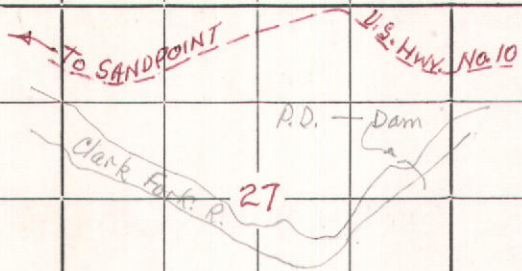


R+3E

T.
55
N.



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 unin-
terruptedly 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
Sec. 42-203; 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 16th
day of November, 1961, and end-
ing on the 30th 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
1st day of December, 1961.

Phyllis Powell

Notary Public for Idaho,
Residing at Sandpoint, Idaho.

RECEIVED
DEC 7 1961

Department of Reclamation

STATE OF IDAHO
Department of Reclamation
NOTICE OF APPLICATION TO AP-
PROPRIATE THE PUBLIC WAT-
ERS OF THE STATE OF IDAHO
IN ACCORDANCE WITH THE
PROVISIONS OF SEC. 42-203,
IDAHO CODE.

NOTICE IS HEREBY GIVEN That
on the 3rd day of November, 1961,
The Washington Water Power Com-
pany, of Spokane, Washington, made
application to appropriate Seven
Hundred (700) cubic feet per sec-
ond of the waters of Clark Fork
River, a tributary of Columbia Riv-
er, for development of hydroelec-
tric power and energy.

That the point of diversion of said
waters is described as being ap-
proximately Twelve Hundred (1200)
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 wat-
er is the same as the point of di-
version.

That any protests against the ap-
proval of this application must be
filed in the Department of Reclama-
tion, 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 November,
1961.

RALPH W. THOMAS,
Deputy State Reclamation Engineer
SERVICE OF THE FOREGOING,
by copy, is hereby acknowledged
this 7th day of November, 1961.

THE WASHINGTON WATER
POWER CO.

By: R. D. Yeomans,
Its: Secretary

Date of First Publication: Nov.
16, 1961.

Date of Last Publication: Nov. 30,
1961.

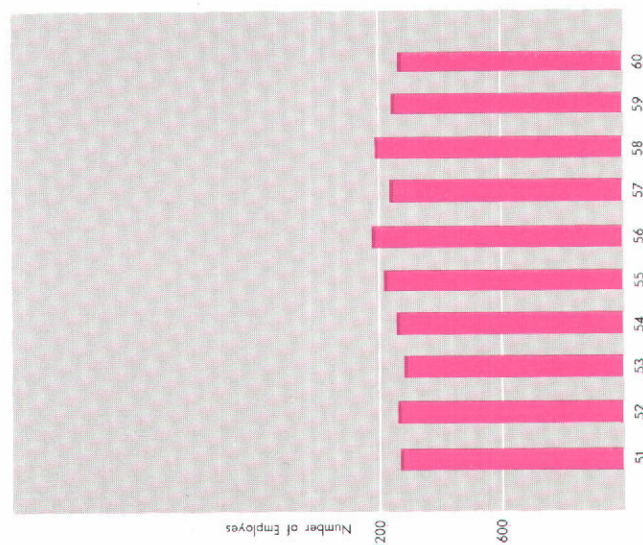
Last Date of Protest: Dec. 16,
1961.

30318

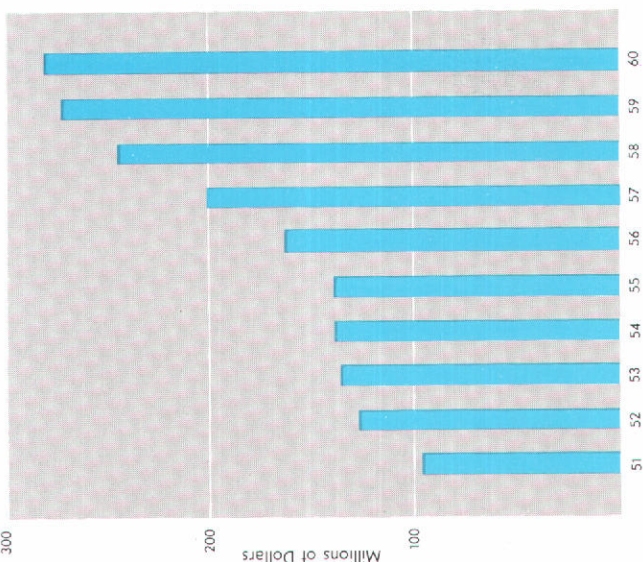
A TEN YEAR SUMMARY

	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960
Gross Utility Plant (Thousands of \$)										
Electric	\$ 93,830	\$123,652	\$132,718	\$134,424	\$135,234	\$159,278	\$196,786	\$228,588	\$247,541	\$252,323
Gas								17,631	20,560	22,192
Other	3,918	4,026	4,103	4,152	4,197	4,342	4,552	4,632	4,916	5,143
Total	\$ 97,748	\$127,678	\$136,821	\$138,576	\$139,431	\$163,620	\$201,338	\$250,851	\$273,017	\$279,658
Operating Revenues (Thousands of \$)	\$ 17,722	\$ 18,796	\$ 21,352	\$ 22,871	\$ 24,469	\$ 26,196	\$ 27,811	\$ 30,247	\$ 36,291	\$ 39,858
Earnings per Share	\$ 1.35	\$ 1.67	\$ 1.77	\$ 1.90	\$ 2.11	\$ 2.29	\$ 2.44	\$ 2.49	\$ 2.66	\$ 2.41
Dividends per Share	\$ 1.08½	\$ 1.35	\$ 1.57½	\$ 1.62½	\$ 1.72½	\$ 1.82	\$ 1.88	\$ 2.00	\$ 2.00	\$ 2.00
Average Electric Customers	117,769	121,257	125,006	129,244	132,577	138,863	143,652	145,001	147,155	148,496
Total Kwh Sold (In millions)	1,714	1,826	2,230	2,314	2,342	2,533	2,700	2,668	2,995	3,082
Residential Service:										
Electric - Averages										
Number of Customers	101,886	105,121	108,441	112,218	115,344	120,936	124,922	125,983	127,655	128,459
Annual Use Per Customer (Kwh)	5,812	6,192	6,403	6,980	7,590	7,914	8,182	8,258	8,855	9,055
Revenue Per Kwh (in cents)	1.24	1.22	1.29	1.28	1.26	1.25	1.25	1.24	1.24	1.31
Annual Revenue Per Customer	\$ 72.16	\$ 75.25	\$ 82.64	\$ 89.44	\$ 95.72	\$ 99.25	\$ 102.27	\$ 102.78	\$ 109.35	\$ 118.34
Total Payroll (Thousands of \$)	\$ 4,536	\$ 4,736	\$ 5,057	\$ 5,454	\$ 5,778	\$ 6,389	\$ 6,649	\$ 6,937	\$ 7,170	\$ 7,298
Employees at December 31	1,086	1,106	1,065	1,107	1,159	1,208	1,131	1,185	1,127	1,095

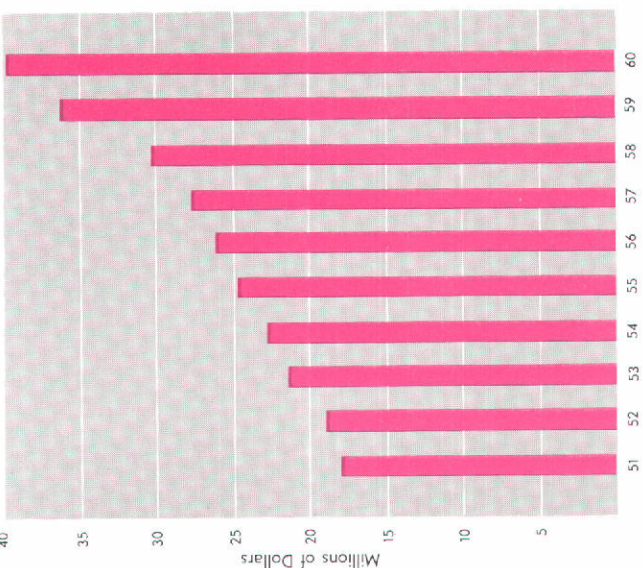
Employees



Gross Utility Plant Investment



Annual Gross Operating Revenue



State of Idaho
License and Certificate of Water Right

Water License No. 30318 Amount 700 c.f.s.
Water District No. Priority November 3, 1961

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 3, 1961; that Permit No. 30318
was issued under said application; that Certificate of Completion of works, with a carrying capacity of
700 second feet, was issued thereunder on June 27, 1962, showing that said works
were completed on the 14th day of February, 1962; and that on the 14th
day of February, 1962,

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. 30318 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 7309, on the 27 day of June, 1962;

The right hereby confirmed dates from November 3, 1961;
The Point of Diversion is located Lots 2 & 7
in the 1/4 1/4, 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 700 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 - hydroelectric power & 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.

(SEAL) s/ RALPH W. THOMAS
Deputy State Reclamation Engineer.

State of Idaho

License and Certificate of Water Right

Water License No. G-27559Amount 3.68 c.f.s.

Water District No. _____

Priority September 12, 1958

THIS IS TO CERTIFY that

WILMA J. LARSEN

of Jerome, Idaho, made application for a permit to appropriate the public waters of the State of Idaho, dated September 19, 1958; that Permit No. G-27559 was issued under said application; that Certificate of Completion of works, with a carrying capacity of 3.68 second feet, was issued thereunder on June 27, 1962, showing that said works were completed on the 3rd day of November, 1961; and that on the 3rd day of November, 1961,

WILMA J. LARSEN

of Jerome, State of Idaho, made proof to the satisfaction of the State Reclamation Engineer of Idaho, of the right to use the waters of a well

, a tributary of subterranean flow, for the purpose of irrigation

, under Use Permit No. G-27559 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 7310, on the 27 day of June, 1962;

The right hereby confirmed dates from September 19, 1958;

The Point of Diversion is located

in the SE $\frac{1}{4}$ NW $\frac{1}{4}$, Sec. 34, Tp. 8 S., R. 18 E., B. M. Jerome 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 3.68 cubic feet per second.

Description and location of use:

Twp.	Range	Sec.	Forty-acre Tract	No. Acres Described in Permit	No. Acres Actually Irrigated
8 S.	18 E.	34	NE $\frac{1}{4}$ NE $\frac{1}{4}$	40	40
			NW $\frac{1}{4}$ NE $\frac{1}{4}$	40	40
			SW $\frac{1}{4}$ NE $\frac{1}{4}$	40	40
			SE $\frac{1}{4}$ NE $\frac{1}{4}$	40	27
			NE $\frac{1}{4}$ NW $\frac{1}{4}$	40	31
			SE $\frac{1}{4}$ NW $\frac{1}{4}$	40	40
			NE $\frac{1}{4}$ SW $\frac{1}{4}$	40	40
			NW $\frac{1}{4}$ SE $\frac{1}{4}$	40	30
			Total number of acres to be irrigated:		288

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)

R.D. Yeomans, Secretary
The Washington Water
Power Company,
P.O. Drawer 1445,
Spokane 10, Washington

30318
96-2269

**Application For Permit
To Appropriate the Public Waters of the State of Idaho**

APPLICATION No. 38322
PERMIT No. 30318
DISTRICT No.

1. Name of Applicant: The Washington Water Power Company
Postoffice address: Drawer 1445, Spokane County: of Spokane State: of 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:
(d) Names and addresses of directors: K.M. Robinson, Spokane, Washington; Rodney G. Aller, Lakeville, Connecticut; A.L. Barnes, Lewiston, Idaho; G.M. Brunzell, Spokane, Washington; John J. Burke, Butte, Montana; Raymond Enloe, Spokane, Washington; James A. Poore, Jr., Butte, Montana; J. Neil Smith, Kansas City, Missouri; L.C. Staley, Pullman, Washington
II. The financial resources of the applicant are:
(a) Cash on hand: See balance sheet attached (c) Bond to be issued:
(b) Treasury stock: (See file) (d) Other resources:
2. Quantity of water claimed: 700 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 east of the center of the center of Section 27, T. 55 N, R. 3 E, B.M., and is in the Lots 2 and 7 of section 27, T. 55 N, R. 3 E, B.M., County of Bonner
5. Water is to be used for Development of hydroelectric power and energy
6. If for mining, milling, power or manufacturing purposes, give:
(a) Point of use of water: Approx. 1200 feet east of the center of Section 27, T. 55 N, R. 3 E, B.M., in Lots 2 & 7 (Total) of Section 27, T. 55 N, R. 3 E, B.M.
(b) Amount of power generated: 308,000 H.P., under 100(gross) feet head.
(c) Water is to be returned to Clark Fork River at a point 1200 feet downstream diversion approximately at the center of Section 27, T. 55 N, R. 3 E, B.M., in Lots 2 & 7 of Section 27, T. 55 N, R. 3 E, B.M.
7. Estimated cost of works: \$ 48,000,000
8. Kind of works: Concrete arch dam, spillway and power house
9. Height of dam Ap. 100 feet; length of dam at top Ap. 500 feet; length of dam at bottom Ap. 200 feet; material used in dam: Concrete
10. Size of headgates Width 32 feet; height 31 feet.
11. Ditch: Width at bottom feet; width at water line feet; depth of water feet; dimensions of flume:
Diameter of pipe 27 feet inches; length of conduits 600 feet app. each of 4 miles.
Average grade per mile feet.
12. The time required for the completion of such work is 2 years.
13. The time required for the complete application of the water to the proposed use is 0 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 Permit Nos. 21783 and 21828.

16. (a) Is reservoir to be used? Yes - see Remarks/ 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:

The Washington Water Power Company *Applicant.*

Corrected application received:

The number of this permit is 30318
Recorded in Book 106 Page 30318 Approved December 21, 1961
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 the same, subject to the following limitations and conditions:
Bond in the sum of \$ to be filed on or before
Work to begin on or before February 21, 1962 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 December 21, 1962
The whole of said work to be completed on or before December 21, 1963
Beneficial use of water appropriated in accordance herewith, to be made on or before December 21, 1963

s/ RALPH W. THOMAS
Deputy *State Reclamation Engineer.*

Countersigned:

By s/ ROBERT E. SMYLIE
Governor.

Secretary of State.

REMARKS: Pondage formed by dam is used for daily and weekly fluctuations of load. Top area of pond is approximately 3,200 acres. Dam elevates river level at the dam site approximately 100 feet and affects the river upstream for a distance of approximately 20 miles. 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 certificate from the Secretary of State of the State of Idaho showing authori-

Twp.	Range	Sec.	NE ¹ / ₄	NW ¹ / ₄	SW ¹ / ₄	SE ¹ / ₄	Totals
			NE ¹ / ₄ NW ¹ / ₄ SW ¹ / ₄ SE ¹ / ₄	NE ¹ / ₄ NW ¹ / ₄ SW ¹ / ₄ SE ¹ / ₄	NE ¹ / ₄ NW ¹ / ₄ SW ¹ / ₄ SE ¹ / ₄	NE ¹ / ₄ NW ¹ / ₄ SW ¹ / ₄ SE ¹ / ₄	
			zation of the Company to do business in Idaho, are both attached hereto. (See file)				
			The amount of power to be generated, namely, 308,000 H.P., referred to in Item 6, is the total amount of power that will be generated from 700 cubic feet per second of water applied for under this permit, together with the 25,000 cubic feet per second applied for under Application, No. 29403 and the 10,000 cubic feet per second applied for under Application No. 29491 by The Washington Water Power Co. The diversion works referred to in this permit are the same as the diversion works described in Application Permits No. 29403 and No. 29491. "Permits to construct" No. 21783 and No. 21828 were issued in response to these Applications. Certificates of Completion of Works were issued under these permits under date of July 13, 1961.				

Permit No. 30318
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. 30318, issued upon Application No. 38322, bearing date of priority of November 3, 1961, authorizing the diversion of 700 second feet of the waters of Clark Fork River, County of Bonner, State of Idaho, for hydroelectric power & 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 diverting and conveying to the place of intended use 700 second feet of the waters of Clark Fork River, tributary of Columbia River; that the point of diversion of said waters Lots 2 and 7, Sec. 27, T. 55 N., R. 3 E., B. M. and that the lands proposed to be irrigated by the use of said water are described as follows, to-wit:

point of use: Lots 2 and 7, Sec. 27, T. 55 N., R. 3 E., B. M.

Witness my hand this 27th day of June A. D. 1962

s/ RALPH W. THOMAS
Deputy State Reclamation Engineer

Proof of Completion of Works Made: February 14, 1962

LICENSE ISSUED FOR 700 SEC. FT.

page 7309



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, P.O. Box 83720, Boise, Idaho 83720-0098

Phone: (208) 327-7900 FAX: (208) 327-7866

February 19, 1999

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

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:

<u>Filing No.</u>	<u>Priority Date</u>	<u>Source</u>	<u>Quantity</u>
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	Moore's Lake	715 ac-ft (power) in 71 acre lake
Water transferred to Moore's 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
Special Projects Coordinator

c: Larry La Bolle, Avista Relicensing Project Manager, w/enclosures
Bob Haynes, IDWR Northern Regional Office



THE WASHINGTON WATER POWER COMPANY

Electric and Natural Gas Service

P.O. BOX 3727 • SPOKANE, WASHINGTON 99220 • (509) 489-0500

RECEIVED
JAN 25 1981
Department of Water Resources

January 22, 1981

	Date	Initial
Director		
Deputy Dir.		
Reso. Adm.		
Reso. Analysis		
Oper. Systems		
Proj. Stud. Bu.		
Reg. Off. Bu.		
Tech. Serv. Bu.		
File:		

Mr. R. Keith Higginson, Director
State of Idaho
Department of Water Resources
Statehouse
Boise, Idaho 83720

Dear Mr. Higginson:

We are enclosing a copy of the Nineteenth Supplemental Indenture issued in connection with our Mortgage which should be filed with the Mortgage and the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, and Eighteenth Supplements, all of which have been previously sent to your office (formerly sent to the Department of Reclamation).

We ask that you please acknowledge receipt of this Nineteenth Supplemental Indenture by signing and returning the copy of this letter enclosed. A self-addressed stamped envelope is also enclosed for your convenience.

Thank you for your cooperation.

Very truly yours,

Richard Muffett
Richard Muffett
Rights of Way Supervisor

RM:mh
Enclosures

ACKNOWLEDGED AND RECEIVED:

BY *Robert H. Hays*
Title Chief Clerk
Date 1/27/81

Executed in 125 Counterparts
Of Which This is Counterpart No. 116

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**

Nineteenth Supplemental Indenture

**Providing among other things for
First Mortgage Bonds, 14½% Series due 1991**

Dated as of January 1, 1981

WASHINGTON LEGAL BLANK

STATE OF WASHINGTON
UNIFORM COMMERCIAL CODE—FINANCING STATEMENT—FORM UCC-1

7085

INSTRUCTIONS:

1. PLEASE TYPE THIS FORM IN BLACK. DO NOT FOLD FOR MAILING.
2. Remove Secured Party and Debtor Copies and send the other three pages with interleaved carbon paper intact to the filing officer.
3. The filing fee for a standard form is \$3.00. The fee is \$5.00 if any other form is used or if any additional sheets or documents are attached.
4. If the space provided for any item(s) on the form is inadequate, the item(s) should be continued on additional sheets preferably 5" x 8" or 8" x 10". Only one copy of such additional sheets need be presented to the filing officer with a set of three copies of the financing statement. Indicate the number of sheets attached in the space provided.
5. Reasonably identify and describe personal property used as collateral in the space provided below. If collateral is crop or fixtures, describe the real property on which the crops are growing or to be grown, or the fixtures which are attached or to be attached.
6. When a copy of the security agreement is used as a financing statement, it is requested that it be accompanied by a completed but unsigned set of these forms. The non-standard fee of \$5.00 applies in this case.
7. At the time of original filing, the filing officer should return the third copy as an acknowledgment. At a later time the secured party may date and sign Termination Legend and use copy three as a Termination Statement, or he may use Form UCC-3.
8. DO NOT WRITE IN BOX 4.

This FINANCING STATEMENT is presented to filing officer for
 filing pursuant to the Uniform Commercial Code.

No. of additional
 sheets presented:

3. Maturity date
 (if any):

1. Debtor(s): (last name first, and mailing address(es))

The Washington Water Power Company
 P. O. Box 3727
 Spokane, Washington 99220

2. Secured Party(ies) and address(es):

Citibank, N.A.
 7 Hanover Square
 New York, New York 10004

4. FOR FILING OFFICER ONLY
 (Date, time, number and filing office)

5. This Financing Statement covers the following types (or items) of property:
 (Use this space for Real Property description if required.)

See over-sized file.

6. Assignee(s) of Secured Party(ies)
 and address(es)

CHECK ☒ IF COVERED: ☐ Proceeds of collateral are also covered ☐ Products of collateral are also covered
 Filed with:

☐ The collateral described herein is brought into this state already subject to a security interest in the state of _____

(See original instrument)

(See original instrument)

BY: _____

SIGNATURE(S) OF DEBTOR(S)

BY: _____
 Signature of Secured Party or Assignee of Record (Not Valid until Signed)

NINETEENTH SUPPLEMENTAL INDENTURE

THIS INDENTURE, dated as of the first day of January, 1981, 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 "Nineteenth 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:

<u>Designation</u>	<u>Dated as of</u>
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
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

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 an Eighteenth Supplemental Indenture, dated as of June 1, 1980, which was appropriately filed or recorded in various official records in the states of Washington, Idaho and Montana as follows:

FILING IN STATE OFFICES

<u>State</u>	<u>Office of</u>	<u>Date</u>	<u>Financing Statement Document Number</u>
Washington	Department of Licensing	6-17-80	80169092
Idaho	Secretary of State	6-20-80	825206
Montana	"	6-16-80	102251

RECORDING IN COUNTY OFFICES

<u>County</u>	<u>Office of</u>	<u>Date</u>	<u>Real Estate Mortgage Records</u>	<u>Page</u>	<u>Financing Statement Document No.</u>
<i>Washington</i>					
Adams	Auditor	6-13-80	75	117	181835
Asotin	Auditor	6-13-80	Doc. No. 148046		8888
Douglas	Auditor	6-13-80	102	356	11991
Ferry	Auditor	6-13-80	59	627	185748
Franklin	Auditor	6-13-80	138	105	402407
Garfield	Auditor	6-13-80	Doc. No. 17573		1919
Grant	Auditor	6-13-80	334	256	703507
Klickitat	Auditor	6-16-80	124	437	177084
Lewis	Auditor	6-16-80	210	16	877582
Lincoln	Auditor	6-13-80	21	886	355813
Pend Oreille	Auditor	6-13-80	34	708	168114
Skamania	Auditor	6-16-80	57	203	2110
Spokane	Auditor	6-13-80	505	1456	8006130039
Stevens	Auditor	6-13-80	58	1220	497096
Thurston	Auditor	6-17-80	1006	273	1114295
Whitman	Auditor	6-13-80	General Index		471611
<i>Idaho</i>					
Benewah	Recorder	6-16-80	150	1915	148873
Bonner	Recorder	6-16-80	105	84	229089
Boundary	Recorder	6-16-80	37	73	133166
Clearwater	Recorder	6-16-80	Film No. 125730		125731
Idaho	Recorder	6-19-80	Film No. 285508		285509
Kootenai	Recorder	6-25-80	168	429	845590
Latah	Recorder	6-16-80	Film No. 307334		307335
Lewis	Recorder	6-16-80	Film No. 1980-583		88475
Nez Perce	Recorder	6-16-80	Film No. 436617		436618
Shoshone	Recorder	6-18-80	Instr. No. 286458		286460
<i>Montana</i>					
Mineral	Clerk & Recorder	6-16-80	Dr. 1, Card 1475		53769
Sanders	Clerk & Recorder	6-17-80	64	833	152973

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:

<u>Series</u>	<u>Principal Amount Issued</u>	<u>Principal Amount Outstanding</u>
3-1/2% Series due 1964	\$22,000,000	None
3-3/4% Series due 1982	30,000,000	\$20,370,000
3-7/8% Series due 1983	10,000,000	None
4-7/8% Series due 1987	30,000,000	30,000,000
4-1/8% Series due 1988	20,000,000	20,000,000
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

which bonds are also sometimes referred to as bonds of the First through Fifteenth 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 Nineteenth Supplemental Indenture, and the terms of the bonds of the Sixteenth 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 Nineteenth 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 Nineteenth 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 Nineteenth 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 Nineteenth 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 Nineteenth 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 Nineteenth 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

Sixteenth Series of Bonds

SECTION 1. There shall be a series of bonds designated "14%% Series due 1991" (herein sometimes referred to as the "Sixteenth 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 Sixteenth Series shall mature on January 1, 1991, 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 14%% per annum, payable semi-annually on July 1 and January 1 of each year; 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.

(I) Bonds of the Sixteenth Series shall not be redeemable prior to January 1, 1988. On and after January 1, 1988, Bonds of the Sixteenth Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage, as supplemented, including, but not limited to, the

application of cash deposited with the Trustee pursuant to the provisions of Section 38, Section 39 or Section 64 of the Mortgage, as supplemented, or with the Proceeds of Released Property, 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 general redemption price of 100.00% of their principal amount, in each case together with accrued interest to the date fixed for redemption.

(II) At the option of the registered owner, any bonds of the Sixteenth 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 Sixteenth 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 Sixteenth 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 Sixteenth Series.

Upon the delivery of this Nineteenth Supplemental Indenture, bonds of the Sixteenth Series in the aggregate principal amount of \$40,000,000 are to be issued forthwith and will be Outstanding, in addition to \$255,370,000 aggregate principal amount of bonds of prior series Outstanding at the date of delivery of this Nineteenth Supplemental Indenture.

ARTICLE II

Miscellaneous Provisions

SECTION 2. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Nineteenth Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 3. 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 Nineteenth 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 Nineteenth 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 Nineteenth Supplemental Indenture.

SECTION 4. Whenever in this Nineteenth 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 Nineteenth 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 5. Nothing in this Nineteenth 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 Nineteenth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and

agreements in this Nineteenth 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.

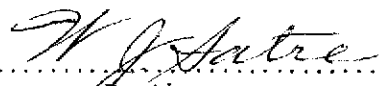
SECTION 6. So long as any bonds of the Sixteenth Series remain Outstanding, unless this requirement shall have been waived in writing by the holders of a majority in principal amount of the bonds of the Sixteenth Series Outstanding at the time of such waiver, notwithstanding the provisions of the second 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 13½% of the Gross Operating Revenues of the Company (as defined in Section 38 of the Mortgage, as supplemented) 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 7. This Nineteenth 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 8. The titles of the several Articles of this Nineteenth Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on this 15th day of January, 1981, 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 New York, New York, as of the day and year first above written; and on this 15th day of January, 1981, 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.

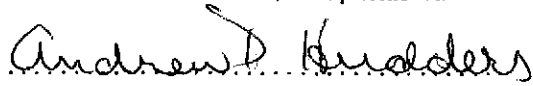
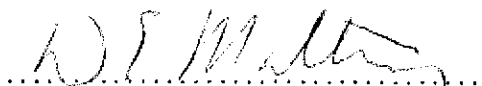
THE WASHINGTON WATER POWER COMPANY

By  President

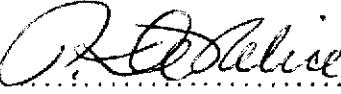
Attest:


Secretary

Executed, sealed and delivered by THE WASHINGTON
WATER POWER COMPANY, in the presence of:

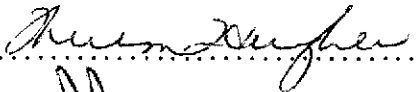
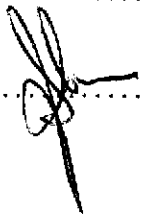
CITIBANK, N.A., AS TRUSTEE

By 
Senior Trust Officer

Attest:


Trust Officer

Executed, sealed and delivered by CITIBANK, N.A.,
in the presence of:

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 Nineteenth 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 Nineteenth 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 Nineteenth 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

Sixteenth Series of Bonds

SECTION 1. There shall be a series of bonds designated "14½% Series due 1991" (herein sometimes referred to as the "Sixteenth 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 Sixteenth Series shall mature on January 1, 1991, 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 14½% per annum, payable semi-annually on July 1 and January 1 of each year; 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.

(I) Bonds of the Sixteenth Series shall not be redeemable prior to January 1, 1988. On and after January 1, 1988, Bonds of the Sixteenth Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage, as supplemented, including, but not limited to, the

STATE OF NEW YORK }
 COUNTY OF NEW YORK } ss.:

On the 15th day of January, 1981, before me personally appeared W. J. SATRE, 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 15th day of January, 1981, before me, JOAN TAGLIAFERRI, a Notary Public in and for the State and County aforesaid, personally appeared W. J. SATRE, 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.

Joan Tagliaferri
 Notary Public

JOAN TAGLIAFERRI
 Notary Public, State of New York
 No. 24-4681988
 Qualified in Kings County
 Certificate filed in New York County
 Commission Expires March 30, 1982

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On the 15th day of January, 1981, before me personally appeared P. DEFELICE, 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 15th day of January, in the year 1981, before me ENZO L. CARBOCCI, a Notary Public in and for the State and County aforesaid, personally appeared P. DEFELICE, 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. 43-5605595
Qualified in Richmond County
Cert. Filed in New York County
Term Expires March 30, 1982



THE WASHINGTON WATER POWER COMPANY

Electric and Natural Gas Service

P.O. BOX 3727 • SPOKANE, WASHINGTON 99220 • (509) 489-0500

November 12, 1976

State Reclamation Engineer
State of Idaho
Department of Reclamation
Boise, Idaho

Gentlemen:

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

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

Very truly yours,

Richard Muffett
Richard Muffett
Rights of Way Supervisor

RM:mh
Enclosures

EXECUTED IN 110 COUNTERPARTS OF
WHICH THIS IS COUNTERPART No. 53

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**

Seventeenth Supplemental Indenture

**Providing among other things for
First Mortgage Bonds, 8¾% Series due 2006**

Dated as of November 1, 1976

**STATE OF WASHINGTON
UNIFORM COMMERCIAL CODE—FINANCING STATEMENT—FORM UCC-1**

41024

INSTRUCTIONS:

1. PLEASE TYPE THIS FORM IN BLACK. DO NOT FOLD FOR MAILING.
2. Remove Secured Party and Debtor Copies and send the other three pages with interleaved carbon paper intact to the filing officer.
3. The filing fee for a standard form is \$3.00. The fee is \$5.00 if any other form is used or if any additional sheets or documents are attached.
4. If the space provided for any item(s) on the form is inadequate, the item(s) should be continued on additional sheets preferably 5" x 8" or 8" x 10". Only one copy of such additional sheets need be presented to the filing officer with a set of three copies of the financing statement. Indicate the number of sheets attached in the space provided.
5. Reasonably identify and describe personal property used as collateral in the space provided below. If collateral is crop or fixtures, describe the real property on which the crops are growing or to be grown, or the fixtures which are attached or to be attached.
6. When a copy of the security agreement is used as a financing statement, it is requested that it be accompanied by a completed but unsigned set of these forms. The non-standard fee of \$5.00 applies in this case.
7. At the time of original filing, the filing officer should return the third copy as an acknowledgment. At a later time the secured party may date and sign Termination Legend and use copy three as a Termination Statement, or he may use Form UCC-3.
8. DO NOT WRITE IN BOX 4.

This FINANCING STATEMENT is presented to filing officer for filing pursuant to the Uniform Commercial Code.

No. of additional sheets presented:

3. Maturity date (if any):

1. Debtor(s): (last name first, and mailing address(es))

2. Secured Party(ies) and address(es):

4. FOR FILING OFFICER ONLY (Date, time, number and filing office)

The Washington Water Power Company
P. O. Box 3727
Spokane, Washington 99220.

Citibank, N.A.
111 Wall Street
New York, New York

5. This Financing Statement covers the following types (or items) of property: (Use this space for Real Property description if required.)

See over-sized file.

6. Assignee(s) of Secured Party(ies) and address(es)

CHECK ☒ IF COVERED: ☐ Proceeds of collateral are also covered ☐ Products of collateral are also covered

Filed with:

☐ The collateral described herein is brought into this state already subject to a security interest in the state of _____

(see original instrument)

(see original instrument)

BY: _____

SIGNATURE(S) OF DEBTOR(S)

BY: _____

Signature of Secured Party or Assignee of Record (Not Valid until Signed)

SEVENTEENTH SUPPLEMENTAL INDENTURE

THIS INDENTURE, dated as of the first day of November, 1976, between THE WASHINGTON 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 "Seventeenth 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:

<u>Designation</u>	<u>Dated as of</u>
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
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

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 Sixteenth Supplemental Indenture, dated as of February 1, 1975, which was appropriately filed or recorded in various official records in the states of Washington, Idaho and Montana as follows:

RECORDING IN STATE OFFICES

<u>State</u>	<u>Office of</u>	<u>Date</u>	<u>Financing Statement Document Number</u>
Washington	Secretary of State	3-12-75	287435
Idaho	" " "	3-12-75	A52159
Montana	" " "	3-18-75	53464

RECORDING IN COUNTY OFFICES

<u>County</u>	<u>Office of</u>	<u>Date</u>	<u>Real Estate Mortgage Records</u>	<u>Page</u>	<u>Financing Statement Document No.</u>
<i>Washington</i>					
Adams	Auditor	3-11-75	36	115	151606
Asotin	"	3-11-75	Doc. No. 122971		122972
Douglas	"	3-11-75	20	230	5653
Ferry	"	3-12-75	37	86	167455
Franklin	"	3-11-75	68	857	351077
Garfield	"	3-11-75	Film No. 14952		1092
Grant	"	3-11-75	166	551	615191
Klickitat	"	3-11-75	112	125	151874
Lewis	"	3-11-75	101	347	799537
Lincoln	"	3-11-75	110	774	3857
Pend Oreille	"	3-12-75	11	1214	143514
Skamania	"	3-12-75	52	508	1259
Spokane	"	3-12-75	220	912	7503120018
Stevens	"	3-12-75	14	398	435679
Thurston	"	3-12-75	681	528	931872
Whitman	"	3-12-75	334	763	427025
<i>Idaho</i>					
Benewah	Recorder	3-12-75	150	575	131599
Bonner	"	3-12-75	73	306	164115
Boundary	"	3-12-75	20	350	118509
Clearwater	"	3-12-75	Film No. 108717		108718
Idaho	"	3-12-75	Film No. 257618		257617
Kootenai	"	3-12-75	137	359	668357
Latah	"	3-12-75	Film No. 274190		274191
Lewis	"	3-12-75	Film No. 1975-203		81259
Nez Perce	"	3-12-75	Film No. 382662		382663
Shoshone	"	3-12-75	Instr. No. 255711		255710
<i>Montana</i>					
Mineral	Clerk & Recorder	3-12-75	Dr. 1	Card 624	3533
Sanders	" "	3-13-75	57	756	134239

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:

<u>Series</u>	<u>Principal Amount Issued</u>	<u>Principal Amount Outstanding</u>
3-1/2% Series due 1964	\$22,000,000	None
3-3/4% Series due 1982	30,000,000	\$20,370,000
3-7/8% Series due 1983	10,000,000	None
4-7/8% Series due 1987	30,000,000	30,000,000
4-1/8% Series due 1988	20,000,000	20,000,000
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

which bonds are also sometimes referred to as bonds of the First through Fourteenth 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 Seventeenth Supplemental Indenture, and the terms of the bonds of the Fifteenth 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 Seventeenth 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 enrolling 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 Seventeenth 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 Seventeenth 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 Seventeenth 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 Seventeenth 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 Seventeenth 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

Fifteenth Series of Bonds

SECTION 1. There shall be a series of bonds designated "8¾% Series due 2006" (herein sometimes referred to as the "Fifteenth 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 Fifteenth Series shall mature on November 1, 2006, 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 8¾% per annum, payable semi-annually on May 1 and November 1 of each year; 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.

(I) Bonds of the Fifteenth 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 the 12 months period ending October 31,

Year	Redemption Price	Year	Redemption Price	Year	Redemption Price
1977	109.28%	1987	106.08%	1997	102.88%
1978	108.96%	1988	105.76%	1998	102.56%
1979	108.64%	1989	105.44%	1999	102.24%
1980	108.32%	1990	105.12%	2000	101.92%
1981	108.00%	1991	104.80%	2001	101.60%
1982	107.68%	1992	104.48%	2002	101.28%
1983	107.36%	1993	104.16%	2003	100.96%
1984	107.04%	1994	103.84%	2004	100.64%
1985	106.72%	1995	103.52%	2005	100.32%
1986	106.40%	1996	103.20%	2006	100.00%

in each case together with accrued interest to the date fixed for redemption; provided, however, that no bonds of the Fifteenth Series shall be redeemable at the general redemption prices prior to November 1, 1981, 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 8.78% per annum.

(II) Bonds of the Fifteenth 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 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 months period ending October 31,

Year	Redemption Price	Year	Redemption Price	Year	Redemption Price
1977	100.53%	1987	100.48%	1997	100.33%
1978	100.53%	1988	100.47%	1998	100.31%
1979	100.53%	1989	100.46%	1999	100.29%
1980	100.52%	1990	100.44%	2000	100.26%
1981	100.52%	1991	100.43%	2001	100.23%
1982	100.51%	1992	100.42%	2002	100.20%
1983	100.51%	1993	100.41%	2003	100.17%
1984	100.50%	1994	100.39%	2004	100.13%
1985	100.49%	1995	100.37%	2005	100.09%
1986	100.48%	1996	100.35%	2006	100.00%

in each case together with accrued interest to the date fixed for redemption; provided, however, that if, in the case of redemption of bonds of the Fifteenth Series by the application of cash deposited with the Corporate Trustee pursuant to the provisions of Section 39 of the Mortgage, 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 said Section 39, bonds of the Fifteenth Series shall be redeemable at the applicable general redemption prices set forth in subdivision (I) of this Section, together with accrued interest to the date fixed for redemption.

(III) At the option of the registered owner, any bonds of the Fifteenth 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 Fifteenth 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 Fifteenth 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 Fifteenth Series.

Upon the delivery of this Seventeenth Supplemental Indenture, bonds of the Fifteenth Series in the aggregate principal amount of \$30,000,000 are to be issued forthwith and will be Outstanding, in addition to \$225,370,000 aggregate principal amount of bonds of prior series Outstanding at the date of delivery of this Seventeenth Supplemental Indenture.

ARTICLE II

Dividend Covenant

SECTION 2. So long as any of the bonds of the Fifteenth 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 Fifteenth 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 ½% of the Gross Operating Revenues of the Company (as defined in Section 38 of the Mortgage) for such cumulative period.

ARTICLE III

Company Reserves Right To Amend Certain Provisions of the Mortgage

SECTION 3. The Company reserves the right, subject to appropriate corporate action but without any consent or other action by holders of bonds of the Fifteenth Series, or of any subsequently created series, to make such other amendments to the Mortgage, as supplemented, as shall be necessary in order to amend Section 28(7)(b) of the Mortgage to read as follows:

"(b) that the ownership and operation of the Property Additions in respect of which the application is made are within the corporate powers of the Company; and"

SECTION 4. The Company reserves the right, subject to appropriate corporate action but without any consent or other action by holders of bonds of the Fifteenth Series, or of any subsequently created series, to make such other amendments to the Mortgage, as supplemented, as shall be necessary in order to amend Section 37 and Section 38 of the Mortgage to substitute the words "a dollar amount equal to .002% of the principal amount of the bonds then Outstanding hereunder" for the words "Fifty Thousand Dollars (\$50,000)" each time such words appear in said sections.

ARTICLE IV

Miscellaneous Provisions

SECTION 5. 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 Fifteenth Series than a pro rata portion of all bonds Outstanding at the time of such redemption.

SECTION 6. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Seventeenth Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 7. 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 Seventeenth 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 Seventeenth 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 Seventeenth Supplemental Indenture.

SECTION 8. Whenever in this Seventeenth 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 Seventeenth 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 9. Nothing in this Seventeenth 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 Seventeenth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Seventeenth 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 10. So long as any bonds of the Fifteenth 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 Fifteenth 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 13½% of the Gross Operating Revenues 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.

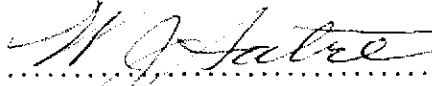
SECTION 11. Section 39 of the Mortgage is hereby amended by inserting the words “; and provided further that the Company may not deposit cash prior to November 1, 1981, in anticipation of the requirements of this Section in respect of the Fifteenth Series other than a requirement becoming due in the 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 8.78% per annum.” after the words “of less than 9.375% per annum”.

SECTION 12. This Seventeenth 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.

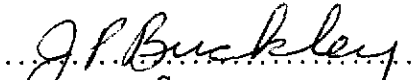
SECTION 13. The titles of the several Articles of this Seventeenth Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on this 28th day of October, 1976, 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 New York, New York, as of the day and year first above written; and on this 28th day of October, 1976, 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.

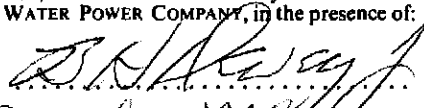
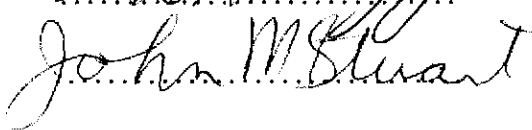
THE WASHINGTON WATER POWER COMPANY

By 
President

Attest:


Secretary

Executed, sealed and delivered by THE WASHINGTON
WATER POWER COMPANY, in the presence of:



John M. Stuart

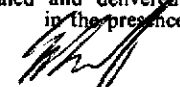
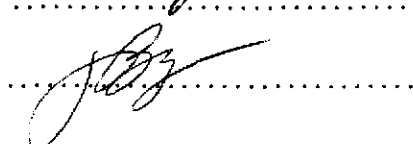
CITIBANK, N.A., AS TRUSTEE

By 
Senior Trust Officer

Attest:


Trust Officer

Executed, sealed and delivered by CITIBANK, N.A.,
in the presence of:

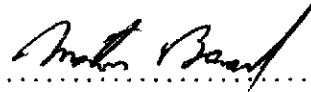



STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On the 28th day of October, 1976, before me personally appeared W. J. SATRE, 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 October, 1976, before me, MORTON BARAD, a Notary Public in and for the State and County aforesaid, personally appeared W. J. SATRE, 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 by official seal the day and year first above written.



Notary Public

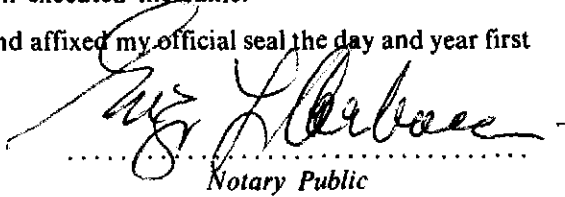
MORTON BARAD
Notary Public, State of New York
No. 41-5170980
Certs. filed in Bronx, Kings, Nassau,
New York, and Westchester Cos.
Qualified in Queens County
Commission Expires March 30, 1978

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On the 28th day of October, 1976, before me personally appeared R. T. KIRCHNER, 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 28th day of October, in the year 1976, before me, ENZO L. CARBOCCI, a Notary Public in and for the State and County aforesaid, personally appeared R. T. KIRCHNER, 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. 43-5605595
Qualified in Richmond County
Cert. Filed in New York County
Term Expires March 30, 1978



THE WASHINGTON WATER POWER COMPANY

Electric and Natural Gas Service

POST OFFICE DRAWER 1445

SPOKANE, WASHINGTON 99210

March 1, 1965



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

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

Yours very truly,

E. B. Talkington
Assistant Secretary

30318

EBT:bd
Enc.

Received:

By: _____



30318

Correspondence received

3.2.25

Permit No. 30318/96.2269
(Licenced)

EXECUTED IN 110 COUNTERPARTS OF
WHICH THIS IS COUNTERPART No. 3

1965

Washington

THE WASHINGTON WATER POWER COMPANY

TO

FIRST NATIONAL CITY BANK

**(Successor by merger 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**

Eleventh Supplemental Indenture

Dated as of March 1, 1965

30318

ELEVENTH SUPPLEMENTAL INDENTURE

THIS INDENTURE, dated as of the first day of March, 1965, 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 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 55 Wall 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 Eleventh 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 Eleventh 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); its Eighth Supplemental Indenture, dated as of January 1, 1959 (hereinafter called its Eighth Supplemental Indenture); its Ninth Supplemental Indenture, dated as of January 1, 1960 (hereinafter called its Ninth Supplemental Indenture); and its Tenth Supplemental Indenture, dated as of April 1, 1964 (hereinafter called its Tenth Supplemental Indenture), as supplements to the Mortgage; and

WHEREAS the First through Ninth 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 Eleventh Supplemental Indenture is to be recorded; and

WHEREAS the Tenth 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	
4/30/64	Adams	Auditor	110	416	19419
4/30/64	Asotin	Auditor	51	435	18770
4/30/64	Douglas	Auditor	113	303	60761
4/30/64	Ferry	Auditor	19	497	143595
4/30/64	Franklin	Auditor	119	33	260694
4/30/64	Garfield	Auditor	49	580	13734
4/30/64	Grant	Auditor	138	320	170197
11/ 4/64	Lewis	Auditor	336	644	671381
4/30/64	Lincoln	Auditor	105	1673	43429
4/30/64	Pend Oreille	Auditor	25	178	16348
4/29/64	Spokane	Auditor	1053	553	13606C
4/30/64	Stevens	Auditor	101	109	49986
4/30/64	Whitman	Auditor	307	337	7661

Idaho

Date Filed For Record	County	Real Estate Mortgage Records		Chattel Mortgage File No.
		Book	Page	
4/30/64	Benewah	Y	211	102006
4/30/64	Bonner	50	330	95237
4/30/64	Boundary	21	415	Bk 11 Pg 17
4/30/64	Clearwater	24	126	82492
4/30/64	Idaho	66	299	215269
4/30/64	Kootenai	93	152	440768
4/30/64	Latah	99	79	39038
4/30/64	Lewis	34	27	70023
4/30/64	Nez Perce	177	89	301975
4/30/64	Shoshone	36	288	195925

Montana

Date Filed For Record	County	Real Estate Mortgage Records		Chattel Mortgage File No.
		Book	Page	
4/29/64	Mineral	7	175	2026
4/29/64	Sanders	44	258	16958

; 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), none of which bonds of the First Series are 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 Eleventh Supplemental Indenture), bonds of a series entitled and designated First Mortgage Bonds, $4\frac{7}{8}\%$ 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, $4\frac{1}{8}\%$ 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, $4\frac{3}{4}\%$ 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, bonds of a series entitled and designated First Mortgage Bonds, $4\frac{3}{4}\%$ 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, bonds of a series entitled and designated First Mortgage Bonds, $5\frac{3}{8}\%$ Series due 1990 (sometimes referred to as bonds of the Eighth Series), in the aggregate principal amount of Ten Million Dollars (\$10,000,000), none of which bonds of the Eighth Series will be Outstanding at the time of the initial issue of bonds of the Tenth Series hereinafter mentioned, and bonds of a series entitled and designated First Mortgage Bonds, $4\frac{5}{8}\%$ Series due 1994 (sometimes referred to as bonds of the Ninth Series), in the aggregate principal amount of Thirty Million Dollars (\$30,000,000), 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 Eleventh Supplemental Indenture, and the terms of the bonds of the Tenth 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 Eleventh 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 Bank (successor by merger to First National City Trust Company, formerly 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 Eleventh 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 Substation Sites of the Company in the State of 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 State of Idaho:

1. The Cottonwood 110 Kv Substation in Idaho County, Idaho.

SECOND

The Additional Electric Transmission Lines of the Company, in the State of 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 line 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-Hot Springs 230 Kv transmission line extending in a southeasterly direction from the Noxon Rapids Switch Yard to the Bonneville Power Administration-Hot Springs 230 Kv Substation for a distance of 70.1 miles.

THIRD

The Additional Gas Distribution Systems of the Company in the State of Washington, 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 Town of Airway Heights, Spokane County, Washington.

FOURTH

The Gas Storage Facilities of the Company in the State of Washington, including all improvements, storage facility equipment, appliances and devices for storing 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, fran-

chises, permits, and other rights and other property forming a part of said Facilities 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. One-third undivided interest in the Gas Storage Facilities located near Chehalis, Lewis County, Washington.

FIFTH

Miscellaneous Real Estate in the States of Washington and Montana.

WASHINGTON:

1. All those lands lying or situated in Lincoln County, Washington, conveyed to the Company or its predecessors by deeds recorded as follows:

LINCOLN COUNTY, WASHINGTON

Date Recorded	Document No.	Book	Page
April 17, 1964	302830	110	1928

MONTANA:

1. All those lands lying or situated in Sanders County, Montana, conveyed to the Company or its predecessors by deeds recorded as follows:

SANDERS COUNTY, MONTANA

Date Recorded	Document No.	Book	Page
February 7, 1964	103166	77	230

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 Eleventh 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 Eleventh 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 Eleventh 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 Eleventh 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.

Tenth Series of Bonds.

SECTION 1. There shall be a series of bonds designated "4½% Series due 1995" (herein sometimes referred to as the "Tenth 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, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Tenth Series shall mature on March 1, 1995, 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, 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 five-eighths per centum ($4\frac{5}{8}\%$) per annum, payable 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 to be made on such date when the principal shall become due and payable 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 Tenth Series shall be dated as of March 1, 1965, and fully registered bonds of the Tenth Series shall be dated as in Section 10 of the Mortgage provided.

(I) Bonds of the Tenth 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 and 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 months period ending the last day of February,

Year	Redemption Price (%)	Year	Redemption Price (%)	Year	Redemption Price (%)
1966.....	104.63	1976.....	103.04	1986.....	101.44
1967.....	104.47	1977.....	102.88	1987.....	101.28
1968.....	104.31	1978.....	102.72	1988.....	101.12
1969.....	104.15	1979.....	102.56	1989.....	100.96
1970.....	103.99	1980.....	102.40	1990.....	100.80
1971.....	103.83	1981.....	102.24	1991.....	100.64
1972.....	103.67	1982.....	102.08	1992.....	100.48
1973.....	103.51	1983.....	101.92	1993.....	100.32
1974.....	103.35	1984.....	101.76	1994.....	100.16
1975.....	103.19	1985.....	101.60	1995.....	100.00

in each case, together with accrued interest to the date fixed for redemption; provided that no bonds of the Tenth Series shall be redeemable at the general redemption prices prior to March 1, 1970, 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 five-eighths per centum ($4\frac{5}{8}\%$) per annum.

(II) Bonds of the Tenth 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 Tenth 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 Tenth 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 Tenth 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 Tenth 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 Eleventh Supplemental Indenture, bonds of the Tenth 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 Thirty Million Three Hundred Seventy Thousand Dollars (\$130,370,000) aggregate principal amount of bonds of prior series Outstanding, at the date of delivery of this Eleventh Supplemental Indenture and after the retirement of Ten Million Dollars (\$10,000,000) in aggregate principal amount of bonds of the Eighth Series.

ARTICLE II.

Dividend Covenant.

SECTION 2. So long as any of the bonds of the Tenth 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 Tenth 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 Com-

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pany, 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.

Amendment of Sections 14, 20 and 121 of the Mortgage.

SECTION 3. 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 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, whose signature, except on bonds of the 1982, 1987, January 1988, August 1988, 1989, and 1994 Series, may be facsimile. The coupons to be attached to coupon bonds shall bear the facsimile signature of the 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."

SECTION 4. Section 20 and Section 121 of the Mortgage are hereby amended so as to change the figure "One Hundred Fifty Million Dollars (\$150,000,000)" each time it appears therein to "Five Hundred Million Dollars (\$500,000,000)".

ARTICLE IV.

Company Reserves Right to Make Certain Further Amendments of Mortgage Without Consent of Holders of Bonds of Tenth and Subsequent Series.

SECTION 5. The Company reserves the right, without any consent or other action by holders of bonds of the Tenth Series or of any subsequent series, but otherwise in accordance with the provisions of the Mortgage, as supplemented, to make such amendments to the Mortgage, as supplemented, as shall be necessary at any time or from time to time in order to further 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 One Billion Dollars (\$1,000,000,000), or, insofar as permitted by applicable law, to remove any limitation upon the aggregate principal amount of bonds which may be secured by the Mortgage, to wit, the maximum amount of obligations to be secured thereby.

ARTICLE V.

Miscellaneous Provisions.

SECTION 6. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Eleventh Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 7. 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 Eleventh 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 Eleventh 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 Eleventh Supplemental Indenture.

SECTION 8. Whenever in this Eleventh 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 Eleventh 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 9. Nothing in this Eleventh 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 Eleventh Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Eleventh 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 10. So long as any bonds of the Tenth 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 Tenth 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 ($13\frac{1}{2}\%$) 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 11. Section 39 of the Mortgage is hereby amended by inserting the words “; and provided further that the Company may not deposit cash prior to March 1, 1970, in anticipation of the requirements of this Section in respect of the $4\frac{5}{8}\%$ Series due 1995 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 five-eighths per centum ($4\frac{5}{8}\%$) per annum.” after the words “of less than four and $\frac{6}{100}$ per centum ($4\frac{6}{100}\%$) per annum”.

SECTION 12. This Eleventh 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 13. The titles of the several Articles of this Eleventh Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on this 25th day of February, 1965, 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 BANK, 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 *W. J. Macdonald*
Vice-President

Attest:

R. A. Green
Secretary

Executed, sealed and delivered by THE WASHINGTON
WATER POWER COMPANY, in the presence of:

Edward M. Nelson
John M. Stuart

FIRST NATIONAL CITY BANK,

As Trustee,

By

Vice-President

Attest:

Neil

D. F. Neil Assistant Cashier

Executed, sealed and delivered by FIRST NATIONAL CITY BANK, in the presence of:

T. J. Brett

T. J. Brett

Francis E. McCullion, Jr.

Francis E. McCullion, Jr.

Francis M. Pitt (L. S.)

FRANCIS M. PITT

Executed, sealed and delivered by FRANCIS M. PITT, in the presence of:

T. J. Brett

T. J. Brett

Francis E. McCullion, Jr.

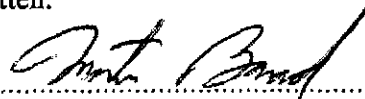
Francis E. McCullion, Jr.

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On the 25th day of February, 1965, 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 25th day of February, in the year 1965, before me, MORTON BARAD, 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 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, 1966

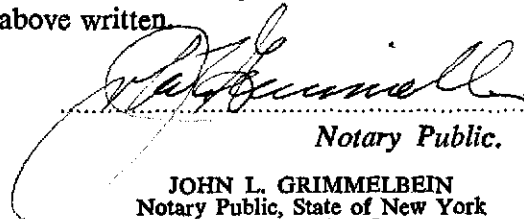
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STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On the 25th day of February, 1965, before me personally appeared S. L. SMITH, to me known to be a Vice-President of FIRST NATIONAL CITY BANK, 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 25th day of February, in the year 1965, before me, JOHN L. GRIMMELBEIN, 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 BANK, 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.

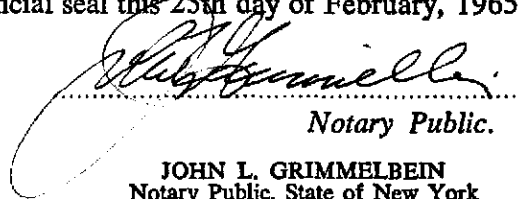
JOHN L. GRIMMELBEIN
Notary Public, State of New York
No. 30-6675350
Qualified in Nassau County
Cert. Filed in N. Y. County
Term Expires March 30, 1966

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On this 25th day of February, in the year 1965, before me, JOHN L. GRIMMELBEIN, 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 25th day of February, 1965.


Notary Public.

JOHN L. GRIMMELBEIN
Notary Public, State of New York
No. 30-6675350
Qualified in Nassau County
Cert. Filed in N. Y. County
Term Expires March 30, 1966

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

W. L. THRAILKILL, being duly sworn, deposes and says that he is a Vice-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.

W. L. Thraikill
.....

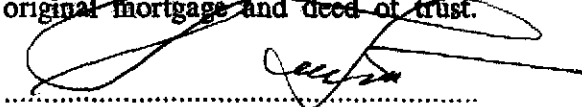
Subscribed and sworn to before me }
this 25th day of February, 1965. }

Morton Barad
.....
Notary Public

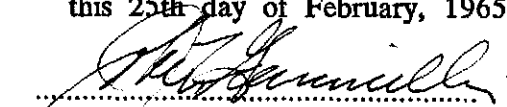
MORTON BARAD
NOTARY PUBLIC, State of New York
No. 24-5170980
Qualified in Kings County
Certs. filed in Bronx, Queens, Nassau,
New York and Westchester Cos.
Term Expires March 30, 1966

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 BANK, 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 25th day of February, 1965. }



Notary Public.

JOHN L. GRIMMELBEIN
Notary Public, State of New York
No. 30-6675350
Qualified in Nassau County
Cert. Filed in N. Y. County
Term Expires March 30, 1966

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 25th day of February, 1965. }

John L. Grimmelbein
.....
Notary Public.

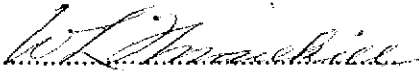
JOHN L. GRIMMELBEIN
Notary Public, State of New York
No. 30-6675350
Qualified in Nassau County
Cert. Filed in N. Y. County
Term Expires March 30, 1966

RECEIPT

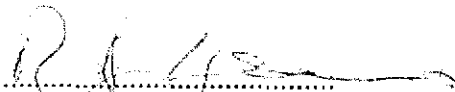
The undersigned, THE WASHINGTON WATER POWER COMPANY, the mortgagor in the foregoing mortgage and deed of trust, hereby acknowledges surrender, without cost, by the mortgagees and trustees to the undersigned at the time of the execution of the foregoing mortgage and deed of trust of a correct copy of said original mortgage and deed of trust, as signed, with the acknowledgments shown thereon, and acknowledges receipt thereof.

Dated this 25th day of February, 1965.

THE WASHINGTON WATER POWER COMPANY

By... 
Vice-President.

Attest:


Secretary.



THE WASHINGTON WATER POWER COMPANY

Electric and Natural Gas Service

POST OFFICE DRAWER 1445 SPOKANE, WASHINGTON 99210

April 30, 1964

RECEIVED
MAY 4 1964

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

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

Yours very truly,

E. B. Talkington
E. B. Talkington
Assistant Secretary

EBT:o
Enc.

30318



30318

Correspondence received

5.4.64

Permit no. 803/8/96-2269
(Licensed)

EXECUTED IN 100 COUNTERPARTS OF
WHICH THIS IS COUNTERPART No. 51

THE WASHINGTON WATER POWER COMPANY

TO

FIRST NATIONAL CITY BANK

(Successor by merger 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

Tenth Supplemental Indenture

Dated as of April 1, 1964

303/8

TENTH SUPPLEMENTAL INDENTURE

THIS INDENTURE dated as of the first day of April, 1964, 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 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 55 Wall 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 Tenth 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 Tenth 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); its Eighth Supplemental Indenture, dated as of January 1, 1959 (hereinafter called its Eighth Supplemental Indenture); and its Ninth Supplemental Indenture, dated as of January 1, 1960 (hereinafter called its Ninth Supplemental Indenture), as supplements to the Mortgage; and

WHEREAS the First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth 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 Tenth Supplemental Indenture is to be recorded; and

WHEREAS the Ninth 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	
1/14/60	Adams	Auditor	100	661	75960
1/14/60	Asotin	Auditor	46	87	73692
1/14/60	Douglas	Auditor	103	212	55450
1/14/60	Ferry	Auditor	16	472	132774
1/14/60	Franklin	Auditor	99	700	210349
1/14/60	Garfield	Auditor	48	378	13049
1/14/60	Grant	Auditor	113	224	355384
1/14/60	Lincoln	Auditor	103	273	289445
1/14/60	Pend Oreille	Auditor	23	119	100894
1/13/60	Spokane	Auditor	950	243	680982B
1/14/60	Stevens	Auditor	93	87	332271
1/14/60	Whitman	Auditor	295	232	313393

IDAHO

Date Filed For Record	County	Real Estate Mortgage Records		Chattel Mortgage File No.
		Book	Page	
1/14/60	Benewah	V	472	92023
1/14/60	Bonner	44	419	74037
7/18/63	Boundary	21	227	89828
1/14/60	Clearwater	21	483	74817
1/14/60	Idaho	62	10	200541
1/14/60	Kootenai	84	69	366534
1/14/60	Latah	91	537	207725
1/14/60	Lewis	32	440	65512
1/14/60	Nez Perce	165	178	274411
1/14/60	Shoshone	28	411	179852

MONTANA

Date Filed For Record	County	Real Estate Mortgage Records		Chattel Mortgage File No.
		Book	Page	
1/13/60	Mineral	6	320	28109
1/13/60	Sanders	39	85	93994

; 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), none of which bonds of the First Series will be Outstanding at the time of the initial issue of bonds of the Ninth Series hereinafter mentioned, 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, $3\frac{7}{8}\%$ 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 Tenth Supplemental Indenture), bonds of a series entitled and designated First Mortgage Bonds, $4\frac{7}{8}\%$ 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, $4\frac{1}{8}\%$ 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, $4\frac{3}{8}\%$ 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, bonds of a series entitled and designated First Mortgage Bonds, $4\frac{3}{4}\%$ 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 bonds of a series entitled and designated First Mortgage Bonds, $5\frac{3}{8}\%$ Series due 1990 (sometimes referred to as bonds of the Eighth Series), in the aggregate principal amount of Ten Million Dollars (\$10,000,000), 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 Tenth Supplemental Indenture, and the terms of the bonds of the Ninth 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 Tenth 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 supple-

mented, 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 Bank (successor by merger to First National City Trust Company, formerly 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 Tenth 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 Idaho, including all improvements, regulator and odorizer station 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 Idaho:

1. Pinehurst City Gate Station in Shoshone County, Idaho.

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. Irvin 110 Kv Substation in Spokane County, Washington.
2. Diamond Substation in Whitman County, Washington.
3. Grangeville Substation in Idaho County, Idaho.
4. Cottonwood Substation in Idaho County, Idaho.

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 Lolo-Walla Walla single circuit 230 Kv transmission line, extending in a westerly direction from the Lolo Electric Substation in Nez Perce County, Idaho, to a connecting tie with Pacific Power and Light Company at Engineer's Station No. 769+26.0, on the Garfield-Columbia County line, Washington, for a distance of 39.38 miles.
2. The Wanapum-Walla Walla single circuit 230 Kv transmission line, extending in a southeasterly direction from the Wanapum Switch Yard in Grant County, Washington, to a connecting tie with Pacific Power and Light Company at Engineer's Station No. 3267+30.4, in Franklin County, Washington, for a distance of 63.20 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 Town of Lacrosse, Whitman County, Washington.
2. The Natural Gas Distribution System in the Town of Rosalia, Whitman County, Washington.
3. The Natural Gas Distribution System in the Town of St. John, Whitman County, Washington.
4. The Natural Gas Distribution System in the Village of Bonners Ferry, Boundary County, Idaho.
5. The Natural Gas Distribution System in the Village of Bovill, Latah County, Idaho.
6. The Natural Gas Distribution System in the City of Kellogg, Shoshone County, Idaho.
7. The Natural Gas Distribution System in the City of Sandpoint, Bonner County, Idaho.
8. The Natural Gas Distribution System in the Village of Smelterville, Shoshone County, Idaho.
9. The Natural Gas Distribution System in the City of Wardner, Shoshone County, Idaho.
10. The Natural Gas Distribution System in the Village of Deary, Latah County, Idaho.
11. The Natural Gas Distribution System in the Village of Troy, Latah County, Idaho.
12. The Natural Gas Distribution System in the Village of Fernan Lake, Kootenai County, Idaho.

FIFTH

Miscellaneous Real Estate in the States of Washington, Idaho and Montana.

Washington:

1. All those lands lying or situated in Grant, Lincoln and Spokane Counties, Washington, conveyed to the Company or its predecessors by deeds recorded as follows:

Grant County, Washington

Date Recorded	Document No.	Book	Page
December 10, 1962.....	421845	163	152

Lincoln County, Washington

Date Recorded	Document No.	Book	Page
July 11, 1963.....	300364	110	1432

Spokane County, Washington

Date Recorded	Document No.	Book	Page
January 4, 1963.....	908976-B	808	70
May 3, 1963.....	934782-B	813	591
Filed April 15, 1960— Office of County Clerk	Final Decree of Condemnation and Appropriation No. 158170		

Idaho:

2. All those lands lying or situated in Kootenai County, Idaho, conveyed to the Company or its predecessors by deeds recorded as follows:

Kootenai County, Idaho

Date Recorded	Document No.	Book	Page
November 7, 1962.....	413011	191	125
January 19, 1960.....	366691	180	552

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
April 14, 1960.....	94425	72	53
December 28, 1961.....	97943	74	375
December 28, 1961.....	97942	74	373
December 28, 1961.....	97941	74	371

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 Tenth 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 Tenth 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 Tenth 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 Tenth 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.

Ninth Series of Bonds.

SECTION 1. There shall be a series of bonds designated "4½% Series due 1994" (herein sometimes referred to as the "Ninth 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 Ninth Series shall mature on September 1, 1994, 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, 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 five-eighths per centum (4½%) per annum, the first interest payment to be made on September 1, 1964 for the period from April 1, 1964 to September 1, 1964, 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 to be made on such date when the principal shall become due and payable 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 Ninth Series shall be dated as of April 1, 1964, and fully registered bonds of the Ninth Series shall be dated as in Section 10 of the Mortgage provided.

(I) Bonds of the Ninth 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 prior to September 1, 1964, 104.63% and if redeemed during 12 months period ending August 31,

Year	Redem- tion Price (%)	Year	Redem- tion Price (%)	Year	Redem- tion Price (%)
1965.....	104.56	1975.....	102.99	1985.....	101.42
1966.....	104.41	1976.....	102.84	1986.....	101.26
1967.....	104.25	1977.....	102.68	1987.....	101.11
1968.....	104.09	1978.....	102.52	1988.....	100.95
1969.....	103.94	1979.....	102.36	1989.....	100.79
1970.....	103.78	1980.....	102.21	1990.....	100.63
1971.....	103.62	1981.....	102.05	1991.....	100.48
1972.....	103.46	1982.....	101.89	1992.....	100.32
1973.....	103.31	1983.....	101.73	1993.....	100.16
1974.....	103.15	1984.....	101.58	1994.....	100.00

in each case, together with accrued interest to the date fixed for redemption; provided that no bonds of the Ninth Series shall be redeemable at the gen-

eral redemption prices prior to April 1, 1969, 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 $\frac{67}{100}$ per centum ($4 \frac{67}{100} \%$) per annum.

(II) Bonds of the Ninth 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 Ninth 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 Ninth 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 Ninth 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 Ninth 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 Tenth Supplemental Indenture, bonds of the Ninth Series in the aggregate principal amount of Thirty Million Dollars (\$30,000,000) are to be issued forthwith and will be Outstanding, in addition to One Hundred Ten Million Three Hundred Seventy Thousand Dollars (\$110,370,000) aggregate principal amount of bonds of prior series Outstanding, at the date of delivery of this Tenth Supplemental Indenture.

ARTICLE II.

Dividend Covenant.

SECTION 2. So long as any of the bonds of the Ninth 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 Ninth 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.

Amendment of Sections 39 and 64 of the Mortgage.

SECTION 3. Section 39 of the Mortgage is hereby amended 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."

SECTION 4. Section 64 of the Mortgage is hereby amended so as to change the figure "One Million Dollars (\$1,000,000)" appearing therein to "Fifteen Million Dollars (\$15,000,000)". The provisions of this Article III shall be effective as of April 30, 1964.

ARTICLE IV.

Miscellaneous Provisions.

SECTION 5. The terms defined in the Mortgage, as supplemented, shall, for all purposes of this Tenth Supplemental Indenture, have the meanings specified in the Mortgage, as supplemented.

SECTION 6. 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 Tenth 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 Tenth 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 Tenth Supplemental Indenture.

SECTION 7. Whenever in this Tenth 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 Tenth 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 8. Nothing in this Tenth 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 Tenth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Tenth 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 9. So long as any bonds of the Ninth 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 Ninth 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 ($13\frac{1}{2}\%$) 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 10. Section 39 of the Mortgage is hereby amended by inserting the words "and provided further that the Company may not deposit cash prior to April 1, 1969, in anticipation of the requirements of this Section in respect of the $4\frac{5}{8}\%$ Series due 1994 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 $\frac{67}{100}$ per centum ($4\frac{67}{100}\%$) per annum." after the words "of less than five and $\frac{38}{100}$ per centum ($5\frac{38}{100}\%$) per annum".

SECTION 11. The Company covenants that, so long as any bonds of the Ninth 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 Ninth 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 12. 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 Ninth 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 13. This Tenth 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 14. The titles of the several Articles of this Tenth Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on this 23rd day of April, 1964, 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 BANK, 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 L. J. Z. Z. Z. Z. Z.
Vice-President

Attest:

st: _____
Secretary

Executed, sealed and delivered by THE WASHINGTON
WATER POWER COMPANY, in the presence of:

Edward M. Robson
John M. Stuart

FIRST NATIONAL CITY BANK,

As Trustee,

By,

Vice-President

Attest:

Meil

Assistant Cashier

Executed, sealed and delivered by FIRST NATIONAL CITY BANK, in the presence of:

Wm. F. Langdon

B. A. Russell

Francis M. Pitt (L. S.)

FRANCIS M. PITT

Executed, sealed and delivered by FRANCIS M. PITT, in the presence of:

Wm. F. Langdon

B. A. Russell

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On the 23rd day of April, 1964, 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 23rd day of April, in the year 1964, before me, HAROLD P. GOODWIN, 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 affixed my official seal the day and year first above written.

Harold P. Goodwin
.....
Notary Public.

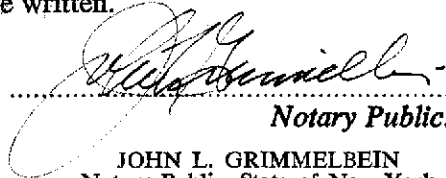
HAROLD P. GOODWIN
Notary Public, State of New York
No. 24-1508150
Qualified in Kings County
Cert. filed in N. Y. County
Term Expires March 30, 1965

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On the 23rd day of April, 1964, before me personally appeared S. L. SMITH, to me known to be a Vice-President of FIRST NATIONAL CITY BANK, 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 23rd day of April, in the year 1964, before me, JOHN L. GRIMMELBEIN, 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 BANK, 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.

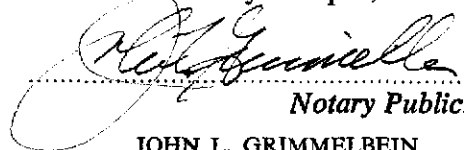
JOHN L. GRIMMELBEIN
Notary Public, State of New York
No. 30-6675350
Qualified in Nassau County
Cert. Filed in N. Y. County
Term Expires March 30, 1966

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

On this 23rd day of April, in the year 1964, before me, JOHN L. GRIMMELBEIN, 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 23rd day of April, 1964.


Notary Public.

JOHN L. GRIMMELBEIN
Notary Public, State of New York
No. 30-6675350
Qualified in Nassau County
Cert. Filed in N. Y. County
Term Expires March 30, 1966

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

W. L. THRAILKILL, being duly sworn, deposes and says that he is a Vice-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.

W. L. Thraikill

Subscribed and sworn to before me }
this 23rd day of April, 1964 }

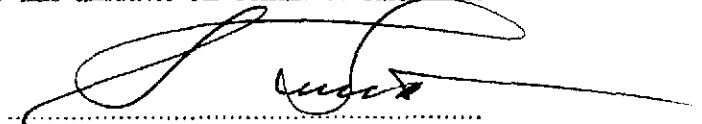
Harold P. Goodwin

Notary Public.

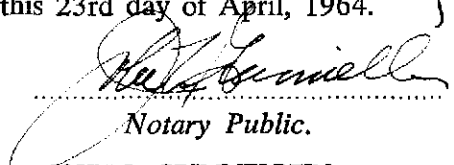
HAROLD P. GOODWIN
Notary Public, State of New York
No. 24-1508150
Qualified in Kings County
Certs. filed in N. Y. County
Term Expires March 30, 1965

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 BANK, 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 Bank.



Subscribed and sworn to before me }
this 23rd day of April, 1964. }


Notary Public.

JOHN L. GRIMMELBEIN
Notary Public, State of New York
No. 30-6675350
Qualified in Nassau County
Cert. Filed in N. Y. County
Term Expires March 30, 1966

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
.....

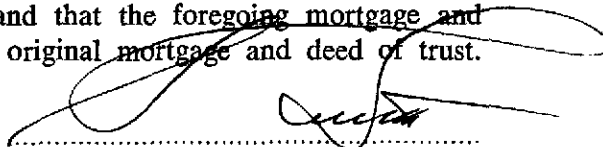
Subscribed and sworn to before me }
this 23rd day of April, 1964. }

John L. Grimmelbein
.....
Notary Public.

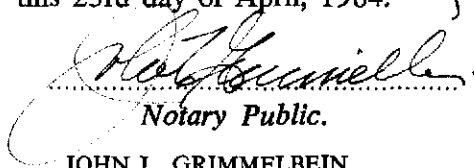
JOHN L. GRIMMELBEIN
Notary Public, State of New York
No. 30-6675350
Qualified in Nassau County
Cert. Filed in N. Y. County
Term Expires March 30, 1966

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 BANK, 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 23rd day of April, 1964. }



Notary Public.

JOHN L. GRIMMELBEIN
Notary Public, State of New York
No. 30-6675350
Qualified in Nassau County
Cert. Filed in N. Y. County
Term Expires March 30, 1966

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 23rd day of April, 1964. }

John L. Grimmelbein
Notary Public.

JOHN L. GRIMMELBEIN
Notary Public, State of New York
No. 30-6675350
Qualified in Nassau County
Cert. Filed in N. Y. County
Term Expires March 30, 1966

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 23rd day of April, 1964.

THE WASHINGTON WATER POWER COMPANY

By *L. L. MacIsaac*
Vice-President.

Attest:

[Signature]
Secretary.

June 27, 1962

Re: Permits No. 21783; 21828; 30318

Mr. G. M. Brunzell, President
Washington Water Power Company
P. O. Drawer 1145
Spokane 10, Washington

Dear Mr. Brunzell:

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,

GEO. N. CARTER
State Reclamation Engineer

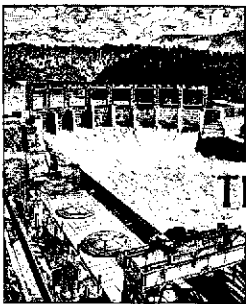
By:

(Mrs.) Edna P. Rule
Chief Clerk

EPR:ew

Enc. 3 licenses
 1 certificate
 3 receipts

30318



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 30318

Attention: Mrs. Edna P. Rule

Dear Mr. Carter:

In accordance with your letter of June 14, 1962, addressed to Mr. George M. Brunzell, President of our Company, we herewith enclose our Company's check no. 11700-3 in the amount of \$217 to cover statutory fees covering Certificate of Completion of Works and 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.

30318

June 11, 1962

RE: Permit No. 30318

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

Dear Mr. Brunzell:

Our engineer's report on his inspection of completion of works and application of water to beneficial use under the terms of Permit No. 30318 shows the dam and power plant are capable of conveying 700 c.f.s. of water for development of hydroelectric power and energy.

Upon receipt of the statutory fees, totaling \$217.00, we will issue the Certificate of Completion of Works (fee \$212.00) based at the rate of \$5.00 for the first 10 c.f.s., and \$0.30 for each additional c.f.s., and the License and Certificate of Water Right (fee \$5.00), confirming the right with priority of November 3, 1961 to the use of 700 second feet of water with the point of diversion 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. Rule
Chief Clerk

EPR:mf

30318 RT

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
BOISE, IDAHO
REPORT OF ENGINEER

Permit No. 30318

This proof is for Completion of Works & Beneficial Use In Water District No.

1. Name of applicant Washington Water Power Co.,2. Source of water supply: Clark Fork River3. Location of point of diversion: Is in the Lots 2 and 7 of Section 27T. 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 generators. There
 are 3 fixed blade turbines and 1 Kaplan runner. Each turbine 70500 H. P.
 designed for 90 foot head. Generators are 55555 K V A.

5. Water is used for: hydroelectric power and energy6. 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 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?

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

This examination was made on the 5 day of June, 1962(Signed) Carl E. Tappan Examiner.

30318

O. M. Brunzell, President, Washington Water Power Co.,
P. O. Drawer 1145, Spokane 10, Washington

Permit No. 30318

Examination for Completion of Works & Beneficial Use

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

Quantity: 700 a/c.

Source: Black Fork River

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

Use: Hydroelectric Power

Filed: Nov. 3, 1961

Due: Dec. 21, 1962

Extension: —

Completion of Works:

Other Rights: 21783 & 21828

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

30318

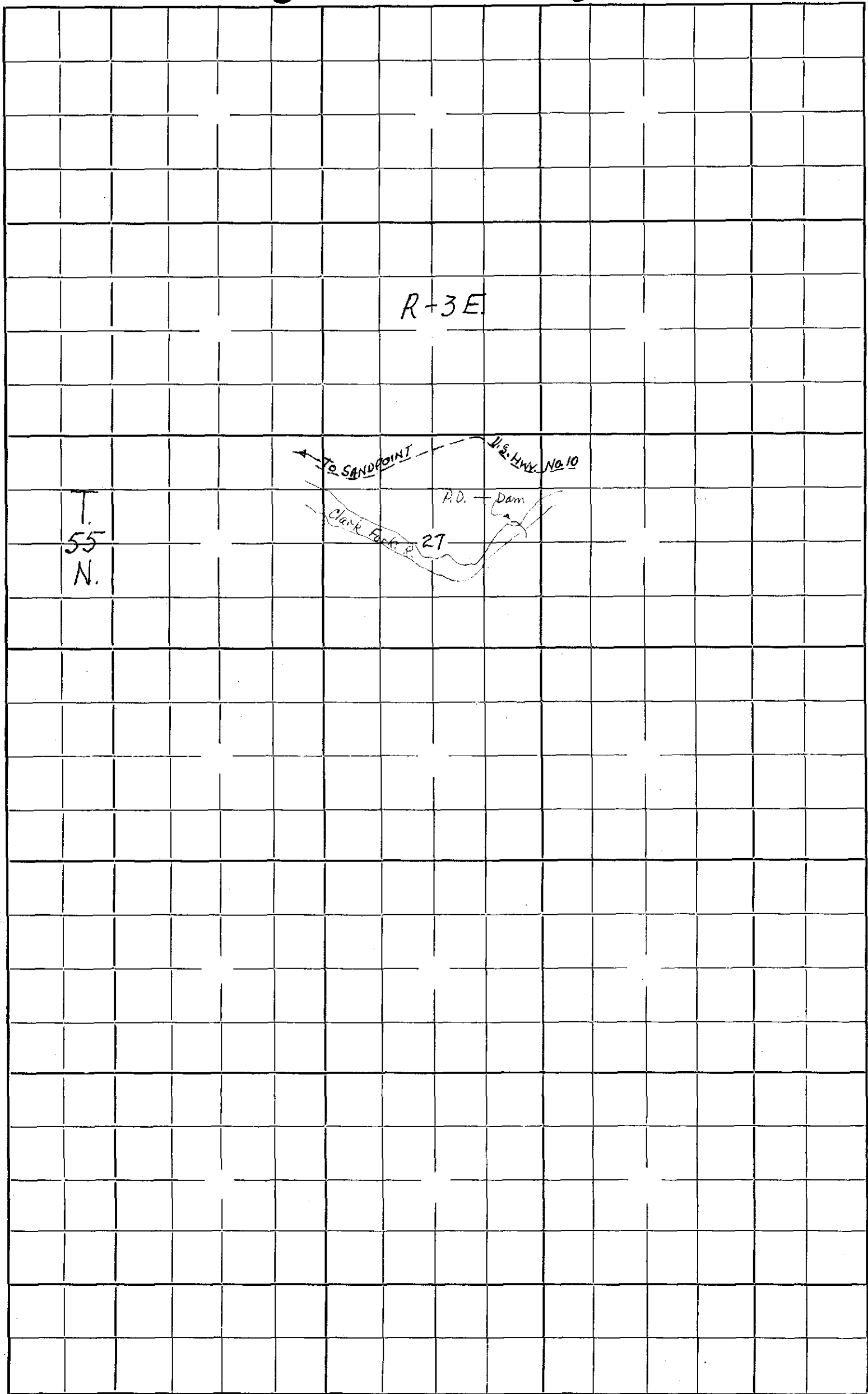
STATE OF IDAHO
DEPARTMENT OF RECLAMATION
BOISE

REPORT OF ENGINEER

PERMIT NO. 30318

REPORT ON PROOF OF Completion of Works & Beneficial Use

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



()
February 23, 1962

RE: Permit No. 30318

G. M. Brunzell, President
Washington Water Power Co.
Drawer 1145
Spokane 10, Washington

Dear Mr. Brunzell:

We acknowledge receipt of the depositions of yourself, as holder of the Permit and also the two witnesses, but to date we have not received the affidavit of publication from the Sandpoint News-Bulletin. If you have not already received this affidavit will you please get it and forward to us as we need it to complete this file.

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 works.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

By:

(Mrs.) Edna P. Rule
Chief Clerk

EPR

30318

Permit 21873 CABIN GORGE POWER PLANT - MAXIMUM FLOW TEST
 21828 JUNE 8, 1962
 30318

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	2177.80	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

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

$$K_h = \text{meter constant} = 43,200$$

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
		<u>227796</u>			<u>229062</u>

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 WPPC - L. A. Eisele
 R. Peterson

For State of Idaho - Carl E. Tappan

Permit no 21783 30-18
21827

Cabinet Gorge Power Plant Maximum Flow Test

June 8, 1962

Test was conducted at the State request.

Test results were as follows.

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

Time	11:42 A.M.	1:47 P.M.
Forebay Elevation	2177.80	2174.70
Tail Race 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

$$KW = \frac{3600 \times \text{rev} \times K_h}{\text{rev} \times 1000} \quad K_h: \text{meter Constant } 43200$$

11:45 A.M.			1:54 P.M.		
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 shut out from station log

at 11:44 A.M. 230000 KWH and at 1:46 P.M. 231000 KWH

30318

USGS gage

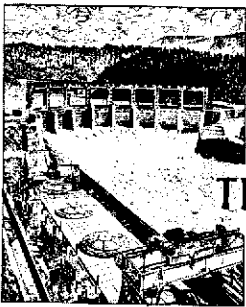
#5 Clark Fork at White Horse Rapids

11:21 AM 2075.28 Rise 38300 CFS
to reduce to tail race Discharge ^{less} 600 CFS
net Flow through Plant 37700 CFS

1:42 PM gage 2074.86 Rise 36300 CFS
to reduce to tail race Discharge ^{less} 600 CFS
net flow through plant 35700 CFS

Carl E. Trappan for the State of Idaho
Observer for Washington Water Power
Company

Mr L A Cissle
Mr B Peterson



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

March 14, 1962

MAR 15 1962

DEPT. OF RECLAMATION

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

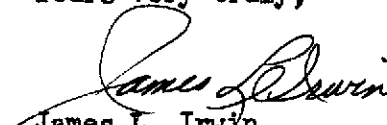
Re: Permit No. 30318

Attn: Mrs. Edna P. Rule
Chief Clerk

Dear Sir:

In accordance with your request in your letter of February 23, 1962, addressed to Mr. G. M. Brunzell, President of The Washington Water Power Company, we herewith enclose affidavit of publication required for your files in connection with the above captioned permit.

Yours very truly,


James L. Irwin
Operating Property Agent

JLI:jj

Enc.

30318 27

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 unin-
terruptedly 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 of Completion of
Works and Application of Water to
Beneficial Use.

as it was published in the regular and entire issue
of the said paper for a period of Four
consecutive weeks, commencing on the 11th
day of January, 19 62, and end-
ing on the 1st day of February,
19 62, and that said notice was published in said
newspaper, and not in supplemental form.

L. E. Pietsch

Subscribed and sworn to before me this
9th day of February, 1962

Phyllis Court
Notary Public for Idaho,
Residing at Sandpoint, Idaho.

NOTICE OF PROOF OF COMPLETION OF WORKS AND APPLICATION OF WATER TO BENEFICIAL USE

Notice is hereby given that at 10 A. M., on the 14th day of February, 1962, at The Washington Water Power Company, Spokane, County of Spokane, State of Washington, before J. Richard Muffett proof will be submitted of the completion of works for the diversion of 700 cubic feet per second of the waters of the Clark Fork River and of the application to beneficial use of said water, in accordance with the terms and conditions of Permit No. 30318 heretofore issued by the Department of Reclamation of the State of Idaho.

1. The name and postoffice address of the person or corporation holding said permit are The Washington Water Power Co., P. O. Drawer 1445, Spokane, Wash.

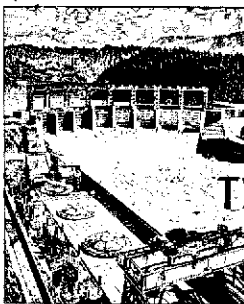
2. Said works of diversion will be fully completed on the date set for such completion, and the amount of water which said works are capable of conveying to the place of use, in accordance with the plans accompanying the application for such permit, is 35,700 cubic feet per second.

3. The use to which said water has been applied is power and energy production purposes, and the amount applied to beneficial use is 35,700 cubic feet per second.

4. The place where said water is used is approximately 1200 feet east of the center of Section 27, Twp. 55 N, Rge. 3 E, B. M. in lots 2 and 7 of Section 27, Twp. 55 N, Rge. 3 E, B. M.

5. That date of priority which said user is prepared to establish is November 3, 1961 for 700 cfs in addition to 35,000 cfs previously covered by Permits No. 21783 and No. 21828.

GEO. N. CARTER
State Reclamation Engineer
j11-18-25-fl



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

February 20, 1962

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

Re: Permit No. 30318

Attn: Ralph W. Thomas, Deputy
State Reclamation Engineer

Gentlemen:

In accordance with past correspondence, we herewith enclose Proofs of Application of Water to Beneficial Use and Completion of Works. The Proofs of Application, being made as of February 14, 1962, have been completed by Mr. G. M. Brunzell, President of the Washington Water Power Company, Mr. W. L. Malony, Civil Engineer of Spokane, Washington, and Mr. John P. Esvelt, Civil Engineer of Spokane, Washington.

Yours very truly,

James L. Irwin
Operating Property Agent

JLI:jj:rw
enc.

30318

Brunzell

RECEIVED
FEB 23 1962
Department of Reclamation

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
BOISE, IDAHO

Permit No. 30318

Proof of Application of Water to Beneficial Use
and Completion of Works
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. 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. Permit #30318 dated December 21, 1961. Priority date November 3, 1961.

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, BM.

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. in Lots 2 & 7,

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

Ans. Not applicable.

30318

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. (35,000 cfs used under permits #21783 and #21828)

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)

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, on this 14th day of Feb., A. D. 1962
Wash.

J. Richard Moffett

My commission expires 10-22-64

30318

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
BOISE, IDAHO

RECEIVED
JUN 23 1917
Department of Reclamation

PERMIT NO. 30318

Proof of Application of Water to Beneficial Use
and Completion of Works
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 yrs; W. 4017 Broad, Spokane, Wash.; Civil Engineer;
Spokane, Washington.

Ques. 2. Are you acquainted with The Washington Water Power Company, the holder of Permit No. 30318? How long have you known him and where does he reside?

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

Ques. 3. Have you read or heard read said Permit No. 30318, 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 E. B.M. in lots 2 and 7 of Section 27, Twp. 55 N,
Rge. 3 E, B.M., thru 4 penstocks 27 feet in diameter, approx. 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.

30318

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. (35,000 cfs used under permits #21783 and #21828)

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, on this 14 day of Feb., A. D. 1962.

Wash.

J. Richard Muffett

Notary Public.

My commission expires 10-22-64.

30318

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
BOISE, IDAHO

Malony
RECEIVED
FEB 20 1918
Department of Reclamation

PERMIT NO. 30318

Proof of Application of Water to Beneficial Use
and Completion of Works
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 yrs.; W. 720 23rd, Spokane, Washington; Civil Engineer;
Spokane, Washington.

Ques. 2. Are you acquainted with The Washington Water Power Company, the holder of Permit No. 30318? How long have you known him and where does he reside?

Ans. Yes. 51 years. E. 1411 Mission Ave. (P. O. Drawer 1445) Spokane,
Washington.

Ques. 3. Have you read or heard read said Permit No. 30318, 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. 3E, B.M. in lots 2 and 7 of Section 27, Twp. 55 N,
Rge. 3E, B.M., thru 4 penstocks 27 feet in diameter, approx. 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.

30318

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. (35,000 cfs used under permits #21783 and #21828)

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)

M. L. 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, on this 14 day of Feb., A. D. 1962.

Wash.

J. Richard Maffett
Notary Public.

My commission expires

10-22-64

January 5, 1962

Re: Permit No. 30318

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

Gentlemen:

This acknowledges the Notice of Proof of Completion of Works and Application of Water to Beneficial Use under Permit No. 30318. The proofs are to be made at 10:00 o'clock A.M., on the 14th day of February, 1962, before J. Richard Muffett, The Washington Water Power Co., Spokane, Washington Notary Public.

As of this date we have mailed the Notice to the Sandpoint News-Bulletin Sandpoint, Idaho with instructions to publish it once a week for four consecutive weeks prior to the date set for final proof 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:

(Mrs.) Edna P. Rule
Chief Clerk

Enc.
EPR:pmk
cc: Notary

30318

1200
6-28-61

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

Boise, Idaho

Re: Permit No. 30318
Washington Water Power Co.

Date: January 5, 1962

Sandpoint News-Bulletin,
Sandpoint, Idaho,

Gentlemen:

Enclosed you will find notice for publication, once a week for four consecutive weeks prior to February 14, 1962 the date set for proof; the expense of the publication is to be paid by the applicant

Washington Water Power Co. of P.O. Drawer, 1445 - Spokane, 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 or tear sheet of the first publication.**

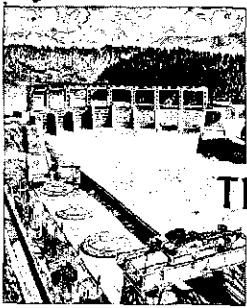
Very truly yours,

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.

30318



ROBERT D. YEOMANS, SECRETARY

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

January 4, 1962

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

Dear Mr. Carter:

We herewith transmit to you in duplicate notice of publication of completion of work, which we would appreciate your having published in accordance with past procedures.

Also enclosed is copy of notice whereby our Company is authorizing the publication of this notice in the Sandpoint News-Bulletin of Sandpoint, Idaho. As you will note, we are endeavoring to complete our proof on February 14, 1962.

Yours very truly,


R. D. Yeomans
Secretary

JLI:rw
enc.

30318

RECEIVED
JAN 5 1962
Department of Reclamation

NOTICE TO ACCOMPANY THIS LETTER MUST BE MADE IN DUPLICATE

(Date).....January 3, 1962.....

(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 - Bulletin of Sandpoint, Idaho published in
the county in which the works are situated.

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.
Karl O. Strenge, Jr. Engineer.

30318

NOTICE OF PROOF OF COMPLETION OF WORKS
and
APPLICATION OF WATER TO BENEFICIAL USE

Notice is hereby given that at 10 A. M., on the 14th
day of February, 19 62, at The Washington Water Power Company
Spokane Washington, County of Spokane
State of Idaho, before J. Richard Muffett
proof will be submitted of the completion of works for the diversion of 700
cubic feet per second of the waters of the Clark Fork River and of
the application to beneficial use of said water, in accordance with the terms and
conditions of Permit No. 30318 heretofore issued by the Department of Reclamation
of the State of Idaho.

1. The name and postoffice address of the person or corporation
holding said permit are The Washington Water Power Co., P.O. Drawer 1445, Spokane, Wash.

2. 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 con-
veying to the place of use, in accordance with the plans accompanying the appli-
cation for such permit, is 35,700 cubic feet per second.

3. The use to which said water has been applied is power and energy
production purposes, and the amount applied to beneficial use is
35,700 cubic feet per second.

4. The place where said water is used is approximately 1200 feet east of
the center of Section 27, Twp. 55 N, Rge. 3 E, B.M. in lots 2 and 7 of Section 27,
Twp. 55 N, Rge. 3 E, B.M.

5. The date of priority which said user is prepared to establish is
November 3, 1961 for 700 cfs in addition to 35,000 cfs previously covered by
permits #29163 and #29191.

#21783

#21828

Geo. M. Carter

State Reclamation Engineer

30318

December 26, 1961

Re: Permit No. 30318

Mr. R. D. Yeomans, Secretary,
Washington Water Power Company,
P. O. Drawer 1445,
Spokane 10, Washington.

Dear Mr. Yeomans:

We enclose Permit No. 30318 in which we direct your attention to the limitations and conditions as given on the fourth page under approval of the State Reclamation Engineer.

We also enclose Departmental Receipt No. 30837 which was issued covering payment in the amount of \$179.75 for the filing fee of the above mentioned permit.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

(Mrs.) Edna P. Rule
Chief Clerk

Encl.
EPR:pmk

30318

December 18, 1961

Re: Application No. 38322

R. D. Yeomans, Secretary
Washington Water Power Co.
Drawer 1445
Spokane 10, Washington

Dear Mr. Yeomans:

Enclosed is a copy of the statement of the Sandpoint News Bulletin showing cost of publication of the legal notice, for your file. The Affidavit of Publication, received December 7th is all we require.

No protests were received by December 16, 1961, and the application will be approved in the near future.

Very truly yours,

GEO. W. CARTER
State Reclamation Engineer

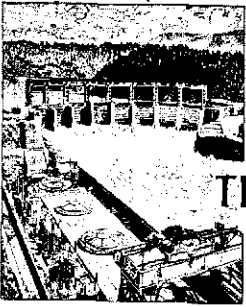
By:

RALPH W. THOMAS, Deputy
State Reclamation Engineer

RT:ew

Enc. copy of statement

30318



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

December 4, 1961

[Faint, illegible handwritten notes and stamps]

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

Re: Application for Permit

Dear Mr. Carter:

In accordance with your request of November 6, we herewith enclose Affidavit of Publication of the Sandpoint News - Bulletin covering notice as per our application for 700 cubic feet per second of the waters of the Clark Fork River.

Also enclosed is notice of application to appropriate the public waters of the state of Idaho on which we have typed the necessary information to complete this notice, and for which service of the foregoing instrument was accepted on behalf of our Company on November 7 by Mr. R. D. Yeomans, Secretary.

Yours very truly,

[Handwritten signature of James L. Irwin]

James L. Irwin
Operating Property Agent

JLI:rw
enc.

[Handwritten note: 30318]

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 Publi her
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 unin-
terruptedly 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 Appropriation
the Public Waters of the State of Idaho
in Accordance with the Provisions of
Sec. 42-203; 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 16th
day of November, 1961, and end-
ing on the 30th 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

1st day of December, 1961.

Charles Correll

Notary Public for Idaho,
Residing at Sandpoint, Idaho.

STATE OF IDAHO
Department of Reclamation
NOTICE OF APPLICATION TO AP-
PROPRIATE THE PUBLIC WATERS
OF THE STATE OF IDAHO
IN ACCORDANCE WITH THE
PROVISIONS OF SEC. 42-203,
IDAHO CODE.

NOTICE IS HEREBY GIVEN THAT
on the 3rd day of November, 1961,
The Washington Water Power Com-
pany, of Spokane, Washington, made
application to appropriate Seven
Hundred (700) cubic feet per sec-
ond of the waters of Clark Fork
River, a tributary of Columbia Riv-
er, for development of hydroelec-
tric power and energy.

That the point of diversion of said
waters is described as being ap-
proximately Twelve Hundred (1200)
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 di-
version.

That any protests against the ap-
proval of this application must be
filed in the Department of Reclama-
tion, 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 November,
1961.

RALPH W. THOMAS,
Deputy State Reclamation Engineer
SERVICE OF THE FOREGOING
by copy, is hereby acknowledged
this 7th day of November, 1961.

THE WASHINGTON WATER
POWER CO.

By: R. D. Yeomans,
Its Secretary

Date of First Publication: Nov.
16, 1961.

Date of Last Publication: Nov. 30,
1961.

Last Date of Protest: Dec. 16,
1961.

30318

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 SEC. 42-203, IDAHO CODE

NOTICE IS HEREBY GIVEN That on the 3rd day of November, 1961, The
Washington Water Power Company, of Spokane, Washington, made application to
appropriate Seven Hundred (700) cubic feet per second of the waters of Clark
Fork River, a tributary of Columbia River, for development of hydroelectric
power and energy.

That the point of diversion of said waters is described as being
approximately Twelve Hundred (1200) 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 November, 1961.

Deputy State Reclamation Engineer

SERVICE OF THE FOREGOING, by copy, is hereby acknowledged this _____
day of _____, 1961.

THE WASHINGTON WATER POWER CO.

By: _____

Its: _____

Date of First Publication: _____

Date of Last Publication: _____

Last Date of Protest: _____

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 SEC. 42-203, IDAHO CODE

NOTICE IS HEREBY GIVEN That on the 3rd day of November, 1961, The Washington Water Power Company, of Spokane, Washington, made application to appropriate Seven Hundred (700) cubic feet per second of the waters of Clark Fork River, a tributary of Columbia River, for development of hydroelectric power and energy.

That the point of diversion of said waters is described as being approximately Twelve Hundred (1200) 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 November, 1961.

Ralph Williams

Deputy State Reclamation Engineer

SERVICE OF THE FOREGOING, by copy, is hereby acknowledged this 7th
day of November, 1961.

THE WASHINGTON WATER POWER CO.

By: [Signature]

Its: [Signature]

Date of First Publication: November 16, 1961

Date of Last Publication: November 30, 1961

Last Date of Protest: December 16, 1961

November 6, 1961

Re: Application for Permit

R. D. Yeomans, Secretary
The Washington Water Power Company
Drawer 1445, Spokane 10, Wash.

Dear Mr. Yeomans:

Enclosed are three copies of a legal notice which must be published in a Bonner County, Idaho paper once a week for three successive weeks, first publication to be not over 10 days after service of the notice.

Kindly acknowledge service by dating and signing each notice and insert the dates of publication. Deliver original to the paper for publication, return one copy to this office and keep one copy for your file.

I cannot agree with the last three paragraphs of your letter dated November 2, 1961, in regard to proofs of completion of works and beneficial use of water.

The Proof of Completion of Works, Deposition of Holder, signed by K. M. Robinson, President for Permits No. 21783 and 21828, shows four turbines each using up to 8750 cubic feet per second, or a total of 35,000 cubic feet per second.

Proof of beneficial use of water before a permit can be issued would seem to be rather out of order.

We can send you forms for legal notice which combine proof of completion of works with proof of beneficial use of the water, after the permit is issued.

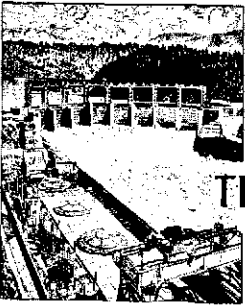
Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By:

RALPH W. THOMAS, Deputy
State Reclamation Engineer

RT:ew
Enc. legal notice (3)

30318



ROBERT D. YEOMANS, SECRETARY

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

November 2, 1961

RECEIVED
NOV 2 1961

Director of Reclamation

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

Dear Mr. Carter:

We are transmitting herewith our "Application for Permit to Appropriate the Public Waters of the State of Idaho" covering the use of 700 cfs of water from the Clark Fork River. The filing fee of One Hundred and Seventy-Nine Dollars and Seventy-Five Cents (\$179.75) is also enclosed. The water covered by this permit is in addition to the 35,000 cfs of water covered by Permits Nos. 21783 and 21828 issued to us in 1950.

We believe that we should apply for this additional water inasmuch as our rigorous studies of the quantity used have lead us to the conclusion that the four presently existing units at Cabinet Gorge Hydroelectric Development are capable of using a maximum of 35,700 cfs.

Inasmuch as all of the diversion works involved in the use of this maximum amount of water were completed prior to the 25th day of November, 1955 and certificates of completion of works were issued by your Department under date of July 13, 1956, we do not believe that an additional "Proof of Completion of Works" need be submitted.

We plan to submit "Proof of Application of Water (35,700 cfs) to Beneficial Use" under Permits Nos. 21783 and 21828 and the permit applied for herewith.

Your letter dated October 17, 1961 acknowledges the "Notice of Application of Water to Beneficial Use" under Permits Nos. 21783 and 21828. The proofs are to be made at 10:00 A.M. on the 27th day of November, 1961 before J. Richard Muffett, East 1411 Mission Avenue, Spokane, Notary Public.

Very truly yours,

J. W. Willis
J. W. Willis
Assistant Secretary

KOS:jh
Enc (2) (Application in duplicate)

30318

Statement of Income and Earned Surplus for the Years Ended December 31, 1960 and 1959

	1960	1959
OPERATING REVENUES.....	\$39,858,372	\$36,291,181
OPERATING REVENUE DEDUCTIONS:		
Operating expenses	15,908,923	16,467,288
Taxes:		
Federal income tax (see Notes 6 and 7).....	1,948,893	1,833,871
Other.....	5,023,415	4,378,760
Depreciation (see Note 1).....	3,300,363	3,042,200
Total operating revenue deductions.....	26,181,594	25,722,119
NET OPERATING REVENUE.....	13,676,778	10,569,062
OTHER INCOME (net).....	55,967	52,376
Gross income.....	13,732,745	10,621,438
INCOME DEDUCTIONS:		
Interest on long-term debt.....	7,437,630	6,817,903
Amortization of utility plant acquisition adjustments.....	318,879	309,942
Other interest and deductions (net).....	226,478	164,757
Total.....	7,982,987	7,292,602
Less interest charged to construction.....	155,221	3,243,217
Income deductions (net).....	7,827,766	4,049,385
NET INCOME BEFORE THE FOLLOWING ITEM (see Note 7).....	5,904,979	6,572,053
ADD — Transfer from accumulated amount invested in the business equivalent to reductions in Federal income taxes resulting from accelerated amortization (see Note 7).....	542,040	542,040
NET INCOME AVAILABLE FOR DIVIDENDS AND OTHER CORPORATE PURPOSES.....	6,447,019	7,114,093
ADD OR (DEDUCT):		
Cash dividends (\$2.00 a share).....	(5,351,321)	(5,340,687)
Profit on sales of property (net).....	11,457	1,994
EARNED SURPLUS, JANUARY 1.....	26,303,079	24,527,679
EARNED SURPLUS, DECEMBER 31.....	\$27,410,234	\$26,303,079

See Notes to Financial Statements.

STATEMENT OF ACCUMULATED AMOUNT INVESTED IN THE BUSINESS EQUIVALENT TO REDUCTIONS IN FEDERAL INCOME TAXES RESULTING FROM ACCELERATED AMORTIZATION

FOR THE YEARS ENDED DECEMBER 31, 1960 AND 1959

	1960	1959
BALANCE, JANUARY 1.....	\$12,467,017	\$13,009,057
DEDUCT — Transfer to income and earned surplus (see Note 7).....	542,040	542,040
BALANCE, DECEMBER 31 (see Note 7).....	\$11,924,977	\$12,467,017

See Notes to Financial Statements.

THE WASHINGTON WATER POWER COMPANY

Balance Sheet, December 31, 1960 and 1959

ASSETS

	1960	1959
UTILITY PLANT (see Note 1):		
In service:		
At original cost	\$275,236,891	\$262,175,285
Utility plant acquisition adjustments	3,922,818	3,906,912
Total	279,159,709	266,082,197
Accumulated depreciation and amortization	30,932,596	28,746,918
	248,227,113	237,335,279
Construction work in progress	497,836	6,934,283
Utility plant — net	248,724,949	244,269,562
INVESTMENTS:		
Other physical property	825,972	814,076
Investments in and advances to subsidiary companies	866,214	343,214
Advances to nonassociated companies	665,000	342,000
Miscellaneous securities	15,376	24,118
Total investments	2,372,562	1,523,408
CURRENT ASSETS:		
Cash in banks and working funds	2,799,121	1,064,653
Special deposits	1,158,039	1,156,507
Accounts receivable:		
Customers — net	3,454,142	3,397,919
Other	615,492	421,866
Materials and supplies — at average cost	1,232,329	1,533,008
Other	114,410	226,742
Total current assets	9,373,533	7,800,695
DEFERRED DEBITS:		
Unamortized debt discount and expense	1,102,081	1,061,075
Unamortized natural gas conversion and abandoned property costs	950,950	1,011,010
Preliminary survey and investigation charges	407,238	253,677
Other	37,961	40,365
Total deferred debits	2,498,230	2,366,127
CAPITAL STOCK DISCOUNT AND EXPENSE	144,616	144,616
TOTAL	\$263,113,890	\$256,104,408

See Notes to Financial Statements.

THE WASHINGTON WATER POWER COMPANY

Balance Sheet, December 31, 1960 and 1959

LIABILITIES

	1960	1959
LONG-TERM DEBT (see Note 2).....	\$172,435,000	\$165,773,000
COMMON STOCK — no par; authorized 5,000,000 shares; outstanding — 1960, 2,677,830 shares; 1959, 2,671,636 shares (see Note 3).....	38,034,163	37,791,446
INSTALMENTS RECEIVED ON COMMON STOCK.....	14,672	12,272
CAPITAL SURPLUS.....	1,227,457	1,227,457
EARNED SURPLUS (see Notes 4 and 5).....	27,410,234	26,303,079
ACCUMULATED AMOUNT INVESTED IN THE BUSINESS EQUIVALENT TO REDUCTIONS IN FEDERAL INCOME TAXES RESULTING FROM ACCELERATED AMORTIZA- TION (RECORDED AS EARNED SURPLUS — RESTRICTED FOR FUTURE FEDERAL INCOME TAXES IN ACCOUNTS MAINTAINED PURSUANT TO STATE REGULATORY RE- QUIREMENTS) (see Note 7).....	11,924,977	12,467,017
CURRENT LIABILITIES:		
Currently maturing long-term debt.....	338,000	338,000
Accounts payable:		
General.....	1,315,702	2,258,895
Contract retentions.....	119,356	1,631,709
Taxes accrued.....	6,096,237	4,323,090
Interest accrued.....	2,368,409	2,192,929
Other.....	617,777	549,814
Total current liabilities.....	10,855,481	11,294,437
DEFERRED CREDITS:		
Unamortized premium on debt.....	163,546	186,134
Customers' advances for construction.....	81,868	130,937
Total deferred credits.....	245,414	317,071
RESERVES FOR INJURIES AND DAMAGES, ETC.....	77,100	77,100
CONTRIBUTIONS IN AID OF CONSTRUCTION.....	889,392	841,529
CONTINGENT LIABILITY (see Note 2)		
TOTAL.....	\$263,113,890	\$256,104,408

See Notes to Financial Statements.

Notes to Financial Statements, December 31, 1960

1. Provisions for depreciation are computed by a method of depreciation accounting utilizing composite rates designed to provide for retirements of properties at the expiration of their service lives. The composite rates include annuity and interest components, in which the interest component for electric production plant is six per cent and for other property is zero per cent; depreciation of transportation vehicles is provided for on the basis of miles of operation. The ratio of provisions for depreciation to average depreciable property, including the Noxon Rapids Hydroelectric Project which came into service in the latter part of 1959, was 1.32 per cent in 1960 and 1.57 per cent in 1959.

2. Long-term debt consists of:

	December 31	
	1960	1959
First mortgage bonds:		
3½% Series due 1964	\$ 19,079,000	\$ 19,079,000
3½% Series due 1982	20,370,000	20,370,000
4½% Series due 1987	30,000,000	30,000,000
4½% Series due 1988	20,000,000	20,000,000
4½% Series due 1988	15,000,000	15,000,000
4¾% Series due 1989	15,000,000	15,000,000
5½% Series due 1990	10,000,000	
Total	129,449,000	119,449,000
Sinking fund debentures:		
4% due 1978	12,486,000	12,824,000
4½% due 1983	10,000,000	10,000,000
5½% due 1985	5,000,000	
Total	27,486,000	22,824,000
Notes payable — banks:		
Due May 2, 1960		12,000,000
Due Sept. 14, 1961	4,000,000	
Due March 1, 1962	11,500,000	11,500,000
Total	15,500,000	23,500,000
Total long-term debt	\$172,435,000	\$165,773,000

At December 31, 1960 the Company was guarantor of \$2,300,000 borrowed by Spokane Industrial Park, Inc., a subsidiary company, under a \$3,000,000 revolving credit agreement.

3. The Company has a Key Employees' Stock Ownership Plan permitting the Board of Directors to grant options to officers and key employees to purchase unissued common stock, and an Em-

ployes' Stock Purchase Plan providing for the granting of rights to regular full-time employees to purchase unissued common stock. The maximum number of shares which may be offered under each Plan may not exceed 2½% of the common stock outstanding at the date of the granting of the option or offer, and the price may not be less than 95% of the fair market value on such date.

At December 31, 1960 under the Key Employees' Stock Ownership Plan, options on 31,700 shares were exercisable at \$39 a share up to November 7, 1968, and (subject to regulatory approval) options on 20,900 shares will be exercisable at \$39.75 a share during the eight-year period beginning November 4, 1962. During 1960 options were exercised for 140 shares at \$39 a share. Under the Employees' Stock Purchase Plan 1,832 shares at \$40.02 a share and 4,222 shares at \$38.83 a share were issued during the year 1960, and 3,178 shares at \$38.83 were unissued but reserved under the Plan.

4. Pursuant to the terms of an Agreement authorizing the issuance of 4% Sinking Fund Debentures due 1978, earned surplus is restricted as to the payment of dividends to the extent of \$13,063,176 at December 31, 1960. Lesser amounts were restricted under other agreements and a regulatory order.

5. The condemnation of the Chelan properties in 1955 gave rise to a net book gain of \$9,784,000 which was credited to earned surplus. No provision was made for Federal income tax on the gain, as under permissive regulations of the Internal Revenue Code the Company elected to reinvest the proceeds in like property, without paying a capital gains tax. This accounting treatment has been approved by the Washington Public Service Commission. The Federal Power Commission has required that in accounts kept pursuant to the Federal Power Act and in reports to that Commission, earned surplus be reduced by \$1,803,000 as of July 1, 1955 and this amount credited to the Commission's account adopted January 1, 1958 — Accumulated Deferred Taxes on Income. In such accounts and reports, this amount is being amortized by credits to operating expenses over a 15-year period beginning July 1, 1955 at the rate of \$120,000 a year, reducing the unamortized balance at December 31, 1960 to \$1,142,000.

Notes to Financial Statements, December 31, 1960 (continued)

The Company believes that it is primarily subject to State Commissions as to rates and regulations (including issuance of securities) and therefore is continuing to prepare all reports, other than those prepared for the Federal Power Commission, on the basis approved by the Washington Public Service Commission.

6. As a result of the Company's election to use liberalized depreciation for income tax purposes only, Federal income tax provisions were reduced and net income increased by approximately \$821,000 in 1960, \$541,000 in 1959, and cumulatively by \$2,029,000. This "flow-through" practice is followed by the Company pursuant to advices from the Washington Public Service Commission and the Idaho Public Utilities Commission which indicate that this is the practice recognized by them for rate-making purposes.

7. During a 60-month period ended in February 1958, provisions for Federal income taxes gave effect to accelerated amortization, for tax purposes only, of 65% of the depreciable cost of the Cabinet Gorge Hydroelectric Project. Accounting for the resultant reductions in Federal income taxes was as prescribed by an order of the Washington Public Service Commission. The order provided that during the 60-month period the reduction in taxes was to be segregated from net

income and accumulated in an account entitled Earned Surplus-Restricted, and that the amount so accumulated be transferred (\$542,040 annually) to earned surplus over the following 25-year period, during which period and continuing throughout the life of the property, Federal income taxes are expected to be greater than they would have been if accelerated amortization had not been claimed. In reports filed with the Federal Power Commission the accumulated amount of such reductions in taxes has been reported in accordance with the order of the Washington Public Service Commission. However, in December 1960 the staff of the Federal Power Commission stated a position which, if upheld, would require that in reports to the Federal Power Commission the accumulated reductions in taxes would be carried in an account entitled Accumulated Deferred Taxes on Income, which account would not be identified as a reserve or as surplus.

8. The Company has a trustee Retirement Plan for Employees, the cost of which is borne by the Company and charged to operating expenses. Unfunded costs based on past service were approximately \$1,363,000 at December 31, 1960. The estimated current annual costs of the Plan is \$652,000, including \$141,000 for amortization of and interest on the unfunded amount.

Opinion of Independent Certified Public Accountants

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS

1411 FOURTH AVENUE
SEATTLE 1

The Washington Water Power Company:

We have examined the balance sheet of The Washington Water Power Company as of December 31, 1960 and the related statement of income and earned surplus, and the statement of accumulated amount invested in the business equivalent to reductions in Federal income taxes resulting from accelerated amortization, for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, such financial statements present fairly the financial position of the Company at December 31, 1960 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles supplied on a basis consistent with that of the preceding year.

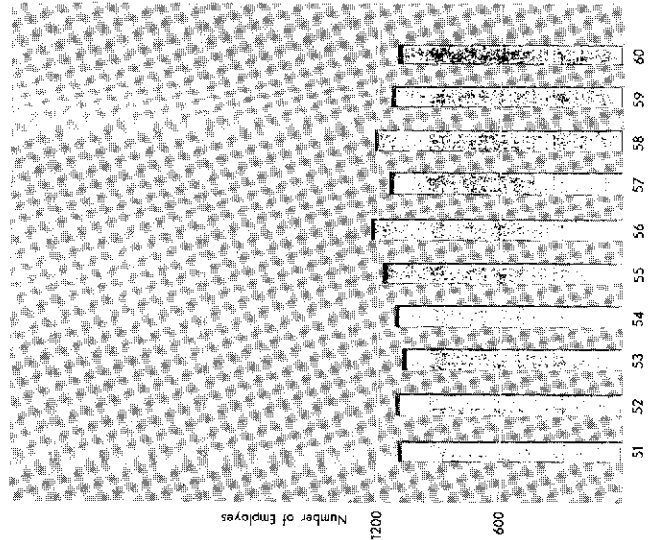
January 28, 1961

HASKINS & SELLS

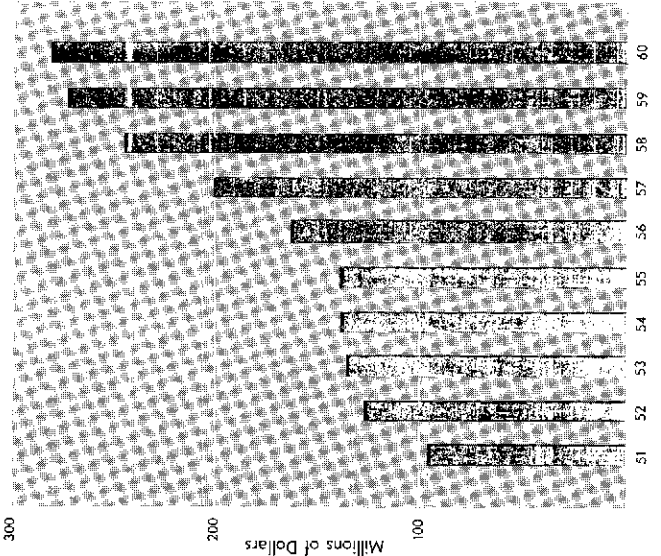
A TEN YEAR SUMMARY

	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960
Gross Utility Plant (Thousands of \$)										
Electric	\$ 93,830	\$123,652	\$132,718	\$134,424	\$135,234	\$159,278	\$196,786	\$228,588	\$247,541	\$252,323
Gas								17,631	20,560	22,192
Other	3,918	4,026	4,103	4,152	4,197	4,342	4,532	4,632	4,916	5,143
Total	\$ 97,748	\$127,678	\$136,821	\$138,576	\$139,431	\$163,620	\$201,338	\$250,851	\$273,017	\$279,658
Operating Revenues (Thousands of \$)	\$ 17,722	\$ 18,796	\$ 21,352	\$ 22,871	\$ 24,469	\$ 26,196	\$ 27,811	\$ 30,247	\$ 36,291	\$ 39,858
Earnings per Share	\$ 1.35	\$ 1.67	\$ 1.77	\$ 1.90	\$ 2.11	\$ 2.29	\$ 2.44	\$ 2.49	\$ 2.66	\$ 2.41
Dividends per Share	\$ 1.08½	\$ 1.35	\$ 1.57½	\$ 1.62½	\$ 1.72½	\$ 1.82	\$ 1.88	\$ 2.00	\$ 2.00	\$ 2.00
Average Electric Customers	117,769	121,257	125,006	129,244	132,577	138,863	143,652	145,001	147,155	148,496
Total Kwh Sold (In millions)	1,714	1,826	2,230	2,314	2,342	2,533	2,700	2,668	2,995	3,082
Residential Service:										
Electric - Averages										
Number of Customers	101,886	105,121	108,441	112,218	115,344	120,936	124,922	125,983	127,655	128,459
Annual Use Per Customer (Kwh)	5,812	6,192	6,403	6,980	7,590	7,914	8,182	8,258	8,855	9,055
Revenue Per Kwh (in cents)	1.24	1.22	1.29	1.28	1.26	1.25	1.25	1.24	1.24	1.31
Annual Revenue Per Customer	\$ 72.16	\$ 75.25	\$ 82.64	\$ 89.44	\$ 95.72	\$ 99.25	\$ 102.27	\$ 102.78	\$ 109.35	\$ 118.34
Total Payroll (Thousands of \$)	\$ 4,536	\$ 4,736	\$ 5,057	\$ 5,454	\$ 5,778	\$ 6,389	\$ 6,649	\$ 6,937	\$ 7,170	\$ 7,298
Employees at December 31	1,086	1,106	1,065	1,107	1,159	1,208	1,131	1,185	1,127	1,095

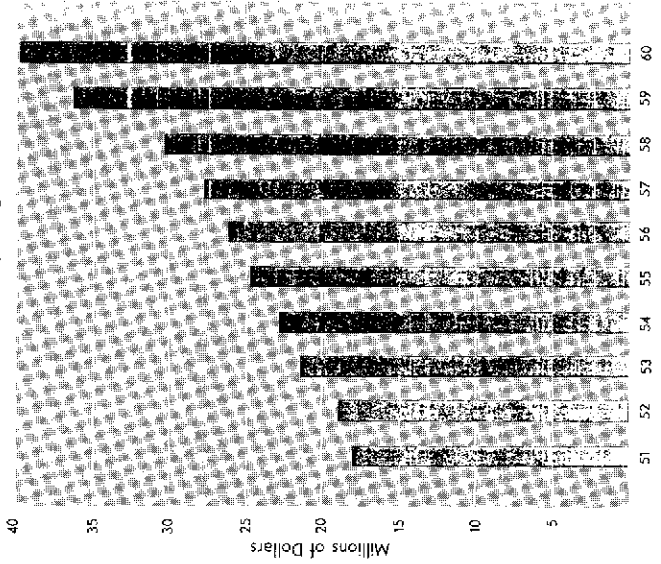
Employees



Gross Utility Plant Investment



Annual Gross Operating Revenue



Directors

K. M. Robinson Spokane, Washington
Chairman of the Board

Rodney G. Aller Lakeville, Connecticut
Attorney at Law

A. L. Barnes Lewiston, Idaho
President — Erb Hardware —
Lewiston, Idaho

G. M. Brunzell Spokane, Washington
President

John J. Burke Butte, Montana
Chairman of the Board — Metals Bank
& Trust Company — Butte, Montana

Raymond Enloe Spokane, Washington
President — Idaho Portland Cement
Company — Spokane, Washington
Director — Inland Empire Paper
Company — Spokane, Washington
Director — Washington Trust Bank —
Spokane, Washington
Director — Puget Sound Title Insurance
Company — Seattle, Washington

James A. Poore, Jr. Butte, Montana
Poore, Poore & McKenzie, Lawyers

J. Neil Smith Kansas City, Missouri
Vice President — United Funds, Inc. —
Kansas City, Missouri
Director — Employers Reinsurance
Corporation — Kansas City, Missouri

L. C. Staley
Owner, Staley Hereford Ranch,
Pullman, Washington

Officers

K. M. Robinson Chairman of the Board
and Chief Executive Officer

G. M. Brunzell President

Marshall L. Blair Vice President
Power Supply

C. E. Cannon Vice President — Engineering

Kimball I. Jack Vice President
Sales, Promotion, and Information

W. L. Thrailkill Vice President — Finance

Robert D. Yeomans Secretary

Allan F. Elder Treasurer

V. S. Casebolt Assistant Vice President

J. H. Lucas Assistant Vice President

A. B. Martin Assistant Vice President

J. A. Riner Assistant Vice President

A. H. Wegner Assistant Vice President

E. B. Talkington Assistant Secretary

J. W. Willis Assistant Secretary

A. B. Tye Assistant Treasurer

C. A. Caulfield Assistant Treasurer

ANNUAL MEETING

All shareholders are cordially invited to attend the annual meeting of the Company, held on the second Friday in May of each year in Spokane, Washington — this year, May 12, 1961.

The purpose of this report is to give shareholders and employees information concerning the Company, and it is not issued in connection with any sale or offer for sale, or solicitation of an offer to buy, securities of the Company.

The 1960 Statistical Review may be obtained upon request.

REGISTRARS

The Old National Bank of Spokane
Spokane, Washington

Registrar and Transfer Company
50 Church Street
New York 7, New York

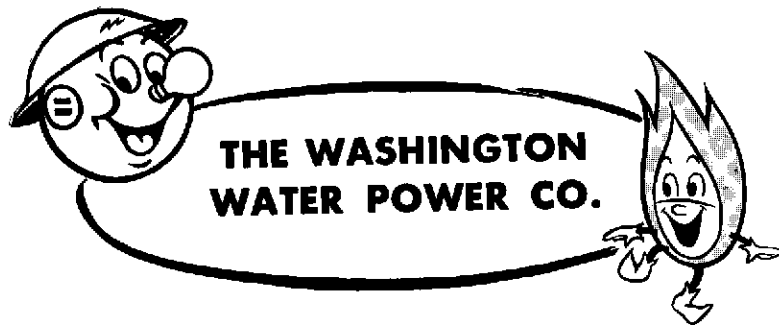
TRANSFER AGENTS

Office of the Company
P. O. Drawer 1445
Spokane 10, Washington

First National City Trust Company
22 William Street
New York 15, New York

GENERAL OFFICES OF THE COMPANY • East 1411 Mission Avenue • SPOKANE, WASHINGTON

30318



State of Idaho



Department of State

Certificate

I, ARNOLD WILLIAMS, 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 the State of Idaho on the Eighteenth day of March, 1902, with its principal place of business at Coeur d'Alene, Kootenai County, Idaho.

I FURTHER CERTIFY That said corporation has submitted its annual statement and paid the corporation license tax for the fiscal year ending June 30, 19 62, 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 here-
unto set my hand and affixed the
Great Seal of the State of Idaho.
Done at Boise, the Capital of
Idaho, this 23rd day
of October, in the
Year of Our Lord One Thousand
Nine Hundred and Sixty-one.*



Secretary of State

UNDER THE LAWS OF IDAHO

STATE OF WASHINGTON)
) ss.
County of Spokane)

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. M. Wang 6/10

Subscribed and sworn to before me this 23rd day
of October, 1961.

H. S. Sanderson
Notary Public
Residence Coeur d'Alene, Idaho

My Commission expires 12-30-63

COMPLETION OF WORKS AND APPLICATION OF WATER TO BENEFICIAL USE

Notice is hereby given that a 10 A. M., on the 14th day of February, 1962, at The Washington Water Power Company, Spokane County of Spokane, State of Washington, before J. Richard Muffett proof will be submitted of the completion of works for the diversion of 700 cubic feet per second of the waters of the Clark Fork River and of the application to beneficial use of said water, in accordance with the terms and condition of Permit No. 30318 heretofore issued by the Department of Reclamation of the State of Idaho.

1. The name and postoffice address of the person or corporation holding said permit are The Washington Water Power Co., P. O. Drawer 1445, Spokane, Wash.

2. 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 conveying to the place of use, in accordance with the plans accompanying the application for such permit, is 35,700 cubic feet per second.

3. The use to which said water has been applied is power and energy production purposes, and the amount applied to beneficial use is 35,700 cubic feet per second.

4. The place where said water is used is approximately 1200 feet east of the center of Section 27, Twp. 55 N, Rge. 3 E, B. M. in lots 2 and 7 of Section 27, Twp.

55 N, Rge. 3 E, B. M.

5. That date of priority which said user is prepared to establish is November 3, 1961 for 700 cfs in addition to 35,000 cfs previously covered by Permits No. 21783 and No. 21828.

GEO. N. CARTER
State Reclamation Engineer