County, Idaho, and Sanders County, Montana.[3] The Noxon Rapids Project occupies 913 acres of Unites States land within the Idaho Panhandle, Lolo, and Kootenai National Forests. The Cabinet Gorge Project occupies 356 acres of United States land within the Idaho Panhandle and Kootenai National Forests. Although the projects have been operated under separate licenses, Avista is seeking a single new license that would encompass both projects, and has renamed the two as the Clark Fork Project.

[1]Avista changed its name from the Washington Water Power Company effective January 1, 1999.

[2]16 U.S.C. §§ 791(e), 808.

[3]The Clark Fork is a navigable water of the United States at least from Pend Oreille Lake in Idaho to the mouth of the Jocko River in Montana. See Montana Power Company, 8 FPC 751,753.

BACKGROUND

The original licenses for the Cabinet Gorge Project and the Noxon Rapids Project were issued on January 9, 1951, and May 12, 1955, respectively,[4] and will both expire on February 28, 2001.[5] With its new license application, Avista filed a collaboratively-prepared draft environmental assessment, a Settlement Agreement, five resource management plans and supporting data. The Settlement Agreement is described below.

Notice of the application was published, and comments were received. Timely motions to intervene in this proceeding were filed by the State of Montana (Montana), U.S. Department of Agriculture's Forest Service, and U.S. Department of the Interior. The State of Idaho filed an untimely motion to intervene on May 12, 1999.[6] None of the motions filed are in opposition to issuing a new license. However, Bob and Betsy Best and Charlton Mills (legal counsel representing eight owners of private lands in the lower Clark Fork River downstream of the Cabinet Gorge Dam) filed protests. The concerns of the protestors are discussed below.

Commission staff issued a Draft Environmental Impact Statement (EIS) that evaluated the potential impacts of the two projects. Numerous comments on the Draft EIS were filed, and the Commission staff considered these comments in preparing the Final EIS, which was issued in February 2000.[7] We have fully considered the motions and comments received from interested agencies and individuals in determining whether, and under what conditions, to issue this license.

[4]10 FPC 657; 14 FPC 731.

[5]On February 7, 1995, Avista filed a request to accelerate the expiration date of the license for the Noxon Rapids Project from April 30, 2005, to February 28, 2001. The Commission issued an order on June 2, 1995, accelerating the expiration date to February 28, 2001. Under the Commission's regulations, 18 CFR 16.4(a)(2), this request for acceleration of the expiration date was deemed to be the Notice of Intent to file for a new license for the Noxon Rapids Project.

[6]A notice granting late intervention was issued August 12, 1999.

[7]References in this order to the EIS are to the Final EIS unless otherwise specified. Comments on the Draft EIS were received from the Montana State Historic Preservation Office, the U.S. Environmental Protection Agency, Idaho Department of Fish and Game, U.S. Department of the Interior, Montana Department of Environmental Quality, U.S. Forest Service, Calvin H. Ryder, River Care, and Avista Corporation.

PROJECT DESCRIPTION

The project includes two developments which adjoin one another over a distance of 58 miles on the Clark Fork River. Flows from the Noxon Rapids development immediately enter the Cabinet Gorge reservoir. The Noxon Rapids development, which is the upstream development, consists of a 6,195-foot-long, 260-foot-high dam with an earthen embankment section, a concrete gravity spillway section and a powerhouse section that is integral with the dam; a 7,940-acre reservoir with a gross storage capacity of 400,000 acre-feet at full pool; five 26-foot-diameter, 170-foot-long steel penstocks built into the intake section of the dam; five Francis turbine generators with a total operating capacity at full turbine flow and full pool of 466 megawatts (MW); a 900-foot-long transmission line; and appurtenant facilities.

The facilities at the Cabinet Gorge development consist of a 395-foot-long, 208-foot-high concrete gravity arch dam; a 75-foot-long, 12-foot-high concrete saddle dam, located in a depression near the south abutment; a 3,200-acre reservoir with a gross storage capacity of 105,000 ac-ft at full pool; four 27-foot-diameter, concrete-lined penstocks ranging in length from 447 feet to 564 feet; a 355-foot-long by 106-foot-wide semi-outdoor powerhouse, containing three fixed-blade propeller turbine generators and one Kaplan turbine generator with a total operating capacity at full turbine flow and full pool of 231 MW; and appurtenant facilities.

The Clark Fork Project, with a total capacity of 697 MW, is operated by Avista to help meet the daily peak electrical loads of its customers and the connected grid.

WATER QUALITY CERTIFICATION

Under Section 401(a)(1) of the Clean Water Act (CWA),[8] the Commission may not issue a license for a hydroelectric project unless the state water quality certifying agency has issued a water quality certification for the project or has waived certification. Section 401(d) of the CWA provides that state certification shall become a condition on any federal license or permit that is issued.[9] Only a reviewing court can revise or delete these conditions.[10] The Idaho Department of Environmental Quality (IDEQ) and the Montana Department of Environmental Quality (MDEQ) issued Section 401 water

[8] 33 U.S.C. § 1341(a)(1).

[9] 33 U.S.C. § 1341(d).

[10] See American Rivers v. FERC, 129 F.3d 99 (D.C. Cir.1997).

quality certifications for the Clark Fork Project, subject to certain conditions, on August 20, 1999, and April 27, 1999, respectively.

IDEQ's water quality certification includes nine conditions, and MDEQ's certification includes six conditions, which are attached to this order as Appendix A and are conditions of this license. The substantive provisions are summarized below.

Condition 1 of both IDEQ's and MDEQ's water quality certifications requires the licensee to comply with the terms and conditions of the Settlement Agreement and incorporates several of the PM&E measures into the water quality certifications by reference.

Condition 2 of MDEQ's certification requires the licensee to notify MDEQ in writing not less than two weeks prior to commencing any construction activity under authority of the certification which may result in the discharge of pollutants to state waters. The licensee shall notify the state within seven days after completion of the construction activity resulting in a discharge of pollutants.

Conditions 3 and 4 of IDEQ's certification require that the project not cause or contribute to violations of the state's surface water quality criteria, and that nonpoint source activities associated with the projects be controlled through best management practices to minimize adverse water quality impacts. Additionally, IDEQ has reserved authority to require plans, corrective actions, and monitoring necessary to correct water quality violations that may develop as a result of operation, maintenance, or construction associated with the project, and as a result of any failure by the licensee to comply with the terms of the Settlement Agreement.

SECTION 4(e) OF THE FPA

Portions of the Noxon Rapids Project are located within the Idaho Panhandle, Lolo, and Kootenai National Forests, and portions of the Cabinet Gorge Project are located within the Idaho Panhandle and Kootenai National Forests. All three of these National Forests are under the supervision of the U.S. Forest Service.

Section 4(e) of the FPA[11] states the Commission may issue a license for a project on a reservation only if it finds that the license will not interfere or be inconsistent with

[11] 16 U.S.C. § 797(e).

the purpose for which the reservation was created or acquired. Section 3(2) of the FPA[12] defines reservations as including national forests. We find that this license will not interfere or be inconsistent with the purposes for which the Idaho Panhandle, Lolo, and Kootenai National Forests were created.[13]

FPA Section 4(e) also requires that a Commission license for a project located on United States reservations must include all conditions that the Secretary of the department under whose supervision the reservation falls shall deem necessary for the adequate protection and utilization of such reservation.[14] Pursuant to Section 4(e), the Forest Service, by letter dated April 29, 1999, submitted terms and conditions, which are set forth in Appendix B of this order and incorporated into the license.

The Forest Service's 4(e) conditions require Avista to: (1) comply with all the terms of the Settlement Agreement; (2) obtain prior written approval of the Forest Service for all final design plans for project components which the Forest Service deems as affecting or potentially affecting National Forest System lands and resources; (3) obtain written approval of the Forest Service prior to making any changes in the location of any project facilities or in the uses of project lands and waters that may affect National Forest System lands or resources; and develop and implement a (4) public notification plan, (5) solid waste and waste water plan; (6) hazardous substances plan; (7) noxious weeds plan; and (8) pesticide and herbicide use plan.

COLLABORATIVE LICENSING PROCESS, SETTLEMENT AGREEMENT, AND ADAPTIVE MANAGEMENT PROPOSAL

A. Description

In 1993, Avista Corporation began a process to relicense the Noxon Rapids and Cabinet Gorge Projects. In mid-1996, stakeholders were invited to meet with a neutral facilitator to develop a process for participating in the relicensing of these projects. There

[12]16 U.S.C. § 796(2).

[13]The national forests within which the Clark Fork Project is located were created between 1906 and 1911 by presidential proclamations. At the time, the Organic Administration Act of 1897, 16 U.S.C. § 475, stipulated that all national forest lands were established and administered only for watershed protection and timber production.

[14]Escondido Mutual Water Co. v. LaJolla Band of Mission Indians, 466 U.S. 765 (1984).

evolved a Clark Fork Relicensing Team, which included representatives from nearly 40 organizations, including federal and state agencies, five Indian tribes, special interest groups, conservation groups, property owners, and Avista Corporation. The Relicensing Team established five technical working groups, covering fisheries; water resources; wildlife, botanical, and wetlands; land use, recreation, and aesthetics; and cultural resources management. In April 1997, the Relicensing Team agreed that the licensee would seek permission to file a collaboratively-prepared draft Environmental Assessment (EA) as part of the license application.[15] The preliminary draft EA filed was accepted in lieu of Exhibit E.[16] The team developed protection, mitigation, and enhancement (PM&E) measures that were the basis for the uncontested comprehensive Settlement Agreement that was filed with the license application. The Settlement Agreement filed by the 27 parties[17] establishes processes and includes measures for resolving a wide range of complex and conflicting areas of interest to the various parties, and is the product of several years of collaboration among these parties. Under the Settlement, the licensee

[15]Avista filed a request, on July 23, 1997, to waive certain relicensing regulations and requested preparation of an applicant-prepared EA. On September 18, 1997, the Acting Director of the Office of Hydropower Licensing granted the request for waiver. Sections 4.51(f) and 16.8(f), 18 CFR 4.51(f), 16.8(f) (1999) of our regulations requires that an application for relicense include an Exhibit E (environmental report). The applicant-prepared preliminary draft environmental assessment (APEA) was to substitute for the Exhibit E.

[16]The Draft EIS was based on the preliminary draft EA filed by Avista and the Clark Fork Relicensing Team, in consultation with Commission staff during the period prior to the filing of the license application.

[17]The parties signatory to the Settlement Agreement are: (1) Avista Corporation; (2) Confederated Salish and Kootenai Tribes; (3) Kootenai Tribe of Idaho; (4) U.S. Department of Agriculture, Forest Service; (5) Idaho Department of Fish and Game; (6) Montana Department of Environmental Quality; (7) Montana Department of Natural Resources Conservation; (8) Coeur D'Alene Tribe; (9) Kalispel Tribe; (10) U.S. Fish and Wildlife Service; (11) Idaho Department of Environmental Quality; (12) Idaho Department of Parks and Recreation; (13) Montana Department of Fish, Wildlife and Parks; (14) Montana State Historic Preservation Officer; (15) Idaho State Historic Preservation Officer; (16) Montana B.A.S.S. Federation; (17) Noxon-Cabinet Shoreline Coalition; (18) Cabinet Resource Group; (19) Rock Creek Alliance; (20) Lake Pend Oreille Idaho Club; (21) Alliance for the Wild Rockies; (22) Sanders County, Montana; (23) Trout Unlimited; (24) Green Mountain Conservation District; (25) Idaho Rivers United; (26) Elk Creek Watershed Council; and (27) Tri-State Implementation Council.

will work with a Management Committee, comprised of one representative of each of the 27 parties to the Agreement, to implement the PM&E measures.

The licensee will monitor, and develop measures to mitigate, shoreline erosion caused by project operations. To reduce project-related effects on water quality, the licensee will, for example: (1) develop a gas supersaturation control program for reducing total dissolved gas levels within the Clark Fork River Basin; (2) monitor nutrients, heavy metals, thermal stratification, and dissolved oxygen; and (3) develop plans for waste and wastewater, pesticides, and hazardous substances.

On behalf of fisheries, the licensee will release a 5,000-cubic-feet-per-second minimum flow from Cabinet Gorge Dam. In addition, the licensee will implement a native salmonid restoration plan to: (1) mitigate the operational effects of the project on native fish populations, primarily bull trout and westslope cutthroat trout, in the lower Clark Fork River, its tributaries, and Lake Pend Oreille; (2) improve the long-term viability of native fish populations through improved fish movements and genetic exchange among native salmonid sub-populations, or through hatchery supplementation; (3) restore and protect fish habitat in tributaries to the lower Clark Fork River and in the project reservoirs; (4) implement a bull trout protection program; and (5) conduct a bass fishery enhancement evaluation.

In the areas of terrestrial, riparian and wildlife resources, the licensee will implement measures to protect and enhance black cottonwood habitats, specified forested tracts, wetlands, and wildlife habitat of the reservoir islands. In addition, the licensee will implement measures to protect bald eagles, peregrine falcons, and common loons from project-related human disturbance and operations.

In the area of aesthetics and recreation, the licensee will: (1) screen the Highway 200 substation at Cabinet Gorge and remove billboards; (2) implement an Historic Properties Management Plan (associated with the Clark Fork Heritage Resources Program); (3) implement measures to protect sensitive resources on project lands and the existing character of the reservoir shoreline; (4) provide for public and private recreation access to project lands and waters; (5) repair and improve existing recreation sites and facilities, and develop new recreation facilities; and (6) maintain seven recreation areas.

The parties will work together to address issues relating to the PM&E measures as such issues arise over the term of the new license. Under this adaptive management approach, the participants will provide the Commission with information regarding PM&E measures associated with the continued operation of the project. Such an approach allows for appropriate changes in implementation strategies as additional

information is gathered, new technologies develop, and societal and environmental needs change. As the Settlement recognizes, the PM&E measures will be implemented subject to the Commission's approval.[18] The adaptive management approach incorporated into the license would initially implement those PM&E measures developed through the collaborative effort that are most likely to succeed. The success of these initial measures would be evaluated by the Management Committee and the technical advisory committees, using the monitoring programs established through the Settlement Agreement. Based on the results of these evaluations, the PM&E measures would be fine-tuned or replaced, after Commission approval.

B. Discussion

The settlement is also a condition of the water quality certifications issued for the project under Section 401 of the Clean Water Act, as well as the mandatory conditions the U.S. Forest Service filed pursuant to Section 4(e) of the FPA. In addition, the Department of the Interior filed mandatory fishway prescriptions under Section 18 of the FPA. With exceptions not pertinent here, all these conditions must be included in any new license the Commission issues for the project. Consequently, it is our responsibility, giving equal consideration to developmental and environmental values,[19] to determine whether Avista's project proposal, as conditioned by these mandatory conditions, is best adapted to a comprehensive plan for improving or developing a waterway for beneficial public purposes.

We congratulate the parties for their extensive and ultimately successful efforts to reach consensus on so many significant aspects of operation of the Clark Fork Project over the term of a new license. We also commend our staff for their assistance to the parties in developing a sound framework for a continuing collaborative approach to the management of the project in the public interest. Because the "comprehensive development" standard of FPA Section 10(a)(1) continues to govern regulation of a project throughout the term of its license,[20] it is the Commission's responsibility to approve, through appropriate license amendments, all material changes to the project and

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[18] See, e.g., Settlement Agreement at Sections 4, 14, 25, and 26.

[19] See Section 4(e) of the FPA, 16 U.S.C. § 797(e).

[20] See, e.g., S.D. Warren Co., 68 FERC ¶ 61,213 at p. 62,022 (1994).

its maintenance and operation.[21] We read the Settlement Agreement as entirely consistent with this fundamental principle.[22] In addition, it would be an unacceptable constraint on our Section 10(a)(1) responsibilities, were we not to retain (as we do in this license) the authority to initiate, on our own or anyone else's motion, proceedings to amend the project license as we determine is required by the public interest, after public notice and opportunity for a hearing.[23]

We make one further general observation. Because, as noted, the terms of the Agreement become mandatory license conditions upon issuance of this order, we are unable to delete from the license those provisions of the settlement that are beyond our jurisdiction, in part or in total, to enforce.[24] The parties should understand, however, that they cannot bestow on the Commission jurisdiction it does not otherwise have.[25]

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[21]The Commission's regulations, as well as the terms of the license and basic due process principles, govern what types of alterations require what sorts of submittals or public notice.

[22]Section 14 of the Settlement Agreement provides that "[n]othing in this Agreement shall be construed . . . to diminish the authority of any . . . governmental agency over the Clark Fork Projects, including but not limited to any provisions of the FPA." Section 26 of the Agreement states that the "Management Committee shall have the authority, subject to such FERC approvals as may be necessary in appropriate cases," to exercise various roles in the management of the project.

[23]See, e.g., Southern California Edison Co., 77 FERC ¶ 61,313 at p. 62,428 n. 46 (1997).

[24]Our policy in approving settlement agreements in hydroelectric licensing proceedings was most recently set forth in Erie Boulevard Hydropower, L.P., 88 FERC ¶ 61,176 (1999). The policy is based on the unsurprising principle that the Commission can only enforce those matters that fall within its jurisdiction.

[25]Thus, for example, the Commission will not enforce Settlement Agreement provisions concerning the operations of the Management Committee and its technical advisory subcommittees (Sections 28-30, 32-35) or the implementation of its provisions in the current license. If the parties decide they need clarification regarding the Commission's authority to enforce other provisions of the Settlement, they can submit such inquiries to us.

SECTION 18 FISHWAY PRESCRIPTIONS

Section 18 of the FPA[26] states that the Commission shall require construction, maintenance, and operation by a licensee of such fishways as the Secretaries of the U.S. Departments of Commerce and of the Interior may prescribe. By letter filed May 3, 1999, Interior submitted its Section 18 fishway prescriptions, which are attached as Appendix C. With the exception of timing and scheduling, these prescriptions are also in the Settlement Agreement.

By letter dated June 16, 1999, Avista states that Interior's Section 18 prescriptions ask the Commission to require Avista to develop studies and plans to build a fishway in accordance with the Native Salmonid Restoration Plan. Avista indicates that, while the Native Salmonid Restoration Plan contemplates the possible future construction of fishways, presently there is no fishway that can be described. Avista further asserts that a prescription of a study is not a fishway prescription.

Avista also argues that Interior's prescriptions are confusing from the standpoint of timing and compliance. In points out that Interior's prescriptions would have the Commission's compliance schedule begin with the effective date of the Settlement Agreement, which is March 1, 1999, whereas the new license will not become effective until March 1, 2001. Avista also states that the schedules prescribed by Interior would restrict the role of the Management Committee and may encumber or eliminate the adaptive management approach set forth in the Settlement Agreement.

By letter filed June 9, 1999, Idaho Department of Fish and Game (IDFG) also expressed concern about the time lines for completion of certain tasks required by the Section 18 prescription. IDFG is concerned that Interior's time lines may not allow adequate analysis of alternatives prior to proceeding on measures such as fish passage. IDFG also argues that the proposal to initiate an experimental fish trap and truck program within one year of the Settlement Agreement is premature, due to risks of depleting the donor stocks, risks to adults returning downstream, or other factors. The Commission does not have the authority to revise or delete Section 18 prescriptions.[27]

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[26]16 U.S.C. § 811.

[27]See American Rivers v. FERC, 187 F.3d 1007 (9th Cir. 1999).

RECOMMENDATIONS OF FEDERAL AND STATE FISH AND WILDLIFE AGENCIES

Section 10(j)(1) of the FPA[28] requires the Commission, when issuing a license, to include conditions based upon recommendations of federal and state fish and wildlife agencies submitted pursuant to the Fish and Wildlife Coordination Act,[29] to "adequately and equitably protect, mitigate damages to, and enhance, fish and wildlife (including related spawning grounds and habitat)" affected by the project.

The Idaho Department of Fish and Game (IDFG), Montana Department of Fish, Wildlife, and Parks (MDFWP), and Interior filed a number of recommendations pursuant to Section 10(j). Except as described below, the recommendations provided by IDFG, MDFWP, and Interior are also provisions of the Settlement.

Some of Interior's recommendations contain task-completion schedules that could potentially be inconsistent with the terms of the Settlement Agreement. The Agreement provides for the creation of a Management Committee, of which Interior would be a voting member, to establish schedules and deadlines. To the extent any conflict were to arise, the schedules developed under the Settlement Agreement govern, since the Agreement is a mandatory condition under both the water quality certifications and Section 4(e). We therefore decline to adopt as license conditions the schedules proposed by Interior.[30]

THREATENED AND ENDANGERED SPECIES

Section 7(a) of the Endangered Species Act of 1973 (ESA)[31] requires federal agencies to ensure that their actions are not likely to jeopardize the continued existence of federally listed threatened and endangered species, or result in the destruction or adverse modification of designated critical habitat. Federally listed species that are known to occur in the project area include the threatened bald eagle, grizzly bear and bull trout, and

[28]16 U.S.C. § 803(j)(1).

[29]16 U.S.C. § 661 et seq.

[30]In its letter submitting Section 10(j) recommendations Interior stated that the recommendations were intended to accurately reflect the terms of the Agreement.

[31]16 U.S.C. § 1536(a).

the endangered peregrine falcon and gray wolf. Canada lynx, proposed for listing as threatened, may occur in the project area.

On March 5, 1999, Commission staff submitted a biological assessment (BA) to Interior requesting formal consultation under Section 7 of the ESA. The BA concluded that the continued operation of the project as proposed would not likely adversely affect grizzly bear, gray wolf, bald eagle, or peregrine falcon, and that it would not likely jeopardize the continued existence of the Canada lynx. However, the BA concluded that the project would likely adversely affect the bull trout.

By letter dated August 5, 1999, Interior filed its biological opinion with the Commission concurring that the project as proposed would likely adversely affect bull trout, but concluding that the project would not likely jeopardize the continued existence of the Columbia River distinct population segment of bull trout. Interior included an incidental take statement with reasonable and prudent measures and terms and conditions to minimize incidental take as part of its biological opinion.[32] The EIS concludes that the measures specified in the incidental take statement are consistent with the terms of the Settlement Agreement. We list below the reasonable and prudent measures and the license articles that reflect these measures.

1. Identify adult bull trout attempting to travel upstream of the dams and in a timely manner, agreed to by Interior, provide fish passage in accordance with the Native Salmonid Restoration Plan, to facilitate their spawning migrations from Lake Pend Oreille in order to reduce or eliminate incidental take from dam blockage of migrants (Article 406);

2. Identify juvenile bull trout attempting to travel downstream and provide safe fish passage, in accordance with the Native Salmonid Restoration Plan, to facilitate their migration to Lake Pend Oreille in order to minimize incidental take related to dam effects on juvenile fish from moving through or over the dams (Article 406);

3. Develop and implement a dissolved gas supersaturation control, mitigation, and monitoring program, in accordance with the timing and other provisions agreed to in the Settlement Agreement, to reduce incidental take of bull trout by effects of gas bubble disease (Article 413);

[32]The August 5, 1999 letter from Interior concluded formal consultation on this action.

4. Increase the minimum dam discharge downstream of Cabinet Gorge dam in order to reduce incidental take of bull trout related to effects of power peaking operations on river level changes that increase the susceptibility of downstream migrating juvenile bull trout to predation (Article 429);

5. Implement provisions of the Native Salmonid Restoration Plan and Montana Tributary Habitat Acquisition and Recreational Fishery Enhancement Plan that call for evaluating, monitoring, and controlling exotic fishes in order to reduce incidental take of juvenile and sub-adult bull trout through predation and competition in the reservoirs (Articles 405, 406);

6. Identify juvenile bull trout attempting to travel downstream from tributary streams through the reservoirs to Lake Pend Oreille and provide safe passage, in accordance with the Native Salmonid Restoration Plan, to facilitate their migration to Lake Pend Oreille in order to minimize incidental take related to reservoir effects on migration patterns (Article 406);

7. Monitor ongoing bull trout prey species studies and bull trout population trends in Lake Pend Oreille and, when and if appropriate, provide safe fish passage at the dams for prey species (or other mitigation measures) in order to reduce indirect take of bull trout through species interactions related to inadequate prey base (Article 406);

8. Implement reporting and consultation requirements as outlined in the terms and conditions of the take statement in order to minimize take of bull trout related to implementation of the Native Salmonid Restoration Plan and other fisheries management activities (Article 406); and

9. Investigate and develop a plan, and implement the plan if determined appropriate by Interior, to preserve the genetic variability of the Lake Pend Oreille bull trout as represented by migratory stocks present in the Clark Fork River upstream of Cabinet Gorge dam (Article 406).

Interior included 26 terms and conditions to implement each of these reasonable and prudent measures. The terms and conditions are attached as Appendix D to this order. A number of the terms and conditions require the licensee to take actions that are not specifically required by the settlement, although any of those actions might ultimately result from other actions that the licensee agreed to take in consultation with the Management Committee, pursuant to the terms of the settlement. While we acknowledge that these conditions, in that sense, go beyond the settlement terms, Section 7(b)(4) of the ESA provides that terms and conditions of an incidental take statement "must be

complied with by the Federal agency or applicant (if any), or both, to implement the [reasonable and prudent] measures." Further, Section 7(o)(2) of the ESA provides that "any taking that is in compliance with the terms and conditions specified in [an incidental take statement] shall not be considered to be a prohibited taking of the species concerned." Therefore, in order to ensure that any incidental taking of bull trout will not be considered prohibited, we will include these terms and conditions as license conditions.

OTHER ISSUES

A. Shoreline Erosion

Several private individuals, collectively referred to herein as the Cabinet Gorge Downstream Landowners (CGDL), filed letters[33] with the Commission claiming that shoreline property they own along the Clark Fork River downstream of Cabinet Gorge Dam is being damaged by erosion associated with Avista's operations at the dam. Bob and Betsy Best and Charlton Mills oppose the issuance of a new license for the dam until the issue of shoreline erosion is resolved to the satisfaction of the property owners.

As part of the Settlement Agreement, Avista would implement an erosion fund and shoreline stabilization guidelines program, which is included in this license as Article 428. The goal of this program is to protect important resources where it is determined that they are adversely affected or threatened by project-related erosion. As part of this program, the selection of erosion sites and treatments for protection or restoration would be directed by the Management Committee and accomplished through adaptive management. It is possible that through this program, the cause of shoreline erosion to the property of the CGDL members would be identified and restoration measures would be implemented. However, since the members of the CGDL are not parties to the Settlement Agreement, nor the Management Committee, there is no assurance that their concerns regarding damage to their property would be addressed through the measures provided by the Settlement Agreement.

[33]Letters were received from Bob and Betsy Best on April 6,1999; Charlton Mills, legal counsel representing 8 unidentified private land owners, on April 29,1999; Scott W. Reed on April 12, 1999; H.T. Sallmon on May 4, 1999; and Lowell V. Ruen on May 6, 1999.

In the EIS, Commission staff presented data prepared by Avista[34] estimating that approximately 10 to 30 percent of the shoreline erosion in the lower Clark Fork River is caused by the daily flow cycling operations at Cabinet Gorge dam. The members of the CDGL filed information[35] suggesting that 65 to 80 percent of the shoreline erosion in this area is attributable to the operations of the Cabinet Gorge Project. Currently there is no long-term, site-specific data available to accurately estimate shoreline erosion rates in the lower Clark Fork River; therefore, the accuracy of the claims by Avista and CGDL cannot be determined. The EIS suggests that Avista should conduct seasonal, site-specific monitoring studies of shoreline erosion rates in the lower Clark Fork River. The results of these studies could be used to validate the estimates presented in the EIS or create new estimates of the amount of project-related shoreline erosion occurring in the lower Clark Fork River. Based on the information filed with the Commission, we conclude that there is sufficient evidence to support the need for site-specific monitoring. Therefore, we are requiring Avista to conduct seasonal, site-specific monitoring of streambank profiles in the lower Clark Fork River, particularly between river miles 144 and 147, after consultation with the Management Committee and the CGDL (Article 434). The results would be used by the Commission to identify rates of erosion and order implementation of corrective actions, if appropriate.

B. Additional Water Quality Measures

The Forest Service 4(e) conditions require Avista to develop plans that address the disposal of solid waste and waste water, the storage and spill prevention of hazardous substances, and the use of pesticides and herbicides on National Forest System lands. Based on the EIS, we are requiring development and implementation of plans to manage these potential pollutants on all project lands and waters (Articles 435, 436, and 437). Each of these plans shall be filed within one year of the effective date of the license and will establish steps to be taken to minimize the potential for these substances to enter project waters.

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[34]Parametrix. 1998. Phase I Report: Assessment of Geomorphic Processes. Washington Water Power, Spokane, WA.

[35]Rosgen, D. 1998. A Review of Parametrix Phase I Report: Assessment of Geomorphic Processes. Letter dated October 15, 1998, to David Lewis.

C. Existing Water User Protection Agreement

In a matter separate from the Settlement Agreement discussed above, Avista and the State of Montana entered into an agreement, executed on June 11, 1999, that establishes procedures under which the two parties will work to resolve issues concerning the development of waters upstream of the Clark Fork Project, for much of which Avista apparently holds senior rights.[36] By the terms of the agreement, the parties ask the Commission to "approve" the agreement and make it a license condition.

While we appreciate that this agreement may have constituted an important aspect of the overall negotiations involving the Clark Fork Project relicense, we have no jurisdiction to "approve" the agreement, just as and we have no jurisdiction over water rights, which are a matter of state law.[37] We therefore will not make the agreement a license condition.

COMPREHENSIVE PLANS

Section 10(a)(2)(A) of the FPA[38] requires the Commission to consider the extent to which a hydroelectric project is consistent with federal and state comprehensive plans for improving, developing, or conserving waterways affected by the project.[39] Under Section 10(a)(2)(A), federal and state agencies filed 74 comprehensive plans that address various resources in Idaho and Montana. Of these, we identified and reviewed 26 plans

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[36]Avista filed the agreement with the Commission on June 16, 1999.

[37]The Commission can, however, require, as a condition to a license, that the licensee use his water rights in part for other beneficial public purposes. See California v. Federal Power Commission, 345 F.2d 917, 923-24 (9th Cir. 1965).

[38]16 U.S.C. § 803(a)(2)(A).

[39]Comprehensive plans for this purpose are defined at 18 CFR 2.19 (1999).

relevant to the Clark Fork Project.[40] In addition to the plans filed pursuant to Section 10(a)(2)(A), we considered 11 other plans.[41] No inconsistencies were found.

[40](1) Forest Plan – Idaho Panhandle National Forests, 1987; (2) Idaho Fisheries Management Plan, 1986-1990, 1986; (3) Pacific Northwest Rivers Study,1986; (4) Idaho Water Quality Standards and Wastewater Treatment Requirements, 1985; (5) Idaho Outdoor Recreation Plan, 1986; (6) State Water F'an, 1986; (7) Columbia River Basin Fish and Wildlife Program, 1984; (8) Northwest Conservation and Electric Power Plan, 1986; (9) Columbia River Basin Fish and Wildlife Program, 1987; (10) Protected Areas Amendments and Response to Comments, 1988; (11) Columbia River Basin Fish and Wildlife Program, 1994; (12) The Lolo National Forest Plan, 1986; (13) Kootenai National Forest Plan; 1987; (14) Order of the Board of Natural Resources Establishing Water Reservations, Undated; (15) Montana Statewide Comprehensive Outdoor Recreation Plan, 1983; (16) Montana Department of Fish, Wildlife and Parks Water Rights filings under S.B.76, 1993; (17) Montana Water Quality 1992: Montana's 305 (b) Report, 1992; (18) Montana Water Plan Management, Section. Instream Flow Protection,1989; (19) Montana Water Plan Management Section. Federal Hydropower Licensing and State Water Rights, 1989; (20) Montana Water Plan: Water Storage, 1990; (21) Montana Water Plan: Drought Management, 1990; (22) Montana Water Plan: Integrated Water Quality and Quantity Management, 1992; (23) North American Waterfowl Management Plan, 1986; (24) North American Waterfowl Management Plan, 1990; (25) Fisheries USA: The Recreational Fisheries Policy of the U.S. Fish and Wildlife Service, Undated; (26) The Nationwide Rivers Inventory, 1982 .

[41] (1) Idaho Comprehensive Outdoor Recreation and Tourism Plan (1997SCORP), 1997; (2) Governor Philip E. Batt's State of Idaho Bull Trout Conservation Plan, 1997; (3) List of Water Bodies in need of Total Maximum Daily Load Development, 1998; (4) Montana Warm Water Fisheries Management Plan, 1997; (5) Upper Clark Fork Basin Water Management Plan, 1994; (6) Draft Restoration Plan for Bull Trout in the Clark Fork River Basin and Kootenai River Basin, Montana, 1998; (7) Lower Clark Fork River Drainage Bull Trout Status Report, 1996; (8) Middle Clark Fork River Drainage Bull Trout Status Report, 1996; (9) Upper Clark Fork River Drainage Bull Trout Status Report, 1995; (10) Flathead River Drainage Bull Trout Status Report, 1995; (11) Bitterroot River Drainage Bull Trout Status Report, 1995.

APPLICANT'S PLANS AND CAPABILITIES

In accordance with Sections 10(a)(2)(C) and 15(a) of the FPA,[42] we have evaluated Avista's record as a licensee with respect to the following: (A) consumption improvement program; (B) compliance history and ability to comply with the new license; (C) safe management, operation, and maintenance of the project; (D) ability to provide efficient and reliable electric service; (E) need for power; (F) transmission services; (G) cost effectiveness of plans; (H) actions affecting the public; and (I) ancillary services.

A. Consumption Improvement Program

Avista has a history of effective demand-side energy management initiatives dating back to 1978 and resulting in total annual electricity savings of 387 gigawatthours (Gwh) through 1995. In 1995, Avista implemented a special tariff designed to continue funding for demand-side management programs into the future. We expect these programs to result in continued improvement in the efficiency of electricity consumption by Avista's customers well into the future.

B. Compliance History and Ability to Comply with the New License

We have reviewed Avista's compliance with the terms and conditions of the existing licenses. We find that Avista's overall record of making timely filings and compliance with its license is satisfactory.

C. Safe Management, Operation, and Maintenance of the Project

We have reviewed Avista's record of management, operation, and maintenance of the Clark Fork Project pursuant to project safety. We conclude that the dam and other project works are safe and that the licensee's record of managing, operating, and maintaining these facilities supports the decision to issue a license.

D. Ability to Provide Efficient and Reliable Service

Avista operates the Clark Fork Project under the terms of the Pacific Northwest Coordination Agreement, which coordinates the operation of the Columbia River system hydroelectric resources to provide efficient use of the available storage and generation

[42]16 U.S.C. §§ 803 and 808.

facilities. Since 1992 there have been only two incidences of unscheduled plant outages resulting in down times of relatively short duration. We conclude that Avista should be able to continue to serve its customers efficiently and reliably over the term of a new license.

E. Need for Power

The Clark Fork Project is located in the Northwest Power Planning Council (NPPC) region, and contributes to meeting both Avista's need and the regional need for power. Noxon Rapids and Cabinet Gorge operate in tandem, and the power generated helps meet the daily peak and weekly load demands of Avista customers and other utilities in Idaho and Washington. The Clark Fork Project generates an average of 2,836,300 MWh of electricity, annually.

Both Avista and Bonneville Power Administration (BPA) transmission lines connect the project to the northwest transmission grid. In 1998, the company's peak electric requirement was estimated to be 2,657 MW. Avista owns 1,578 MW of generating capacity and has 687 MW of long-term hydro contracts and other purchases. With a total capacity of 697 MW, the Clark Fork Project represents about 44 percent of Avista's owned capacity. Avista also uses demand-side management and conservation programs and power purchases in the "electric wholesale market" of the western United States and Canada to meet its electric power demands.

Every two years the company prepares an "Integrated Resource Plan" for the Idaho Public Utilities Commission (PUC) and the Washington Utilities and Transportation Commission (WUTC) to address the need to balance energy resource availability with future demand. The 1997 Integrated Resource Plan assumes license renewal of the Clark Fork Project and calls for future customer need to be met by continuing energy conservation programs and renewal of its mid-Columbia hydro contracts. Avista projects about a 1.4-percent annual growth in its electricity demand through the year 2017.

The Pacific Northwest Coordination Agreement (PNCA) sets the framework for coordinating the operation of the Clark Fork and other Columbia River Basin projects to help meet the regional power demands. Regional forecasters project more than a one-percent annual electrical load growth for the region through the next decade. The Clark Fork project provides the regional power supply system with needed capacity and load following capability and helps maintain system reliability. The monthly operation of both projects is coordinated with other projects in the region via the PNCA. The Clark Fork Project is party to other coordination agreements to facilitate operation of the western interconnected grid.

Besides the need for the projects' power, the operation of the Clark Fork Project helps support the Northwest electrical system during emergency conditions or unusual weather events. The ability of the Clark Fork Project to respond quickly (within minutes) to outages at other generating stations makes the project especially useful during emergency situations. Without the Clark Fork Project, additional coal, oil or natural gas-fired turbines might have to be constructed to meet local and regional load and reliability requirements.

By producing hydroelectricity, the Clark Fork Project displaces the need for other power plants to operate, thereby avoiding some power plant emissions and creating an environmental benefit. Consequently, continued operation of the Clark Fork Project would likely reduce annual carbon emissions in the region. The amount of greenhouse gases (GHG) emissions that are avoided depends on the type of power displaced, which is region-specific.[43] In the Western States Coordinating Council (WSCC) reliability region where the Clark Fork Project is located, the capacity mix includes a proportionately large amount of hydropower, relative to other parts of the country.

F. Transmission Services

Avista's 230-kilovolt transmission system delivers project power to loads in the Spokane area and into the regional transmission grid which feeds the West Coast. The existing system was designed to efficiently handle the full range of project loads from zero to full load. No changes are proposed by Avista or recommended by staff that would affect the capability of the transmission grid to continue to serve either the project or other transmission purposes in the region.

We conclude that Avista's transmission service is sufficient for the project and that no changes are necessary at this time.

G. Cost Effectiveness of Plans

Avista is not proposing any capacity expansion of the Clark Fork Project. The annual average flow of the Clark Fork River exceeds the installed hydraulic capacity of the project about 13 percent of the time. Based on this available flow, we would not expect additional capacity to be cost effective at this site. We conclude that the project, as presently configured and as operated according to this order, is consistent with

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[43]EIS at p. 1-6.

environmental considerations, and fully develops the economical hydropower potential of the site in a cost-effective manner.

H. Actions Affecting the Public

The protection, mitigation and enhancement measures and recreation improvements included in the license will significantly improve environmental quality, particularly in aquatic and terrestrial resources, and will have a beneficial effect on public use of project facilities for recreational purposes. The project will continue to provide economical electric power for Avista's customers.

I. Ancillary Services

In analyzing public interest factors, the Commission takes into account that hydroelectric projects offer unique operational benefits to the electric utility system (ancillary benefits). These benefits include their value as almost instantaneous load-following response to dampen voltage and frequency instability on the transmission system, system-power-factor-correction through condensing operations, and a source of power available to help in quickly putting fossil-fuel based generating stations back on line following a major utility system or regional blackout.

Ancillary services are now mostly priced at rates that recover only the cost of providing the electric service at issue, which do not resemble the prices that would occur in competitive markets. As competitive markets for ancillary services begin to develop, the ability of hydro projects to provide ancillary services to the system will increase the benefits of the projects.

ECONOMIC BENEFITS OF PROJECT POWER

In determining whether a proposed project will be best adapted to a comprehensive plan for developing a waterway for beneficial public purposes, the Commission considers a number of public interest factors, including the economic benefits of project power.

Under the Commission's approach to evaluating the economics of hydropower projects, as articulated in Mead Corp.,[44] the Commission employs an analysis that uses current costs to compare the costs of the project and likely alternative power, with no forecasts concerning potential future inflation, escalation, or deflation beyond the license

[44] 72 FERC ¶ 61,027 (1995).

issuance date. The basic purpose of the Commission's economic analysis is to provide a general estimate of the potential power benefits and the costs of a project, and reasonable alternatives to project power. The estimate helps to support an informed decision concerning what is in the public interest with respect to a proposed license. In making its decision, the Commission considers the project power benefits both with the applicant's proposed mitigation and enhancement measures and with the Commission's modifications and additions to the applicant's proposal.

As proposed by Avista, and taking into account the estimated costs of the mandatory settlement terms, the project would produce an average of 2,836 gigawatt-hours (GWh) of energy annually at an annual cost of about $33 million or about 12 mills per kilowatt-hour (mills/kWh). Based on the cost of replacing the project power with natural gas fueled combustion turbines, which the Commission staff considers to be the most likely alternative power source for this project, the staff determined that the current annual value of the project's power would be about $80 million (about 28 mills/kWh). To determine whether the proposed project is currently economically beneficial, we subtract the project's cost from the value of the project's power. Thus, based on current costs, the project would have economic benefits over the new license term, costing about $47 million (16 mills/kWh) less than the current cost of alternative power.

As licensed, the project will produce the same amount of energy at about the same cost as the proposed project. The four additional environmental measures recommended by Commission staff in the EIS and required by this license would cost about $25,000. This additional cost does not significantly change the average annual cost or power benefits of the project as proposed by Avista.

Based on our review of the agency and public comments, and our evaluation of the environmental and economic effects of the proposed project and its alternatives pursuant to Section 10(a)(1), we find that the Clark Fork Project, with the conditions attached thereto, will be best adapted to the comprehensive development of the Clark Fork River for all beneficial public uses.

LICENSE TERM

Pursuant to Section 15(e) of the FPA,[45] relicense terms shall be not be less than 30 years nor more than 50 years from the date on which the license issued. The Settlement Agreement, which is a condition of the water quality certifications, provides for a 45-year license term. The Commission's options are to issue the license as conditioned under the

[45] 16 U.S.C. § 808(e).

various mandatory conditioning authorities, or to deny the license application.[46] As discussed above, we conclude that we will issue the license.

SUMMARY OF FINDINGS

The EIS includes background information, analysis of impacts, discussion of enhancement measures, and support for related license articles. The project will not result in any major, long-term adverse environmental impacts.

The design of this project is consistent with the engineering standards governing dam safety. The project will be safe if operated and maintained in accordance with the requirements of this license.

Based on our review of the agency and public comments, and our evaluation of the environmental and economic effects of the proposed project and its alternatives pursuant to Section 10(a)(1), we find that the Clark Fork Project, with the conditions attached thereto, will be best adapted to the comprehensive development of the Clark Fork River for beneficial public uses.

The Commission orders:

(A) This license is issued to Avista Corporation (Licensee) for a period of 45 years, effective March 1, 2001, to operate and maintain the Clark Fork Project No. 2058. The existing licenses for Project Nos. 2058 and 2075 expire on February 28, 2001. This license is subject to the terms and conditions of the Federal Power Act (FPA), which is incorporated by reference as part of this license, and subject to the regulations the Commission issues under the provisions of the FPA.

(B) The project consists of:

(1) All lands, to the extent of the Licensee's interests in those lands, enclosed by the project boundary shown by Exhibit G:

[46] See American Rivers, Inc. v. FERC, 129 F.3d 99, 111 (2d Cir. 1997).

Exhibit	FERC No. 2058-	Title
G-1	1028	Map of Project Area, Cabinet Gorge Development, Sheet 1 of 4
G-2	1029	Map of Project Area, Cabinet Gorge Development, Sheet 2 of 4
G-3	1030	Map of Project Area, Cabinet Gorge Development, Sheet 3 of 4
G-4	1031	Map of Project Area, Cabinet Gorge Development, Sheet 4 of 4
G-5	1032	Map of Project Area, Noxon Rapids Development, Sheet 1 of 8
G-6	1033	Map of Project Area, Noxon Rapids Development, Sheet 2 of 8
G-7	1034	Map of Project Area, Noxon Rapids Development, Sheet 3 of 8
G-8	1035	Map of Project Area, Noxon Rapids Development, Sheet 4 of 8
G-9	1036	Map of Project Area, Noxon Rapids Development, Sheet 5 of 8
G-10	1037	Map of Project Area, Noxon Rapids Development, Sheet 6 of 8
G-11	1038	Map of Project Area, Noxon Rapids Development, Sheet 7 of 8
G-12	1039	Map of Project Area, Noxon Rapids Development, Sheet 8 of 8

(2) Project works consisting of two developments. The Noxon Rapids development, consisting of:

A 6,195-foot-long dam consisting of a 5,326-foot-long, 260-foot-high earthen embankment section; a 384-foot-long, 180-foot-high concrete gravity spillway section with turbine intakes and penstocks; and a 485-foot-long, 190-foot-high

powerhouse section that is integral with the dam; a 7,940-acre reservoir with a gross storage capacity of 400,000 acre-feet (ac-ft) at full pool elevation of 2,331 feet, and an active storage capacity of 230,700 ac-ft in the top 36 feet of the reservoir; five 26-foot-diameter, 170-foot-long steel penstocks built into the intake section of the dam; a semi-outdoor concrete powerhouse integral with the dam and containing five Francis turbines, four rated at 130,800 horsepower (hp) each and one rated at 167,500 hp, and generators producing a total of about 466 megawatts (MW) at full turbine capacity and full pool; a 900-foot-long transmission line; and appurtenant facilities.

Appurtenant facilities include an operations and maintenance warehouse, office buildings, communications lines, storage areas, access roads, and recreational facilities.

and the Cabinet Gorge development, consisting of:

A 395-foot-long, 208-foot-high concrete gravity arch dam; a saddle dam, located in a depression near the south abutment, consisting of a 75-foot-long, 12-foot-high concrete gravity section, buttressed by earth fill on the downstream face; a 3,200-acre reservoir with a gross storage capacity of 105,000 ac-ft at full pool elevation of 2,175 feet, and an active storage capacity of 42,780 ac-ft in the top 15 feet of the reservoir (no minimum reservoir elevation is established); four 27-foot-diameter, concrete-lined penstocks ranging in length from 447 feet to 564 feet with the last 110 to 155 feet steel-lined; a 355-foot-long by 106-foot-wide semi-outdoor powerhouse, containing three fixed-blade propeller turbines rated at 70,500 hp each, and one Kaplan turbine runner rated at 86,290 hp, and generators producing a total of about 231 MW at full turbine capacity and full pool; and appurtenant facilities.

Appurtenant facilities include an operations and maintenance warehouse, office buildings, communications lines, storage areas, access roads, and recreational facilities.

The project works generally described above are more specifically described in Exhibit A, sections A.1 through A.5, of the application and the following Exhibit F drawings:

Exhibit	FERC No.2058-	Title
F-1	1001	Cabinet Gorge, General Development
F-2	1002	Cabinet Gorge, Powerhouse - Penstocks
F-3	1003	Cabinet Gorge, Powerhouse - Longitudinal Section and Downstream Elevation
F-4	1004	Cabinet Gorge, Powerhouse - Cross Section
F-5	1005	Cabinet Gorge, Powerhouse - Plan of Pipe Gallery and at Centerline of Distributor
F-6	1006	Cabinet Gorge, Powerhouse - Roof Plan and Operating Floor Plan
F-7	1007	Cabinet Gorge, Powerhouse - Intake Plan & Sections
F-8	1008	Cabinet Gorge, Dam - Arch Design Data & Stresses
F-9	1009	Cabinet Gorge, Dam - Plan & Profile
F-10	1010	Cabinet Gorge, Dam - Arch Rings & Sections
F-11	1011	Cabinet Gorge, Dam - Apron & Protective Works
F-12	1012	Cabinet Gorge, General Plan & Sections
F-13	1013	Cabinet Gorge, Powerhouse - Longitudinal Section and Elevation
F-14	1014	Cabinet Gorge, One-Line Diagram
F-15	1015	Cabinet Gorge, Drill Hole Logs & Geological Cross Sections
F-16	1016	Cabinet Gorge, Hydrographs
F-17	1017	Cabinet Gorge, Saddle Dam & Saddle Dam Extension Plan
F-18	1018	Noxon Rapids, General Plan
F-19	1019	Noxon Rapids, Profile & Sections

Exhibit	FERC No.2058-	Title
F-20	1020	Noxon Rapids, Powerhouse and Intake Dam Cross Section
F-21	1021	Noxon Rapids, Powerhouse Plans
F-22	1022	Noxon Rapids, One-Line Diagram
F-23	1023	Noxon Rapids, Plan of North East Embankment
F-24	1024	Noxon Rapids, Sections of Northeast Embankment
F-25	1025	Noxon Rapids, Plan & Sections of Southwest Embankment
F-26	1026	Noxon Rapids, Plan & Sections of Southwest Embankment
F-27	1027	Noxon Rapids, Plan of Clay Stratum and Blanketed Areas

(3) All of the structures, fixtures, equipment, or facilities used to operate or maintain the project, all portable property that may be employed in connection with the project, and all riparian or other rights that are necessary or appropriate in the operation or maintenance of the project.

(C) Exhibits A , F and G listed above are approved and made part of the license subject to the following revisions, required by Article 204:

(1) Exhibit G shall be revised to reflect the current licensee name, combined project name and number, and boundary changes approved by this order;

(2) Exhibit F drawings shall be revised to reflect the current licensee name and the combined project name and number approved by this order.

(D) This license is subject to the *conditions submitted* by the State of Montana Department of Environmental Quality and the State of Idaho Division of Environmental Quality under Section 401 of the Clean Water Act, as those conditions are set forth in Appendix A to this order.

(E) This license is subject to the conditions submitted by the U.S. Forest Service under Section 4(e) of the FPA, as those conditions are set forth in Appendix B to this order.

(F) This license is subject to the conditions submitted by the U.S. Department of the Interior under Section 18 of the FPA, as those conditions are set forth in Appendix C to this order.

(G) This license is subject to the articles set forth in Form L-5 (October 1975), entitled "Terms and Conditions of License for Constructed Major Project Affecting Navigable Waters and Lands of the United States" and the following additional articles:

Article 201. The Licensee shall pay the United States an annual charge, effective March 1, 2001, for the purposes of reimbursing the United States for the cost of administration of Part I of the Federal Power Act, as determined in accordance with the provisions of the Commission's regulations in effect from time to time. The authorized installed capacity for that purpose is 697,000 kilowatts.

For the purpose of recompensing the United States for the use, occupancy and enjoyment of 1,269 acres of its lands, the Licensee shall pay a reasonable annual charge as determined by the Commission in accordance with its regulations in effect from time to time.

Article 202. Pursuant to Section 10(d) of the Federal Power Act, a specified reasonable rate of return upon the net investment in the project shall be used for determining surplus earnings of the project for the establishment and maintenance of amortization reserves. The Licensee shall set aside in a project amortization reserve account at the end of each fiscal year one-half of the project surplus earnings, if any, in excess of the specified rate of return per annum on the net investment. To the extent that there is a deficiency of project earnings below the specified rate of return per annum for any fiscal year, the Licensee shall deduct the amount of that deficiency from the amount of any surplus earnings subsequently accumulated, until absorbed. The Licensee shall set aside one-half of the remaining surplus earnings, if any, cumulatively computed, in the project amortization reserve account. The Licensee shall maintain the amounts established in the project amortization reserve account until further order of the Commission.

The specified reasonable rate of return used in computing amortization reserves shall be calculated annually based on current capital ratios developed from an average of 13 monthly balances of amounts properly included in the Licensee's long-term debt and proprietary capital accounts as listed in the Commission's Uniform System of Accounts.

The cost rate for such ratios shall be the weighted average cost of long-term debt and preferred stock for the year, and the cost of common equity shall be the interest rate on 10-year government bonds (reported as the Treasury Department's 10-year constant maturity series) computed on the monthly average for the year in question plus 4 percentage points (400 basis points).

Article 203. If the Licensee's project was directly benefitted by the construction work of another licensee, a permittee, or the United States on a storage reservoir or other headwater improvement during the term of the original license (including extensions of that term by annual licenses), and if those headwater benefits were not previously assessed and reimbursed to the owner of the headwater improvement, the Licensee shall reimburse the owner of the headwater improvement for those benefits, at such time as they are assessed, in the same manner as for benefits received during the term of this new license.

Article 204. Within 60 days of the effective date of this license, the Licensee shall file for approval revised Exhibit G and Exhibit F drawings. Exhibit G shall be revised to reflect the current licensee name (Avista Corporation), combined project name and number (Clark Fork Project, FERC No. 2058), and boundary changes approved by this order. Exhibit F drawings shall be revised to reflect the current licensee name and the combined project name and number approved by this order.

Article 205. Within 45 days of the effective date of the license, the Licensee shall file three original sets of aperture cards of the approved drawings. The drawings must be reproduced on silver or gelatin 35 mm microfilm. All microfilm must be mounted on type D (3-1/4" x 7-3/8") aperture cards. The Licensee shall submit one copy of Form FERC-587 with the aperture cards.

Prior to microfilming, the FERC Drawing Number shall be shown in the margin below the title block of the approved drawing. After mounting, the FERC Drawing Number must be typed on the upper right corner of each aperture card. Additionally, the Project Number, FERC Exhibit (e.g., F-1, G-1, etc.), Drawing Title, and date of this license must be typed on the upper left corner of each aperture card.

Two sets of the aperture cards shall be filed with the Secretary of the Commission, ATTN: OHL/Division of Licensing and Compliance. The third set of aperture cards shall be filed with Commission's Portland Regional Office.

Article 401. The Licensee shall comply with the terms and conditions of this license in accordance with the Clark Fork Settlement Agreement (License Application

Volume III) entered into January 28, 1999, in addition to the articles set forth below in this license.

Article 402. The Licensee shall develop, in consultation with the Management Committee, which is comprised of one representative of each of the 27 parties to the Settlement,[47] an Administrative Plan and Annual Report (Annual Report) to be filed for Commission approval on or before April 15 of each year, addressing all the resource Protection, Mitigation and Enhancement (PM&E) measures in license Articles 404 through 430 that are proposed to be implemented, and describing any changes from the filed PM&E measures. The Annual Report will provide a summary of the PM&E measures implemented, funds expended, and assess resource benefits gained in the previous calendar year. The Annual Report will also include annual implementation plans for each PM&E measure proposed for implementation. Each implementation plan will include a summary of the projected annual budget, as well as key actions, tasks, and decisions to be undertaken in the current calendar year. In the event the Management Committee identifies any unresolved issue with regard to the implementation of the Settlement Agreement, the Annual Report will include an explanation of such issues. The Commission reserves the right to make changes to the Annual Report and the implementation plans.

Article 403. In the case of any PM&E measure that establishes a fund or an amount of money to be made available by the Licensee on an annual basis, the funds shall be adjusted for inflation using the Gross Domestic Product-Implicit Price Deflator, as reported by the Bureau of Economic Analysis, U.S. Department of Commerce, and described in Paragraph 23 of the Settlement Agreement. Unexpended funds shall be carried over annually for expenditure in following years and the amount of any unexpended funds carried forward shall, at the end of the year in question and each year thereafter, be increased by the yield in percent per year, compounded daily, on U.S. Treasury securities at a constant maturity of one year, as reported in the Federal Reserve Statistical Release H-15 (Daily Update on Selected Interest Rates for January 1), or the most recent reporting date prior to January 1 of the given year.

Article 404. The Licensee shall fund and implement, in consultation with the Management Committee, the Idaho Tributary Habitat Acquisition and Fishery Enhancement Program (Appendix A of the Settlement Agreement) to mitigate continuing losses of fish and fish habitat due to the operation of the project. In the Annual Report

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[47] See n. 18, supra, for a list of the parties.

required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 405. The Licensee shall fund and implement, in consultation with the Management Committee, the Montana Tributary Habitat Acquisition and Recreational Fishery Enhancement Program (Appendix B of the Settlement Agreement) to mitigate losses of fish, habitat, and recreational fisheries due to continued operation of the project. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 406. The Licensee shall fund and implement, in consultation with the Management Committee, the Native Salmonid Restoration Plan (License Application Volume IV.A in accordance with the Settlement Agreement and Appendix C thereof) to mitigate the continuing effects of the project as obstructions to fish passage, and to achieve the goal of increasing the long term population viability of native salmonids in the Lake Pend Oreille - lower Clark Fork River system. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 407. The Licensee shall fund and implement, in consultation with the Management Committee, the Bull Trout Protection and Public Education Project (Appendix D of the Settlement Agreement) for the purpose of increasing the viability of bull trout populations by reducing poaching, accidental harvest, and habitat loss thereby mitigating impact to these species caused by the continued operation of the project. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 408. The Licensee shall develop and implement, in consultation with the Management Committee, the Watershed Councils Program (Appendix E of the Settlement Agreement) to improve conditions for aquatic life inhabiting those streams, including macroinvertebrates and native fish species such as bull trout, westslope cutthroat trout, and mountain whitefish. The associated protection and enhancement of tributary streams and the aquatic life inhabiting them will serve as mitigation and resource enhancements to offset impacts to aquatic life due to continued power peaking operations of the project. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 409. The Licensee shall fund and implement, in consultation with the Management Committee, the Support of the Tri-State Implementation Council Water Quality Monitoring Program (Appendix F1 of the Settlement Agreement) to provide a

systematic, long-term monitoring of nutrients and metals to monitor and determine the role of the project as nutrient and/or retention sinks. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 410. The Licensee shall fund and implement, in consultation with the Management Committee, the Monitoring of Noxon Reservoir Stratification and Mobilization of Sediment Nutrients/Metals PM&E (Appendix F2 of the Settlement Agreement) to provide for monitoring of Noxon Reservoir during periods when reservoir stratification is possible and if temperature and dissolved oxygen (DO) benchmarks as identified in the PM&E are met, to initiate more intensive monitoring of nutrient and metals levels. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E.

Article 411. The Licensee shall fund and implement, in consultation with the Management Committee, the Aquatic Tissue Analysis PM&E (Appendix F3 of the Settlement Agreement) to analyze aquatic organism tissues for the presence of heavy metals and other toxic substances. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 412. The Licensee shall fund and implement, in consultation with the Management Committee, the Water Quality Protection and Monitoring Plan for Maintenance, Construction, and Emergency Activities (Appendix F4 of the Settlement Agreement) to provide for the development and implementation of a plan to minimize or eliminate the impact of project related maintenance, construction, and emergency activities to water quality and associated resources of the Clark Fork River and Lake Pend Oreille. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 413. The Licensee shall fund and implement, in consultation with the Management Committee, the Dissolved Gas Supersaturation Control, Mitigation, and Monitoring PM&E (Appendix F5 of the Settlement Agreement) to provide for the study, control, mitigation, and monitoring of gas supersaturation and the associated biological resource impacts in the Clark Fork-Pend Oreille system related to spill at the Clark Fork Project. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 414. The Licensee shall fund and implement, in consultation with the Management Committee, the Land Use Management Plan (License Application Volume IV.B), in accordance with the Settlement Agreement and Appendix G thereof, to ensure that project lands can reasonably satisfy a variety of competing resource demands and for

the purpose of ensuring the implementation of a land use classification system, a land and reservoir use permitting system, and appropriate monitoring and enforcement mechanisms. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 415. The Licensee shall fund and implement, in consultation with the Management Committee, the Recreation Resources Management Plan (License Application Volume IV.C), in accordance with the Settlement Agreement and Appendix H thereof, to maintain and manage appropriate recreational facilities at the project and to develop new recreational facilities in the vicinity of the project to effectively meet recreation demand during the term of the new license. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 416. The Licensee shall fund and implement, in consultation with the Management Committee, the Aesthetics Management Plan (License Application Volume IV.D), in accordance with the Settlement Agreement and Appendix I thereof, to provide for the protection and enhancement of aesthetic resources associated with the project and to mitigate for project-related impacts to those resources. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 417. The Licensee shall fund and implement the Wildlife, Botanical, and Wetland Management Plan (License Application Volume IV.E), in accordance with the Settlement Agreement and Appendix J thereof, to provide organization and presentation of the various wildlife, botanical, and wetland PM&E measures within a single, comprehensive management plan. Initially these measures include: (a) wildlife habitat acquisition, enhancement and management (Article 418); (b) black cottonwood habitat protection and enhancement (Article 419); (c) wetlands protection and enhancement (Article 420); (d) bald eagle monitoring and protection (Article 421); (e) peregrine falcon monitoring and protection (Article 422); (f) common loon monitoring and protection (Article 423); (g) Clark Fork Delta habitat protection and mitigation (Article 424); (h) forest habitat protection and enhancement (Article 425); and, (i) reservoir islands protection (Article 426). In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for these PM&E measures.

Article 418. The Licensee shall fund and implement , in consultation with the Management Committee, the Wildlife Habitat Acquisition, Enhancement, and Management Program (Appendix K of the Settlement Agreement) to mitigate for the potential effects to wildlife resources and habitat due to the continued operation of the

project. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 419. The Licensee shall fund and implement, in consultation with the Management Committee, the Black Cottonwood Habitat Protection and Enhancement PM&E (Appendix L of the Settlement Agreement) to provide for the protection and enhancement of black cottonwood trees and stands on Licensee-owned project lands. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 420. The Licensee shall fund and implement, in consultation with the Management Committee, the Wetlands Enhancement Program PM&E (Appendix M of the Settlement Agreement) to provide for the protection and enhancement of wetland areas within the project boundary. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 421. The Licensee shall fund and implement, in consultation with the Management Committee, the Bald Eagle Monitoring and Protection PM&E (Appendix N1 of the Settlement Agreement) to provide for the monitoring and protection of bald eagle occurrence and nest sites, which could be negatively affected by project operations or project related human activities associated with recreation or other land use activities. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 422. The Licensee shall fund and implement, in consultation with the Management Committee, the Peregrine Falcon Monitoring and Protection PM&E (Appendix N2 of the Settlement Agreement) to provide for the monitoring of peregrine falcon occurrence and nesting activity and the protection of nest sites which might be negatively affected by the project related human activities associated with recreation or other land use activities. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 423. The Licensee shall fund and implement, in consultation with the Management Committee, the Common Loon Monitoring and Protection Program PM&E (Appendix N3 of the Settlement Agreement) to provide for the monitoring of common loon occurrence and nesting activity and the protection of nest sites which might be negatively affected by project operations or project related human activities related to recreation or other land use activities. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 424. The Licensee shall fund and implement, in consultation with the Management Committee, the Clark Fork Delta Habitat Protection and Mitigation Program PM&E (Appendix O of the Settlement Agreement) to prevent the loss of wildlife habitat in the Clark Fork Delta, or mitigate for that loss, to an extent comparable to the estimated loss of habitat that would occur from the continued operation of the project. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 425. The Licensee shall fund and implement, in consultation with the Management Committee, the Forest Habitat Protection and Enhancement PM&E (Appendix P of the Settlement Agreement) to provide for the protection and enhancement of specific parcels of Licensee-owned land along the reservoirs which have been identified as having significant wildlife habitat value. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 426. The Licensee shall fund and implement, in consultation with the Management Committee, the Reservoir Islands Protection PM&E (Appendix Q of the Settlement Agreement) to provide for the protection of islands owned by the Licensee in the project areas to maintain the unique and high quality wildlife habitat functions and values of these islands. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 427. The Licensee shall fund and implement the Programmatic Agreement Among the Kootenai Tribe of Idaho, Confederated Salish and Kootenai Tribes of the Flathead Reservation, Coeur d'Alene Tribe, Kalispel Tribe, Federal Energy Regulatory Commission, Forest Service, Avista Corporation, Advisory Council on Historic Preservation, Idaho State Historic Preservation Office, and Montana State Historic Preservation Office for the Clark Fork Heritage Resource Program executed on December 30, 1998 (Appendix R of the Settlement Agreement).

Article 428. The Licensee shall fund and implement, in consultation with the Management Committee, the Erosion Fund and Shoreline Stabilization Guidelines Program PM&E (Appendix S of the Settlement Agreement) to design and implement effective erosion control measures to protect important resource values on lands affected by project induced erosion. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 429. The Licensee shall fund and implement, in consultation with the Management Committee, the Project Operations Package (Appendix T of the Settlement Agreement) to mitigate the effects of the project. The Licensee shall maintain the

following operational limits in accordance with the terms of the Settlement Agreement and Appendix T thereof:

1. (a) General operating limits for the Noxon Rapids development:

Maximum Forebay Elevation	2,331.0 feet
Minimum Forebay Elevation	2,327.0 feet (May 15-Sept 30)
Minimum Forebay Elevation	2,321.0 feet (October 1 -May 14)
Maximum Forebay Draft Rate	2 feet per day (net), 5 feet per week (net)[48]

(b) General operating limits for the Cabinet Gorge development:

Maximum Forebay Elevation	2,175.0 feet
Minimum Forebay Elevation	2,168.0 feet
Minimum Total Project Discharge	5,000 cfs

In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 430. The Licensee shall fund and implement, in consultation with the Management Committee, the Additional Operations Mitigation Program (Appendix T of the Settlement Agreement) to mitigate the effects of the project. The Licensee shall fund and implement a broader ecosystem approach to achieving fishery goals, in lieu of changing project operations. In the Annual Report required by Article 402, the Licensee shall include the annual implementation plan for this PM&E measure.

Article 431. The Licensee shall comply with the terms of the Letter Agreement dated January 7, 1999, between Avista Corporation and the U. S. Army Corps of Engineers regarding the coordination of the operations of the Cabinet Gorge development with the operations of the Albeni Falls Project (Volume I License Application, Appendix B).

[48]Net draft is the decrease in elevation as measured between two times, at the beginning and end of the period.

In accordance with the Letter Agreement, the Licensee shall:

(1) provide to the Albeni Falls Operator by 9:30 a.m. each day estimates of the Cabinet Gorge average discharge for the next calendar day and for the current calendar day. The Licensee shall strive to cause the actual discharge to be within the range of an agreed upon Accuracy Standard for each day's forecast. The Accuracy Standard for the next calendar day forecast will be +/- 6,000 cfs, when the daily river flow at Cabinet Gorge is less than 54,000 cfs. The Accuracy Standard for the current calendar day shall be +/- 4,000 cfs when the daily river flow at Cabinet Gorge is less than 54,000 cfs. When the daily river flow is greater than 54,000 cfs, the Licensee shall continue to provide estimates, as described above, absent the Accuracy Standard;

(2) promptly advise the Albeni Falls Project of any changes to the forecast that may occur. It may be desirable to revise either or both of the calendar day estimates. The Licensee shall consult with the Albeni Falls Operator concerning the proposed revision and the Albeni Falls Operator shall strive to accommodate the revision. If the revision cannot be accommodated due to project restrictions, the Licensee shall honor the previous estimate, and the Albeni Falls Operator shall provide information concerning the reasons for non-accommodation;

(3) initiate a discussion at least once a year with personnel from the Licensee and the Albeni Falls Project to meet to review the forecasting performance and discuss any amendments or changes to the process.

In the event that there are any modifications made to the Letter Agreement, the Licensee shall file for Commission approval the modifications as agreed to by the U.S. Army Corps of Engineers and the Licensee within 30 days of execution. The Commission reserves the right to require changes to the Letter Agreement.

Article 432. Within one year of the effective date of the license and on, or before, April 15 of each year, the Licensee shall file for Commission approval, a Threatened and Endangered Species Plan and Annual Report. The plan shall address the Licensee's compliance with the terms and conditions of the incidental take statement filed by the U.S. Fish and Wildlife Service on August 23, 1999, and attached to this order as Appendix D.

The Licensee shall prepare the Threatened and Endangered Species Plan and Annual Report after consultation with the Management Committee. The plan shall include, at a minimum, any modifications to project facilities or operations proposed to minimize take of the bull trout. The Licensee shall include with the plan documentation of consultation, copies of comments and recommendations on the completed plan after it has been prepared and provided to the entities, and specific descriptions of how the entities' comments are accommodated by the plan. The Licensee shall allow a minimum of 30 days for the entities to comment and to make recommendations prior to filing the plan with the Commission for approval. If the Licensee does not adopt a recommendation, the filing shall include the licensee's reasons, based on project-specific information. The Commission reserves the right to make any changes to the plan.

Article 433. Within one year of the effective date of the license and on, or before, April 15 of each year, the Licensee shall file for Commission approval, a Fishway Plan and Annual Report. The plan shall address the Licensee's compliance with the fishway prescriptions contained in Appendix C to this order.

The Licensee shall prepare the Fishway Plan and Annual Report after consultation with the Management Committee. The plan shall include, at a minimum, a detailed description of any fish passage devices or measures, including experimental truck and trap programs, and any proposed modifications to project facilities or operations. The Licensee shall include with the plan documentation of consultation, copies of comments and recommendations on the completed plan after it has been prepared and provided to the entities, and specific descriptions of how the entities' comments are accommodated by the plan. The Licensee shall allow a minimum of 30 days for the entities to comment and to make recommendations prior to filing the plan with the Commission for approval. If the Licensee does not adopt a recommendation, the filing shall include the licensee's reasons, based on project-specific information. The Commission reserves the right to make any changes to the plan.

Article 434. Within six months of the effective date of the license, the Licensee shall file for Commission approval, a plan to conduct seasonal, site-specific monitoring of bank profiles in the lower Clark Fork River, particularly between river miles 144 and 147, to provide estimates of the rates of erosion and the relationship of these rates to flow cycling at the Cabinet Gorge development . The monitoring results shall be used to determine the rates of erosion and any appropriate corrective actions.

The Licensee shall prepare the bank profile monitoring plan after consultation with the Management Committee and the Cabinet Gorge Downstream Landowners (CGDL) group. The Licensee shall include with the plan documentation of consultation, copies of comments and recommendations on the completed plan after it has been prepared and provided to the entities, and specific descriptions of how the entities' comments are accommodated by the plan. The Licensee shall allow a minimum of 30 days for the entities to comment and to make recommendations prior to filing the plan with the Commission for approval. If the Licensee does not adopt a recommendation, the filing

shall include the licensee's reasons, based on project-specific information. The Commission reserves the right to require changes to the plan.

Article 435. Within one year of the effective date of the license, the Licensee shall file for Commission approval, a plan to develop and implement a solid waste and waste water plan. The plan, at a minimum, shall incorporate the plan developed under the U.S. Forest Service 4(e) Condition 7 (Appendix B of this order) addressing the treatment and disposal of solid waste and waste water generated during the construction and operation of the project and ancillary facilities on project lands. The plan shall not be limited to Forest Service lands.

The Licensee shall prepare the solid waste and waste water plan after consultation with the Management Committee. The Licensee shall include with the plan documentation of consultation, copies of comments and recommendations on the completed plan after it has been prepared and provided to the entities, and specific descriptions of how the entities' comments are accommodated by the plan. The Licensee shall allow a minimum of 30 days for the entities to comment and to make recommendations prior to filing the plan with the Commission for approval. If the Licensee does not adopt a recommendation, the filing shall include the licensee's reasons, based on project-specific information. The Commission reserves the right to require changes to the plan.

Article 436. Within one year of the effective date of the license, the Licensee shall file for Commission approval, a plan to develop and implement an oil and hazardous substances plan. The plan, at a minimum, shall incorporate the plan developed under the U.S. Forest Service 4(e) Condition 8 (Appendix B of this order) addressing hazardous substances storage, spill prevention and cleanup on project lands. The plan shall not be limited to Forest Service lands.

The Licensee shall prepare the hazardous substances plan after consultation with the Management Committee. The Licensee shall include with the plan documentation of consultation, copies of comments and recommendations on the completed plan after it has been prepared and provided to the entities, and specific descriptions of how the entities' comments are accommodated by the plan. The Licensee shall allow a minimum of 30 days for the entities to comment and to make recommendations prior to filing the plan with the Commission for approval. If the Licensee does not adopt a recommendation, the filing shall include the licensee's reasons, based on project-specific information. The Commission reserves the right to require changes to the plan.

Article 437. Within one year of the effective date of the license, the Licensee shall file for Commission approval, a plan to develop and implement a pesticide and herbicide use plan. The plan, at a minimum, shall incorporate the plan developed under the U.S. Forest Service 4(e) Condition 10 (Appendix B of this order) addressing pesticide or herbicide applications on project lands. The plan shall not be limited to Forest Service lands.

The Licensee shall prepare the pesticide and herbicide plan after consultation with the Management Committee. The Licensee shall include with the plan documentation of consultation, copies of comments and recommendations on the completed plan after it has been prepared and provided to the entities, and specific descriptions of how the entities' comments are accommodated by the plan. The Licensee shall allow a minimum of 30 days for the entities to comment and to make recommendations prior to filing the plan with the Commission for approval. If the Licensee does not adopt a recommendation, the filing shall include the licensee's reasons, based on project-specific information. The Commission reserves the right to require changes to the plan.

Article 438. Whenever a dispute arises under Paragraph 29 of the Settlement Agreement that is resolved without referral to the Commission, the Licensee shall, within 30 days, file with the Commission a report containing an explanation of the dispute and the nature of the resolution.

Whenever a dispute arises under Paragraph 29 of the Settlement Agreement and no resolution is reached during the informal process, the Licensee shall, within 30 days of the Management Committee's decision to refer the dispute to the Commission, inform the Commission that the dispute will or will not be referred to the Commission for formal dispute resolution.

Article 439. The Licensee shall give timely notice to the Parties, pursuant to Paragraph 40 of the Settlement Agreement, and to the Commission, within 30 days, of any request for access across project lands for the purpose of installing any outfall or discharge facility in connection with the development of the proposed Rock Creek copper and silver mine located in Sanders County, Montana downstream of the Noxon Rapids dam.

Article 440. Whenever the Licensee acquires lands or interests in lands for the purpose of implementing any of the PM&Es, the Licensee shall at the time such lands are acquired, pursuant to Paragraph 25 of the Settlement Agreement, take such actions as may be necessary and appropriate to ensure that the PM&E lands are protected in perpetuity from uses which are inconsistent with the purposes for which the lands are being acquired. The Licensee shall file for Commission approval, within 30 days of acquisition of

additional project lands, a revised Exhibit G, showing the extent of the Licensee's interests in these lands.

Article 441. The Commission reserves the authority to order, upon its own motion or upon the recommendation of federal and state fish and wildlife agencies, affected Indian Tribes, and the Northwest Power Planning Council, alterations of project structures and operations to take into account to the fullest extent practicable the regional fish and wildlife program developed and amended pursuant to the Pacific Northwest Electric Power Planning and Conservation Act.

Article 442. (a) In accordance with the provisions of this article, the Licensee shall have the authority to grant permission for certain types of use and occupancy of project lands and waters and to convey certain interests in project lands and waters for certain types of use and occupancy, without prior Commission approval. The Licensee may exercise the authority only if the proposed use and occupancy is consistent with the purposes of protecting and enhancing the scenic, recreational, and other environmental values of the project. For those purposes, the Licensee shall also have continuing responsibility to supervise and control the use and occupancies for which it grants permission, and to monitor the use of, and ensure compliance with the covenants of the instrument of conveyance for, any interests that it has conveyed, under this article. If a permitted use and occupancy violates any condition of this article or any other condition imposed by the licensee for protection and enhancement of the project's scenic, recreational, or other environmental values, or if a covenant of a conveyance made under the authority of this article is violated, the Licensee shall take any lawful action necessary to correct the violation. For a permitted use or occupancy, that action includes, if necessary, canceling the permission to use and occupy the project lands and waters and requiring the removal of any non-complying structures and facilities.

(b) The type of use and occupancy of project lands and water for which the licensee may grant permission without prior Commission approval are: (1) landscape plantings; (2) non-commercial piers, landings, boat docks, or similar structures and facilities that can accommodate no more than 10 watercraft at a time and where said facility is intended to serve single-family type dwellings; (3) embankments, bulkheads, retaining walls, or similar structures for erosion control to protect the existing shoreline; and (4) food plots and other wildlife enhancement. To the extent feasible and desirable to protect and enhance the project's scenic, recreational, and other environmental values, the licensee shall require multiple use and occupancy of facilities for access to project lands or waters. The Licensee shall also ensure, to the satisfaction of the Commission's authorized representative, that the use and occupancies for which it grants permission are maintained in good repair and comply with applicable state and local health and safety requirements.

Before granting permission for construction of bulkheads or retaining walls, the licensee shall: (1) inspect the site of the proposed construction; (2) consider whether the planting of vegetation or the use of riprap would be adequate to control erosion at the site; and (3) determine that the proposed construction is needed and would not change the basic contour of the reservoir shoreline. To implement this paragraph (b), the Licensee may, among other things, establish a program for issuing permits for the specified types of use and occupancy of project lands and waters, which may be subject to the payment of a reasonable fee to cover the licensee's costs of administering the permit program. The Commission reserves the right to require the Licensee to file a description of its standards, guidelines, and procedures for implementing this paragraph (b) and to require modification of those standards, guidelines, or procedures.

(c) The Licensee may convey easements or rights-of-way across, or leases of, project lands for: (1) replacement, expansion, realignment, or maintenance of bridges or roads where all necessary state and federal approvals have been obtained; (2) storm drains and water mains; (3) sewers that do not discharge into project waters; (4) minor access roads; (5) telephone, gas, and electric utility distribution lines; (6) non-project overhead electric transmission lines that do not require erection of support structures within the project boundary; (7) submarine, overhead, or underground major telephone distribution cables or major electric distribution lines (69-kV or less); and (8) water intake or pumping facilities that do not extract more than one million gallons per day from a project reservoir. No later than January 31 of each year, the Licensee shall file three copies of a report briefly describing for each conveyance made under this paragraph (c) during the prior calendar year, the type of interest conveyed, the location of the lands subject to the conveyance, and the nature of the use for which the interest was conveyed.

(d) The Licensee may convey fee title to, easements or rights-of-way across, or leases of project lands for: (1) construction of new bridges or roads for which all necessary state and federal approvals have been obtained; (2) sewer or effluent lines that discharge into project waters, for which all necessary federal and state water quality certification or permits have been obtained; (3) other pipelines that cross project lands or waters but do not discharge into project waters; (4) non-project overhead electric transmission lines that require erection of support structures within the project boundary, for which all necessary federal and state approvals have been obtained; (5) private or public marinas that can accommodate no more than 10 watercraft at a time and are located at least one-half mile (measured over project waters) from any other private or public marina; (6) recreational development consistent with an approved exhibit R or approved report on recreational resources of an exhibit E; and (7) other uses, if: (i) the amount of land conveyed for a particular use is five acres or less; (ii) all of the land conveyed is located at least 75 feet, measured horizontally, from project waters at normal surface

elevation; and (iii) no more than 50 total acres of project lands for each project development are conveyed under this clause (d)(7) in any calendar year. At least 60 days before conveying any interest in project lands under this paragraph (d), the Licensee must submit a letter to the Director, Office of Hydropower Licensing, stating its intent to convey the interest and briefly describing the type of interest and location of the lands to be conveyed (a marked exhibit G or K map may be used), the nature of the proposed use, the identity of any federal or state agency official consulted, and any federal or state approvals required for the proposed use. Unless the Director, within 45 days from the filing date, requires the licensee to file an application for prior approval, the Licensee may convey the intended interest at the end of that period.

(e) The following additional conditions apply to any intended conveyance under paragraph (c) or (d) of this article:

(1) Before conveying the interest, the Licensee shall consult with federal and state fish and wildlife or recreation agencies, as appropriate, and the State Historic Preservation Officer.

(2) Before conveying the interest, the Licensee shall determine that the proposed use of the lands to be conveyed is not inconsistent with any approved exhibit R or approved report on recreational resources of an exhibit E; or, if the project does not have an approved exhibit R or approved report on recreational resources, that the lands to be conveyed do not have recreational value.

(3) The instrument of conveyance must include the following covenants running with the land: (i) the use of the lands conveyed shall not endanger health, create a nuisance, or otherwise be incompatible with overall project recreational use; (ii) the grantee shall take all reasonable precautions to ensure that the construction, operation, and maintenance of structures or facilities on the conveyed lands will occur in a manner that will protect the scenic, recreational, and environmental values of the project; and (iii) the grantee shall not unduly restrict public access to project waters.

(4) The Commission reserves the right to require the Licensee to take reasonable remedial action to correct any violation of the terms and conditions of this article, for the protection and enhancement of the project's scenic, recreational, and other environmental values.

(f) The conveyance of an interest in project lands under this article does not in itself change the project boundaries. The project boundaries may be changed to exclude land conveyed under this article only upon approval of revised exhibit G or K drawings (project boundary maps) reflecting exclusion of that land. Lands conveyed under this article will be excluded from the project only upon a determination that the lands are not necessary for project purposes, such as operation and maintenance, flowage, recreation, public access, protection of environmental resources, and shoreline control, including shoreline aesthetic values. Absent extraordinary circumstances, proposals to exclude lands conveyed under this article from the project shall be consolidated for consideration when revised exhibit G or K drawings would be filed for approval for other purposes.

(g) The authority granted to the Licensee under this article shall not apply to any part of public lands and reservations of the United States included within the project boundary.

(H) The Licensee shall serve copies of any Commission filing required by this order on any entity specified in this order to be consulted on matters related to that filing. Proof of service on these entities must accompany the filing with the Commission.

(I) This order is final unless a request for rehearing is filed within 30 days of the date of its issuance, as provided in Section 313 of the FPA. The filing of a request for rehearing does not operate as a stay of the effective date of this license or of any other date specified in this order, except as specifically ordered by the Commission. The Licensee's failure to file a request for rehearing shall constitute acceptance of this order.

By the Commission.

(SEAL)

David P. Boergers,
Secretary.

APPENDIX A

MONTANA WATER QUALITY CERTIFICATION CONDITIONS

On April 27, 1999, the State of Montana Department of Environmental Quality granted water quality certification under §401 of the Federal Clean Water Act to Avista Corporation for the Clark Fork Project with the following conditions:

(1) The Department's certification is conditioned upon compliance by Avista with all of the terms and conditions of the Settlement Agreement relating to water quality and to the protection, maintenance, or enhancement of the designated beneficial uses of the waters of the Clark Fork River including, but not limited to, the following:

Appendix B:	Montana Tributary Habitat Acquisition and Recreational Fishery Enhancement Program
Appendix C:	Fish Passage/Native Salmonid Restoration Plan
Appendix E:	Watershed Council Program
Appendix F1:	Support of Tri-State Implementation Council Water Quality Monitoring Program
Appendix F2:	Mobilization of Sediment Trapped Nutrients or Heavy Metals
Appendix F3:	Aquatic Organism Tissue Analysis
Appendix F4:	Water Quality Protection and Monitoring Plan for Maintenance, Construction, and Emergency Activities
Appendix F5:	Gas Supersaturation Control, Mitigation, and Monitoring
Appendix G:	Implementation of Land Use Management Plan
Appendix H:	Implementation of Recreation Resource Management Plan
Appendix J:	Implementation of the Wildlife, Botanical, and Wetland Management Plan
Appendix M:	Wetlands Protection and Enhancement Program
Appendix T:	Project Operations Package

The Clark Fork Settlement Agreement is hereby incorporated into this certification by reference.

(2) In addition to the monitoring requirements contained in the terms and conditions of the Settlement Agreement, Avista shall notify the Department in writing not less than two (2) weeks prior to commencing any construction activity under authority of this certificate which may result in a discharge of pollutants to state waters. Avista shall notify the Department within seven (7) days after the completion of any construction activity

resulting in a discharge of pollutants. Avista shall allow the Department reasonable entry and access to the discharge site in order to inspect the discharge for compliance with the conditions of this certification.

(3) Avista shall obtain all permits, authorizations and certifications required by federal, state, or local laws, regulations or ordinances prior to commencement of any activity that could violate Montana's water quality standards.

(4) This approval is limited to and includes the proposal and plans contained in the application and supporting documents submitted and affirmed to by Avista. Any variances from the plans and proposals contained in the application and supporting documents are subject to the review and approval by the Department prior to implementation.

(5) Should the project be found, at any time, not to be in compliance with any of the conditions of this certification, or should the permittee construct or operate this project in any way other than as specified in the application or supporting documents, as modified by the conditions of this certification, then the terms of this certification shall be considered to have been violated.

(6) This certification shall expire upon the assignment or transfer of the property covered by this certification unless the new owner submits to the Department a written consent to all the terms and conditions of this certification.

IDAHO WATER QUALITY CERTIFICATION CONDITIONS

On August 20, 1999, the State of Idaho Division of Environmental Quality (DEQ) granted water quality certification under §401 of the Federal Clean Water Act to Avista Corporation for the Clark Fork Project with the following conditions:

1. Avista shall comply with the terms and conditions of the Settlement Agreement. The following PM&E measures identified as appendices to the Settlement Agreement are hereby incorporated into this certification by reference:

Appendix A:	Idaho Tributary Habitat Acquisition and Fishery Enhancement Program;
Appendix C:	Fish Passage/Native Salmonid Restoration Plan;
Appendix D:	Bull Trout Protection and Public Education Project;
Appendix E:	Watershed Council Program;
Appendix F1:	Support of Tri-State Implementation Council Water Quality Monitoring Program;

Appendix F2:	Mobilization of Sediment Trapped Nutrients or Heavy Metals;
Appendix F3:	Aquatic Organism Tissue Analysis;
Appendix F4:	Water Quality Protection and Monitoring Plan for Maintenance, Construction, and Emergency Activities;
Appendix F5:	Gas Supersaturation Control, Mitigation, and Monitoring;
Appendix J:	Implementation of the Wildlife, Botanical, and Wetland Management Fund;
Appendix K:	Wildlife Habitat Acquisition, Enhancement, and Management Fund;
Appendix M:	Wetlands Protection and Enhancement Program;
Appendix O:	Clark Fork Delta Habitat Protection and Mitigation Program;
Appendix S:	Erosion Fund and Shoreline Stabilization Guidelines Program;
Appendix T:	Project Operations Package.

2. This approval is limited to and includes the proposal and plans contained in the application and supporting documents submitted and affirmed by the applicant. All variances from the plans and proposals contained in the application and supporting documents are subject to the review and approval of DEQ prior to implementation;

3. The projects shall not cause or contribute to violations of surface water criteria as identified in IDAPA §§16.01.02.200, 250, 276, and 900. DEQ reserves authority under this certification to require plans, corrective actions and monitoring necessary to correct water quality violations that may develop as a result of operation, maintenance or construction associated with the projects, and as a result of Avista's failure to comply with the terms of the Settlement Agreement;

4. Nonpoint source activities associated with the projects shall be controlled through the use of approved best management practices (BMPs) conducted in a manner that demonstrates reasonable and knowledgeable effort to minimize adverse water quality impacts (IDAPA §16.01.02.350). DEQ reserves authority under this certification to require plans, corrective actions and monitoring to ensure nonpoint source activities do not result in adverse water quality impacts, and as a result of Avista's failure to comply with the terms of the Settlement Agreement;

5. Avista shall obtain all necessary federal, state, and local authorizations prior to commencement of any activity that could be expected to violate Idaho water quality standards;

6. If the project is abandoned or not used as an electric generating facility for three consecutive years, this certification shall become null and void and the applicant shall request consideration of water quality certification from DEQ, as amended;

7. If FERC issues an order related to project operation, maintenance, or construction that is materially inconsistent with the conditions of this certification and the supporting Settlement Agreement, this approval shall be considered null and void and the applicant shall request consideration of water quality certification for the project as ordered by FERC;

8. This certification shall apply to the license upon issuance of a final FERC license for the project and shall expire in conjunction with license expiration;

9. This approval shall expire upon assignment or transfer of the property covered by this certification unless the new owner submits a written consent to all terms and conditions in this certification.

APPENDIX B

U.S. Forest Service

4(e) Conditions

Condition 1. The licensee shall completely and fully comply with all terms of the January 28, 1999, Clark Fork Settlement Agreement, including:

a) all protection, mitigation, and enhancement measures identified in Appendices A-V to that Settlement Agreement;

b) all commitments identified in various plans referenced in the Settlement Agreement and Appendices.

Condition 2. Condition 1 above includes, but is not limited to, the following clarification of the Settlement Agreement:

a) The estimated annual funding of $27,698 for operation and maintenance of Forest Service recreation sites, does not include maintenance costs for boat docks and ramps, and the costs of pumping of toilets. AVISTA will pay these costs in addition to the estimated funding shown above and shown in Appendix H. See AVISTA letter to Kathleen McAllister dated January 14, 1999, (attached).

b) The inflation/deflation index described in Paragraph 23 of the Settlement Agreement applies to all funding identified in Appendix U.

c) Unspent monies identified as "Funds" or "Budgeted Costs" in Appendix U to the Settlement Agreement, except the erosion fund as specified in appendix S, will accumulate over the term of the license and will accrue interest in accordance with Paragraph 23 of the Settlement Agreement.

d) The Forest Service is, and will remain throughout the term of the license, a member of the group of five parties from whom unanimity is required for any vote of the Management Committee, which is defined and characterized in paragraphs 26 through 29 of the Settlement Agreement. The Forest Service also is, and will remain throughout the term of the license, a necessary party which must be present at Management Committee meetings to constitute a quorum of the committee.

e) The licensee will complete the "high priority" modifications and repairs to existing recreation sites located on National Forest System lands, specified in Exhibits 1 through 3 of the Recreation Resource Management Plan (referenced in Appendix H, page H-3 of the Settlement Agreement), by March 1, 2004, unless otherwise decided by the management committee. The licensee will fund these modifications and repairs with monies specified in Appendix U, page U-2, under "Annual contribution to facilities fund years 1-5 ($187,000)."

Condition 3. The above 4(e) conditions are premised on two requirements:

a) The FERC's acceptance and incorporation of the Settlement Agreement and the protection, mitigation, and enhancement measures identified in the appendices to the Settlement Agreement, substantially unmodified, into license terms; and

b) The licensee's immediate and complete implementation of measures the Settlement Agreement identifies as occurring prior to FERC's issuance of a new license. In the event either of these requirements is not met, the Forest Service reserves its right to supplement these 4(e) conditions at a later time.

Condition 4. Forest Service Approval of Final Design

Before implementation of PM&E measures occurs on National Forest System land, the Licensee shall obtain the prior written approval of the Forest Service for all final design plans for project components which the Forest Service deems as affecting or potentially affecting National Forest System lands and resources. As part of prior written approval the Forest Service may require adjustments in final plans and facility locations to preclude or mitigate impacts and to assure that the project is compatible with on-the-ground conditions. Should such necessary adjustments be deemed by the Forest Service, the Commission, or licensee to be a substantial change, the licensee shall follow the procedures of Article 2 of the license. Any changes to the license made for any reason pursuant to Article 2 or 3 shall be made subject to any new terms and conditions of the Secretary of Agriculture made pursuant to Section 4(e) of the Federal Power Act.

Condition 5. Approval of Changes After License is Issued.

Notwithstanding any license authorization to make changes to the project, the licensee shall get written approval from the Forest Service prior to making any changes in the location of any constructed project features or facilities, or in the uses of project lands and waters, or any departure from the requirements of any

approved exhibits filed with the Commission if those changes are likely in the judgement of the Forest Service to affect National Forest System lands or resources. Following receipt of such approval from the Forest Service, and at least 60 days prior to initiating any such changes or departure, the Licensee shall file a report with the Commission describing the changes, the reason for the changes, and showing the approval of the Forest Service for such changes. The licensee shall file an exact copy of this report with the Forest Service at the same time it is filed with the Commission. This article does not relieve the Licensee from the amendment or other requirements of Article 2 or Article 3 of this License.

Reservoir Operation

Condition 6. Public Notification Plan

Within 1 year following the date of issuance of this license, the Licensee shall file with the Director, Office of Hydropower Licensing, a plan, approved by the Forest Service, which includes guidelines and contact telephone numbers for notifying the Forest Service and the public of potential or emergency activities which may affect recreational use and/or access to the project area.

The licensee shall implement this plan at a time which will provide at least 60 days advance notice to the Forest Service and the public of construction activities, 30 days notice for maintenance activities and the maximum possible time for emergencies.

Soil Conservation and Protection of Water Quality

Condition 7. Solid Waste and Water Plan

Before the implementation of projects approved by the Management Committee and when the Forest Service determines these to be of a land disturbing nature on National Forest System land, the Licensee shall file with the Director, Office of Hydropower Licensing, a plan approved by the Forest Service, for the treatment and disposal of solid waste and waste water generated during construction and operation of the project and ancillary facilities. At a minimum, the plan must address the estimated quantity of solid waste and waste water generated each day; the location of disposal sites and methods of treatment; implementation schedule; areas available for disposal of wastes; design of facilities; comparisons between on and offsite disposal; and maintenance programs.

The Licensee may commence activities the Forest Service determines to be affected by the plan immediately upon written approval of the Forest Service unless the Director, Office of Hydropower Licensing, prescribes a different commencement schedule. Licensee shall report the activity and the approval of the Forest Service in the Annual Report to the Commission.

Condition 8. Hazardous Substances Plan.

A plan, approved by the Forest Service, for oil and hazardous substances storage and spill prevention and cleanup from existing operations shall be filed with the Director, Office of Hydropower Licensing, within one year of the issuance of a license. As future activities are approved by the Management Committee the plan shall be amended to include those activities annually.

At a minimum, the plan must require the Licensee to (1) maintain in the project area, a cache of spill cleanup equipment suitable to contain any spill for the project; (2) to periodically inform the Forest Service of the location of the spill cleanup equipment on National Forest System lands and of the location, type, and quantity of oil and hazardous substances stored in the project area; and (3) to inform the Forest Service immediately of the nature, time, date, location, and action taken for any spill.

The Licensee shall not commence activities the Forest Service determines to be affected by the plan until after 60 days following the filing date, unless the Director, Office of Hydropower Licensing, prescribes a different commencement.

Condition 9. Noxious Weeds.

Licensee shall be responsible for the prevention and control of noxious weeds and/or exotic plants of concern on National Forest System lands within the project area, and shall provide prevention and control measures prescribed by the Forest Service. Noxious weeds/exotic plants of concern are defined as those species recognized by the county weed authority and/or National Forest in which the authorized use is located.

Licensee shall also be responsible for prevention and control of noxious weed/exotic plant infestations which are not within the project area, but which are determined by the Forest Service to have been caused by the existence or operation of the project.

When determined necessary by the Forest Service, the Licensee shall develop a site-specific plan for noxious weed/exotic plant prevention and control. Such plan shall be subject to Forest Service approval and shall be consistent with plans developed for adjacent non-project Forest Service lands.

Condition 10. Pesticide/herbicide Use.

Licensee shall not use pesticides or herbicides on National Forest System (NFS) lands for any purpose without the prior written approval of the Forest Service. Before any pesticide application program is implemented on National Forest System lands, the Licensee shall develop a pesticide use plan which shall be approved by the Forest Service, and include it as a part of the licensee's Annual Report to FERC. In any year there are changes proposed to the plan, the licensee shall ensure the amendments are approved by the Forest Service, and include the plan in the Annual Report to FERC.

Only those materials registered by the U.S. Environmental Protection Agency for the specific purpose planned will be considered for use on National Forest System lands. Label instructions will be strictly followed in the preparation and application of pesticides and disposal of excess material and containers.

APPENDIX C

U.S. Department of the Interior

Section 18 Prescriptions

1. The licensee shall assess, plan, design, construct, operate, and maintain upstream fishway devices or measures and downstream fish protection devices or measures in accordance with the Native Salmonid Restoration Plan (Plan) (License Application Volume IV.A). Construction, operation, and maintenance of fishways will proceed in a stepwise manner, beginning at the effective date of the Settlement Agreement (License Application Volume III), utilizing the principles of adaptive management (i.e., the ability to change program direction based on new information provided by monitoring and evaluation of experimental measures). Following initial feasibility assessments, and within 1 year of the effective date of the Settlement Agreement, an experimental fish trap and truck program for the purpose of moving bull trout from below Cabinet Gorge Dam to the Cabinet Gorge Reservoir pool shall be constructed, operated, and maintained. Assessment and implementation of other fish stock enhancement measures shall begin at the effective date of the Settlement Agreement, as described in the Plan. Evaluation of the effectiveness of the fish trap and truck program below Cabinet Gorge, and evaluation of other stock enhancement measures will determine the timing of construction, operation, and maintenance of other upstream fishway facilities and measures and downstream fish entrainment protection devices at Cabinet Gorge and Noxon Rapids Dams.

2. At the effective date of the Settlement Agreement (License Application Volume III), the licensee shall develop and implement a fish passage program in accordance with the terms of the Clark Fork Settlement Agreement and the Native Salmonid Restoration Plan (License Application Volume IV.A). Implementation of the Plan shall include initial project scoping activities resulting in goals and objectives; background information, compilation and updating in areas of fish genetics, fish pathogens, exotic fish control, existing fish populations, stream and mainstem habitat conditions; assessment of suitable fish stock availability, fish transfer options, and fish hatchery options; and implementation of experimental and comprehensive fish passage measures, as appropriate, and a monitoring program to assess the effectiveness of fishways and other measures.

3. The Secretary of the Interior reserves the authority to prescribe the construction, operation, and maintenance of fishways, as may be determined necessary in the future, including, but not limited to the requirement of measures to implement fish passage strategies developed in conjunction with and pursuant to the Native Salmonid Restoration Plan (License Application IV.A.).

APPENDIX D

U.S. Department of the Interior

Terms and Conditions

In accordance with Section 7(b)(4) of the Endangered Species Act (Act), the U.S. Department of the Interior, Fish and Wildlife Service, submitted an incidental take statement containing 9 reasonable and prudent measures, which are listed in the Threatened and Endangered Species section of the license order, and the following 26 terms and conditions it believes necessary to implement the measures.

To implement measure #1:

a. Through genetic testing and other means determine the likely natal origin of adult bull trout which congregate downstream of Cabinet Gorge Dam.

b. In order to positively identify bull trout originating from spawning areas upstream of the dams, institute a permanent fish tagging system for all bull trout handled during monitoring and other fisheries investigation activities in the project area.

c. Establish adult bull trout collection facilities downstream of Cabinet Gorge Dam for the purpose of capturing adult bull trout for transport above the dam.

d. In a timely manner, agreed to by the Service, for those bull trout determined to have originated from natal areas upstream of Cabinet Gorge Dam, transport these fish captured below Cabinet Gorge Dam to an appropriate location for release in Cabinet Gorge Reservoir.

To implement measure #2:

a. During stock assessment and other fisheries investigations in tributary streams to the reservoirs, in a timely manner agreed to by the Service, capture and transport all juvenile bull trout, determined to be migrating downstream, to an appropriate release site downstream of Cabinet Gorge Dam.

b. Implement assessment measures in the Native Salmonid Restoration Plan for determining the feasibility of downstream fishways for minimizing take of migrating juvenile bull trout.

To implement measure #3:

a. Interim operational procedures will be implemented to reduce or minimize the total dissolved gas production at Noxon Rapids and Cabinet Gorge Dams during periods of spill.

b. In order to assess the extent, effect and solution of the gas supersaturation resulting from spill, monitoring of total dissolved gas will be conducted in the project area, biological impact studies will be conducted, and engineering feasibility studies will be conducted to assess options for reduction of gas supersaturation.

c. In 2002, a comprehensive Gas Supersaturation and Control Plan will be submitted to the Service for approval.

To implement measure #4:

a. The instantaneous minimum flow below Cabinet Gorge Dam will be increased to 5,000 cfs.

b. The benefit of the increased minimum flow to bull trout and other species will be evaluated for a 10 year period and in 2009, or earlier, a recommendation for continuation or change of the minimum flow will be submitted to the Service for approval.

To implement measure #5:

a. An assessment of potential impacts on bull trout of particular exotic species in the reservoirs and their tributaries will be performed in a timely manner, agreed to by the Service.

b. Based on the assessment (a., above), an evaluation of the site specific need for exotic species control programs will be prepared in a timely manner, agreed to by the Service.

c. Exotic species control programs will be developed, implemented, and monitored in coordination with appropriate State management agencies.

To implement measure #6:

a. Conduct a feasibility evaluation of various interim methods for collecting and transporting downstream migrating juveniles from tributary streams to Cabinet Gorge Reservoir.

b. Implement and monitor the effectiveness of the interim juvenile transport program (a., above) and investigate permanent long term solutions to minimize the impact to downstream juvenile migrations.

c. In a timely manner, agreed to by the Service, propose for Service approval a permanent downstream fishway solution for juvenile migrants.

To implement measure #7:

a. In consultation with Idaho Fish and Game and using the best available information, annually prepare and submit to the Service an assessment of the Lake Pend Oreille bull trout population trend (tributary redd counts, etc.).

b. In consultation with Idaho Fish and Game, annually prepare and submit to the Service an assessment, based on the best available information, of the Lake Pend Oreille prey base population trends (kokanee and other species) and an evaluation of the need for fish passage (or other measures) to benefit prey species to mitigate dam impacts to prey species.

c. In a timely manner, agreed to by the Service, propose, for Service approval, fish passage or other measures to offset dam impacts on prey species in Lake Pend Oreille.

To implement measure #8:

a. Annually prepare and submit to the Service a report of the next year's proposed activities under the Native Salmonid Restoration Plan and other fisheries monitoring that may result in intentional as well as incidental take of bull trout. The report will quantify the number of bull trout proposed to be intentionally taken by each activity and summarize the extent of intentional take from all previous year's activities.

b. Upon locating dead, injured, or sick bull trout, or upon observing destruction of redds, notification must be made within 24 hours to the Service's Division of Law Enforcement Special Agent (Richard Branzell, P.O. Box 7488, Missoula, MT., 59807-

7488, 406-329-3000). Instructions for proper handling and disposition of such specimens will be issued by the Division of Law Enforcement. Care must be taken In handling sick or injured fish to ensure effective treatment and care, and in handling dead specimens to preserve biological material in the best possible state. In conjunction with the care of sick or injured bull trout, or the preservation of biological materials from a dead trout, the FERC and the applicant have the responsibility to ensure that information relative to the date, time, and location of the fish when found, and possible cause of injury or death of each fish be recorded and provided to the Service. Dead, injured, or sick bull trout should also be reported to the Service's Helena Field Office (406-449-5225).

c. During project implementation the FERC or applicant shall promptly notify the Service of any emergency or unanticipated situations arising that may be detrimental for bull trout relative to the proposed activity.

d. Within 90 days of the end of each year, the FERC or applicant will provide a written report or letter to the Service indicating the actual number of bull trout taken, if any, as well as any relevant biological/habitat data or other pertinent information on bull trout that was collected.

To implement measure #9:

a. During stock assessment and other fisheries investigations in tributary streams to the reservoirs, determine the need for measures to preserve the genetic integrity of migratory bull trout stocks.

b. In a timely manner, agreed to by the Service, prepare a plan for genetic conservation of migratory bull trout stocks.

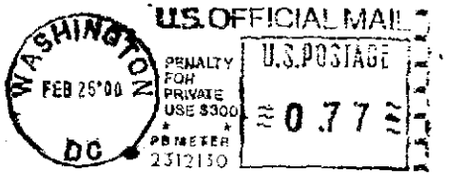
c. If deemed appropriate by the Service, prepare and implement a plan for creating a genetic reserve, or other measures, to be used in conserving and restoring migratory bull trout stocks to the Clark Fork tributary systems.

FEDERAL ENERGY REGULATORY COMMISSION

ROUTING CODE _____

WASHINGTON, D.C. 20426

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300



P-2058
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RECEIVED
FEB 28 2000
Department of Water Resources

State of Idaho
DEPARTMENT OF WATER RESOURCES
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DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

February 19, 1999

Deb Mortlock
Washington Water Power Company
P.O. Box 3727
Spokane, Washington 99220-3727

Dear Ms. Mortlock:

RE: Draft Application for License, Cabinet Gorge Hydroelectric Project, FERC 2058

The letter of October 15, 1998, from Larry La Bolle on the above project requested comments to you by January 15, 1999. Our letter is recognized to be late; however, comments felt to be appropriate are quite minor in relation to FERC's responsibility but generally relate to state of Idaho water rights for the project. This letter results from my discussion with Larry La Bolle on February 17.

In regard to the Draft Application for License, on page 3-14 of the Draft Collaboratively Prepared Environmental Assessment under Idaho Water Rights, we would have preferred a listing of the License and Certificate of Water Right document numbers. These documents are as follows:

96-02179 with priority date of September 7, 1950 for 25,000 cfs
96-02180 with priority date of November 7, 1950 for 10,000 cfs (not September 7, 1950)
96-02269 with priority date of November 3, 1961 for 700 cfs

It should be noted there is no storage license of record for the Cabinet Gorge Reservoir. Therefore a Claim to a Water Right under Idaho Code 42-243 should be filed in the near future on a Idaho Department of Water Resources form no. 243, Claim to a Water Right (Statutory Claim). According to page A-4 of the draft license application, the claim would be for 105,000 acre-feet for storage and 42,780 acre-feet for use from storage for hydroelectric use.

On page 4-45, the reference to the Idaho Water Resource Board's State Water Plan should reference the January 1997 edition not a December 1986 edition.

For the Draft License Application in the Initial Statement under item 6, compliance with each of the laws cited, it would have been beneficial to repeat the above license information with a summary of the claim information. This compliance section, as you know, was not provided in the draft application for license.

In regard to the name change to Avista Corporation, good business practice suggests a name/address change filing either by letter or on form no. 42-248/42-1409(6), Notice of Change of Water Right Ownership, would be made for Idaho water rights [Cabinet Gorge, Post Falls, and any others (?)].

This letter or form should include a listing of the water rights and a copy of the document(s) that makes the legal name change. A partial review of our data base lists the following additional Idaho water filings:

Filing No.	Priority Date	Source	Quantity
95-04518	01/01/1907	Spokane River	4,250 cfs (for Post Falls) (a claim)
95-08003	03/17/1980	Spokane River	1,150 cfs (for Post Falls)
82-02070	03/11/1926	Moores Lake	715 ac-ft (power) in 71 acre lake

Water transferred to Moores Lake Creek to Johns Creek to S.F. Clearwater R. (Storage in T. 26 N., R. 05 S., Sec. 6, NENE., B.M. Transferred from Inland Power & Light Co. A court likely would rule this licensed right forfeited because of non-use.)

95-02205	02/21/1967	Groundwater	0.29 cfs (domestic)
95-04027	09/01/1963	Groundwater	1.20 cfs (domestic)
95-07185	04/03/1972	Groundwater	1.39 cfs (domestic)
95-07271	04/03/1973	Groundwater	0.83 cfs (municipal)
95-08432	01/30/1984	Groundwater	0.08 cfs (domestic)
95-02172	Lapsed		

Both the claim and name change filings may be made through our regional office located in Coeur d'Alene, Idaho, telephone number (208) 769-1450. Forms are enclosed with a copy of this letter to Larry La Bolle and also can be duplicated from internet at www.idwr.state.us.id/idwr/idwrhome.htm.

We have deferred a concern about erosion below Cabinet Gorge Dam to the oversight review and recommendations of the Idaho Division of Environment and the Idaho Department of Fish and Game.

Sincerely,

Ralph Mellin

Ralph Mellin
Special Projects Coordinator

c: Larry La Bolle, Avista Relicensing Project Manager, w/enclosures
Bob Haynes, IDWR Northern Regional Office