

RECEIVED
JUN 18 1959
Department of Reclamation

June 17, 1959

Washington Water Power Co.
Post Office Drawer 1445
Spokane 10, Washington

Attention: A.H. Wegner

Dear Mr. Wegner:

On May 27, 1959 I received a copy of a letter from George N. Carter, State of Idaho Reclamation Engineer, regarding the contract of the Priest Lake Dam and to date I have not received any information regarding this contract.

Have you assumed the responsibility of the operation of said dam?

Yours truly,

E. J. Elliott

Copy to Geo. N. Carter

16642

February 17, 1960

MEMORANDUM

TO: Governor Robert E. Smylie
FROM: Geo. N. Carter, State Reclamation Engineer
SUBJECT: Contract Operation - Priest Lake Outlet Dam

I had hoped to catch you this morning to ask if you would be agreeable to a conference with Mr. A. H. Wegner of the Washington Water Power Company regarding an extension of the contract for the future operation of the Priest Lake Dam. Mr. Wegner had hoped to be able to meet with you either Thursday afternoon, February 18, or the 19th, but apparently that date is now out.

Upon your return will you kindly call me and advise when would be a satisfactory time for you to meet with Mr. Wegner and me to discuss this matter. I should have two or three days notice to advise Mr. Wegner when he might expect to meet you in Boise.

Sincerely yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:ew

*Conference with Governor
Mar 9, 1960*

Darlene

of Corresp. in this file refers to

W. Districts No. 99, 100 & 101 - Priest Lake.

There is no modern day W. Dist. for Priest Lake.
There is no reference between these old No's &
any current WD.

I suggest Filming &/or placing w/ DAM Safety Files,
OR w/ water Rt. File # 97-2020 - the storage
Reservoir Rt. on Priest Lake. Perhaps you should ck
w/ DAVE H. Tim

97

PRIEST LAKE

Dave Hollingshead -

6-6-94

In Tim Luki's note above, he suggested that
I check with you regarding the documents
in this file. Do you feel that these documents
could pertain to one of your Dam Safety files?
The corres. in here refers to Priest Lake.

If not, I will check with Brenda Chapman
to see if they belong with water rt. #97-2020.
Please get back with me on this. Darlene

vault

File in
water rt file

97-2020

VH

6-10-94

L.D. #100

97

July 3, 1963

Loran A. Eisela, Supt.
System Operations
Washington Water Power Co.
Spokane 10, Washington

Dear Mr. Eisela:

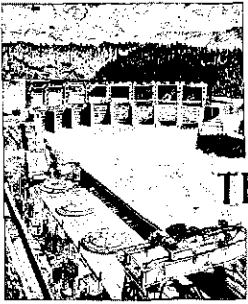
Thank you for your report on the Dam at Priest Lake. Also noted is the repair work on deck planking. I have no doubt of Washington Water Power Company's desire and willingness to keep up on maintenance of this structure.

I am glad that Mr. Shackleton has agreed to operate this dam for 1963. Our records show that Mr. Russell Bishop was appointed as Special Deputy, November 19, 1962. An appointment is probably necessary for this year (1963) and when the duties of a Special Deputy are required it can be made upon our receiving due notice.

Very truly yours,

CARL E. TAPPAN, Acting
State Reclamation Engineer

CET:ew



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

M. L. BLAIR, VICE PRESIDENT
POWER SUPPLY

July 1, 1963

Mr. Carl Tappan
Assistant State Reclamation Engineer
Idaho Department of Reclamation
State House
Boise, Idaho

Dear Mr. Tappan:

Sorry we failed to supply the information you requested on Priest Lake in time to be of help.

We inspected the dam while the lake was at a low elevation and found everything to be in good shape except the deck planking on the downstream side of the slot. Several of the three by twelves were center cut from the log and heart rot had set in.

Mr. Ralph Shackleton has agreed to operate the dam again this year. On June 8, 1963 the lake was at elevation 3.36 and he installed the first three rows of boards in the bottom of the dam. By June 15, 1963 the lake was down to 2.98 and additional boards were installed to control the elevation. At that time the crew replaced part of the decking with new three by twelves. Since that time the inflow has continued to drop and additional boards have been installed to maintain the lake level. The lake is presently at elevation 2.92 and 150 boards have been installed. (180 boards will completely shut off the flow except for leakage).

Let us know when you plan to be in this area and we will arrange an inspection trip to Priest Lake.

Very truly yours,

Loran A. Eisele, Supt.
System Operations

LAE:jgb

November 19, 1962

Re: Water Districts Nos.
99, 100 and 101

Mr. Russell Bishop,
Coolin, Idaho.

Dear Mr. Bishop:

We are in receipt of a letter from Mr. E. J. Elliott who has resigned as Special Deputy of Water District Nos. 99, 100 and 101, Priest Lake, Idaho. Mr. Elliott has given us your name to fill this vacancy.

We are, accordingly, enclosing your Certificate of Appointment as Special Deputy of the Department of Reclamation, State of Idaho, together with an Official Oath, which you should sign and return to this office.

If, at any time, you are confronted with any problems or questions concerning your duties, do not hesitate to call upon us.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

Encl.

CET:pek

cc: Washington Water Power Co.
P. O. Drawer 1115
Spokane 10, Washington

21 11/20

November 19, 1962

Mr. E. J. Elliott,
Coolin, Idaho.

Dear Mr. Elliott:

We received your letter of resignation as
Special Deputy with regret. Kindly accept our thanks
for your cooperation in past years.

Mr. Russell Bishop is being appointed as
Special Deputy as you suggested.

Very truly yours,

GEO. H. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

CET:pmk

November 19, 1962

Re: Water Districts
Nos. 99, 100 and 101

Washington Water Power Company,
P. O. Drawer 1145,
Spokane 10, Washington.

Gentlemen:

We are enclosing copy of a letter to Mr. Russell Bishop,
newly appointed Special Deputy of Water Districts Nos. 99, 100
and 101, Priest Lake, Idaho, together with a copy of his Certifi-
cate of Appointment, which, we believe, are self-explanatory.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

Encl.
CET:pmk



STATE OF IDAHO

DEPARTMENT OF RECLAMATION
107 STATE HOUSE
BOISE

November 19, 1962

THIS IS TO CERTIFY, That I have this day appointed

RUSSELL BISHOP

as Special Deputy of the Department of Reclamation for the State of Idaho to represent the State Reclamation Engineer to supervise, control and direct (1) the regulation of the waters of Priest Lake at a level which will preserve for the use of the people of the State the beach, boating, and other recreation facilities which are now located on said Lake, and (2) the operation, repair and maintenance of the State-owned Outlet Control Structure of said Priest Lake.

This appointment is made pursuant to the provisions of Chapter 128, Session Laws of Idaho, Thirty Fourth Session, 1957 and shall remain in full force and effect until further notice of the Department of Reclamation.

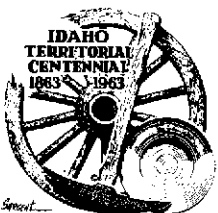
WITNESS MY HAND and the SEAL of the Department of Reclamation at Boise, Idaho, this 19th day of November, 1962.

GEO. N. CARTER
State Reclamation Engineer
By

(SEAL)

s/

CARL E. TAPPAN
CARL E. TAPPAN, Assistant
State Reclamation Engineer



OFFICIAL OATH

STATE OF IOWA)
COUNTY OF _____) ss

I do solemnly swear that I will support the
Constitution of the United States, and the Constitution
and Laws of this State; that I will faithfully discharge
all the duties of the office of Special Deputy of Water
Districts No. 99, 100 and 101 to the best of my ability.
So help me God.

RUSSELL BETHOP

Subscribed and sworn to before me this _____ day of
_____, 1962.

September 11, 1959

Mr. E. J. Elliott, Special Deputy,
Water Districts Nos. 99, 100, 101,
Coolin, Idaho.

Dear Mr. Elliott:

After various conferences with Mr. A. H. Wegner, of the Washington Water Power Company, the Idaho Fish and Game Department, and Mr. Rus Bishop, regarding the beginning date for release of Priest Lake water through the state dam, it is now agreeable to everyone, so far as I am informed, that release begin Friday, September 18, 1959.

The release schedule will be approximately at a rate sufficient to draw the lake level down about one foot in the first week. When the lake surface has fallen to the two foot level on the gage, then the remaining flash boards will be pulled, thus permitting the lake to fall with uncontrolled discharge to its natural level.

This letter, therefore, you may take as authority and instruction to order the release of the water, approximately in accordance with the foregoing plan and schedule.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:pmk

cc: Washington Power Co.,
P.O. Drawer 1145
Spokane, Washington

Ora E. Beasley, Manager
Northern Lights, Inc.
P.O. Box 712,
Sandpoint, Idaho

(Blind copy sent to Mr. Beasley)

June 19, 1959

Mr. E. J. Elliott,
Special Deputy,
Water Districts 99, 100 & 101
Priest Lake, Idaho.
Coolin, Idaho.

Dear Mr. Elliott:

The Washington Water Company, at my request contained in the letter of May 27, 1959, (copy of which you received) has informally agreed to temporarily assume the responsibility of operating the Priest Lake Dam, awaiting the outcome of negotiations now pending for a permanent contract for this purpose.

The Special Deputy appointment I made for you last year is continuing in full force and effect until further notice of the Department of Reclamation; consequently, you are the specially appointed representative of the Department of Reclamation of Idaho to take such actions as seem proper in the exercise of your duties.

Likely you may confer with W. W. P. Company officials regarding suitable operation of the dam or the company may call upon you for information or instructions.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC/pmk

cc: W. W. P. Co.,
Spokane, Washington
P. O. Drawer 1445

Attn: Mr. Wegner

November 19, 1962

Re: Water Districts Nos.
99, 100 and 101

Mr. Russell Bishop,
Coolin, Idaho.

Dear Mr. Bishop:

We are in receipt of a letter from Mr. E. J. Elliott who has resigned as Special Deputy of Water District Nos. 99, 100 and 101, Priest Lake, Idaho. Mr. Elliott has given us your name to fill this vacancy.

We are, accordingly, enclosing your Certificate of Appointment as Special Deputy of the Department of Reclamation, State of Idaho, together with an Official Oath, which you should sign and return to this office.

If, at any time, you are confronted with any problems or questions concerning your duties, do not hesitate to call upon us.

Very truly yours,

GEO. H. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

Encl.

CET:pmk

cc: Washington Water Power Co.
P. O. Drawer 1115
Spokane 10, Washington

November 19, 1962

Mr. E. J. Elliott,
Coolin, Idaho.

Dear Mr. Elliott:

We received your letter of resignation as
Special Deputy with regret. Kindly accept our thanks
for your cooperation in past years.

Mr. Russell Bishop is being appointed as
Special Deputy as you suggested.

Very truly yours,

GEO. H. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

CET:pmk

3/4 #101

November 19, 1962

Re: Water Districts
Nos. 99, 100 and 101

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

Gentlemen:

We are enclosing copy of a letter to Mr. Russell Bishop,
newly appointed Special Deputy of Water Districts Nos. 99, 100
and 101, Priest Lake, Idaho, together with a copy of his Certifi-
cate of Appointment, which, we believe, are self-explanatory.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

Encl.
CET:spk

September 11, 1959

Mr. E. J. Elliott, Special Deputy,
Water Districts Nos. 99, 100, 101,
Coolin, Idaho.

Dear Mr. Elliott:

After various conferences with Mr. A. H. Wegner, of the Washington Water Power Company, the Idaho Fish and Game Department, and Mr. Rus Bishop, regarding the beginning date for release of Priest Lake water through the state dam, it is now agreeable to everyone, so far as I am informed, that release begin Friday, September 18, 1959.

The release schedule will be approximately at a rate sufficient to draw the lake level down about one foot in the first week. When the lake surface has fallen to the two foot level on the gage, then the remaining flash boards will be pulled, thus permitting the lake to fall with uncontrolled discharge to its natural level.

This letter, therefore, you may take as authority and instruction to order the release of the water, approximately in accordance with the foregoing plan and schedule.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:pmk

cc: Washington Power Co.,
P.O. Drawer 1445
Spokane, Washington

Ora E. Beasley, Manager
Northern Lights, Inc.
P.O. Box 712,
Sandpoint, Idaho

(Blind copy sent to Mr. Beasley)

June 19, 1959

Mr. E. J. Elliott,
Special Deputy,
Water Districts 99, 100 & 101
Priest Lake, Idaho.
Coolin, Idaho.

Dear Mr. Elliott:

The Washington Water Company, at my request contained in the letter of May 27, 1959, (copy of which you received) has informally agreed to temporarily assume the responsibility of operating the Priest Lake Dam, awaiting the outcome of negotiations now pending for a permanent contract for this purpose.

The Special Deputy appointment I made for you last year is continuing in full force and effect until further notice of the Department of Reclamation; consequently, you are the specially appointed representative of the Department of Reclamation of Idaho to take such actions as seem proper in the exercise of your duties.

Likely you may confer with W. W. P. Company officials regarding suitable operation of the dam or the company may call upon you for information or instructions.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC/pmk

cc: W. W. P. Co.,
Spokane, Washington
P. O. Drawer 1445

Attn: Mr. Wegner

11/19
November 19, 1962

Mr. E. J. Elliott,
Coolin, Idaho.

Dear Mr. Elliott:

We received your letter of resignation as
Special Deputy with regret. Kindly accept our thanks
for your cooperation in past years.

Mr. Russell Bishop is being appointed as
Special Deputy as you suggested.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

CET:pmk

NORTHERN NAVIGATION CO.

COOLIN, IDAHO

November 16, 1962

George N. Carter
State Reclamation Engineer
Boise, Idaho

Dear Mr. Carter:

Due to the fact that I am moving to Sandpoint, Idaho for an indefinite period of time, I would like to send in my resignation as Special Deputy, Water Districts 99, 100 & 101, Priest Lake, Idaho, to become effective immediately.

I would like to suggest that Russell Bishop, of Coolin, Idaho be appointed to take my place.

If I can be of any assistance in the future, I would be happy to do so.

Yours truly,

E. J. Elliott

A handwritten signature in cursive script, reading "E. J. Elliott". The signature is written in dark ink and is positioned below the typed name.

September 11, 1959

Mr. E. J. Elliott, Special Deputy,
Water Districts Nos. 99, 100, 101
Coolin, Idaho.

Dear Mr. Elliott:

After various conferences with Mr. A. H. Wagner, of the Washington Water Power Company, the Idaho Fish and Game Department, and Mr. Rus Bishop, regarding the beginning date for release of Priest Lake water through the state dam, it is now agreeable to everyone, so far as I am informed, that release begin Friday, September 18, 1959.

The release schedule will be approximately at a rate sufficient to draw the lake level down about one foot in the first week. When the lake surface has fallen to the two foot level on the gage, then the remaining flash boards will be pulled, thus permitting the lake to fall with uncontrolled discharge to its natural level.

This letter, therefore, you may take as authority and instruction to order the release of the water, approximately in accordance with the foregoing plan and schedule.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:pmk

cc: Washington Power Co.,
P.O. Box 1445
Spokane, Washington

Ora E. Beasley, Manager,
Northern Lights, Inc.
P.O. Box 712,
Sandpoint, Idaho.

(Blind copy sent to Mr. Beasley)

November 30, 1962

Re: Water Districts
Nos. 99, 100 & 101

Mr. Russell Bishop,
Special Deputy,
Water District Nos. 99, 100 & 101,
Coolin, Idaho.

Dear Mr. Bishop:

This will acknowledge receipt of your Official
Oath, properly signed, as Special Deputy of Water Dis-
tricts Nos. 99, 100, and 101, Priest Lake, Idaho.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

CET:pmk

OFFICIAL OATH

STATE OF IDAHO)
COUNTY OF Bonner) ss

I do solemnly swear that I will support the
Constitution of the United States, and the Constitution
and Laws of this State; that I will faithfully discharge
all the duties of the office of Special Deputy of Water
Districts No. 99, 100 and 101 to the best of my ability.
So help me God.

Russell Bishop
RUSSELL BISHOP

Subscribed and sworn to before me this 28 day of
November, 1962.

James M. Roberts
Postmaster

November 19, 1962

Re: Water Districts Nos.
99, 100 and 101

Mr. Russell Bishop,
Coolin, Idaho.

Dear Mr. Bishop:

We are in receipt of a letter from Mr. E. J. Elliott who has resigned as Special Deputy of Water District Nos. 99, 100 and 101, Priest Lake, Idaho. Mr. Elliott has given us your name to fill this vacancy.

We are, accordingly, enclosing your Certificate of Appointment as Special Deputy of the Department of Reclamation, State of Idaho, together with an Official Oath, which you should sign and return to this office.

If, at any time, you are confronted with any problems or questions concerning your duties, do not hesitate to call upon us.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

Encl.

CET:pek

cc: Washington Water Power Co.
P. O. Drawer 1145
Spokane 10, Washington

Blind copy to : Ora E. Beasley, Manager
Northern Lights, Inc.
P.O.Box 712
Sandpoint, Idaho



STATE OF IDAHO

DEPARTMENT OF RECLAMATION
107 STATE HOUSE
BOISE

November 19, 1962

THIS IS TO CERTIFY, That I have this day appointed

RUSSELL BISHOP

as Special Deputy of the Department of Reclamation for the State of Idaho to represent the State Reclamation Engineer to supervise, control and direct (1) the regulation of the waters of Priest Lake at a level which will preserve for the use of the people of the State the beach, boating, and other recreation facilities which are now located on said Lake, and (2) the operation, repair and maintenance of the State-owned Outlet Control Structure of said Priest Lake.

This appointment is made pursuant to the provisions of Chapter 128, Session Laws of Idaho, Thirty Fourth Session, 1957 owners of the reservoir, State of Idaho and shall remain in full force and effect until further notice of the Department of Reclamation.

WITNESS MY HAND and the SEAL of the Department of Reclamation at Boise, Idaho, this 19th day of November, 1962.

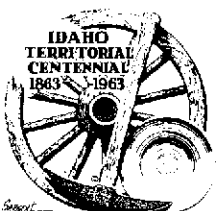
GEO. N. CARTER
State Reclamation Engineer
By

(SEAL)

s/

CARL E. TAPPAN

CARL E. TAPPAN, Assistant
State Reclamation Engineer



OFFICIAL OATH

STATE OF IDAHO)
COUNTY OF _____) ss

I do solemnly swear that I will support the
Constitution of the United States, and the Constitution
and Laws of this State; that I will faithfully discharge
all the duties of the office of Special Deputy of Water
Districts No. 99, 100 and 101 to the best of my ability.
So help me God.

RUSSELL SISHOP

Subscribed and sworn to before me this _____ day of
_____, 1962.

November 19, 1962

Re: Water Districts
Nos. 99, 100 and 101

Washington Water Power Company,
P. O. Drawer 11445,
Spokane 10, Washington.

Gentlemen:

We are enclosing copy of a letter to Mr. Russell Bishop,
newly appointed Special Deputy of Water Districts Nos. 99, 100
and 101, Priest Lake, Idaho, together with a copy of his Certifi-
cate of Appointment, which, we believe, are self-explanatory.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

Encl.
GNT:pmk

September 20, 1960

File.

Re: Water District No. 99

E. J. Elliott, Special Deputy
Water District No. 99
Coolin, Idaho

Dear Mr. Elliott:

After inquiry among the resort and cottage owners around Priest Lake and discussion with other parties of interest it is agreed, and agreeable I believe, to all parties concerned that the draw-down of Priest Lake shall begin September 30, 1960.

The draw down schedule will be to pull enough flash boards on September 30th to cause the lake to drop one (1) foot within a week or ten days, depending upon weather conditions; then pull the remainder of the flash boards and allow the lake to reach its natural level.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:ew

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

June 19, 1959

Mr. E. J. Elliott,
Special Deputy,
Water Districts 99, 100 & 101,
Priest Lake, Idaho.
Coelin, Idaho.

Dear Mr. Elliott:

The Washington Water Company, at my request contained in the letter of May 27, 1959, (copy of which you received) has informally agreed to temporarily assume the responsibility of operating the Priest Lake Dam, awaiting the outcome of negotiations now pending for a permanent contract for this purpose.

The Special Deputy appointment I made for you last year is continuing in full force and effect until further notice of the Department of Reclamation; consequently, you are the specially appointed representative of the Department of Reclamation of Idaho to take such actions as seem proper in the exercise of your duties.

Likely you may confer with W.W.P. Company officials regarding suitable operation of the dam or the company may call upon you for information or instructions.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC/pak

cc: W.W.P. Co.
Spokane, Washington
P.O. Drawer 1145

Attn: Mr. Wegner

Water District 99-100 & 101

October 31, 1958

Mr. E. J. Elliott
Coolin, Idaho

Dear Mr. Elliott:

Thank you very much for your letter of October 25, 1958, enclosing a copy of the Special Deputy appointment Mark Kulp gave you in 1953.

We were unable to find any record in this office of the form on which this Special Deputy appointment was made, whether or not it was continuing until changed by order of the office or not and various other matters of which there was no information here.

With the suggestion contained in your letter as to what your appointment would cover and the statements in your 1953 appointment all considered together, I have made out a new appointment for you which should supersede the one formerly sent you. Also official oath is enclosed which will you please sign and return to this office. Also please return the first appointment I made for you under date of October 20, 1958.

I am returning herewith, your original appointment as of April 22, 1953 and the letters attached to it.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC/lw
Enclosures
cc: Washington Water Power Company

Water Districts 99, 100, 101

File

COPY



ROBERT E. SMYLLIE
Governor

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

GEO. N. CARTER, STATE RECLAMATION ENGINEER

BOISE

October 30, 1958

THIS IS TO CERTIFY, That I have this day appointed

E. J. ELLIOTT

as Special Deputy of the Department of Reclamation for the State of Idaho to represent the State Reclamation Engineer to supervise, control and direct (1) the regulation of the waters of Priest Lake at a level which will preserve for the use of the people of the State the beach, boating, and other recreation facilities which are now located on said Lake, and (2) the operation, repair and maintenance of the State-owned Outlet Control Structure of said Priest Lake.

This appointment is made pursuant to the provisions of Chapter 128, Session Laws of Idaho, Thirty Fourth Session, 1957 owners of the reservoir, State of Idaho and shall remain in full force and effect until further notice of the Department of Reclamation.

WITNESS MY HAND and the seal of the Department of Reclamation at Boise, Idaho, this 30th day of October, 1958.

A handwritten signature in cursive script, reading "Geo. N. Carter".

GEO. N. CARTER
State Reclamation Engineer

RECEIVED
NOV 10 1958
Department of Agriculture

OFFICIAL OATH

STATE OF IDAHO)
) ss:
COUNTY OF BONNER)

I do solemnly swear that I will support the Constitution of the United States, and the Constitution and Laws of this State; that I will faithfully discharge all the duties of the office of Special Deputy of Water Districts No. 99, 100 and 101 to the best of my ability. So help me God.

E. G. Elliott

Subscribed and sworn to before me this Nov 7 day of November 1958.

James H. Roberts
Postmaster

COOL
NOV
7
P.M.
1958
IDAHO

NORTHERN NAVIGATION CO.

COOLIN, IDAHO

October 25, 1958

RECEIVED
OCT 27 1958
Department of Reclamation

George N. Carter
State Reclamation Engineer
Boise, Idaho

Dear Sir:

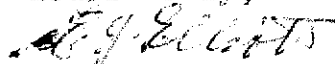
I received my appointment as Deputy of the Department of Reclamation for the State of Idaho dated Oct. 20, 1958.

If I understand it, it covers only the release of the waters of Priest Lake. My appointment here-to-for covered the regulation of the surface water level of Priest Lake.

I am enclosing my original copy of my appointment as of April 22, 1953. Please return.

Yes OK Pay

Yours truly,



E. J. Elliott

October 20, 1958

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

Attention: L. A. Eisele

Dear Mr. Eisele:

I think the enclosures, same being copy of Mr. Elliott's Appointment as Special Deputy and my letter to him are self explanatory.

I hope that the release of water from Priest Lake will go as smoothly this year as it did during the 1957 season.

Very truly yours,

GEO. W. CARTER
State Reclamation Engineer

GNC/lw
Enclosures (2)

October 20, 1958

Mr. Ed Elliott
Coolin, Idaho

Dear Mr. Elliott:

I am informed that the time is approaching when it will be necessary to release the stored water behind Priest Lake Dam and accordingly enclose a Certificate of Appointment as Special Deputy of the Department of Reclamation to provide you with authority to supervise the release of the storage.

I am unable to find any where in the files here the record of your previous appointment, but conclude from lack of payment vouchers that you have served without pay. If such is not the case, please inform me, together with what your rate of pay should be while you are a Special Deputy during the drawdown period of Priest Lake.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC/lw

Enclosure - Certificate of Appointment
cc: Washington Water Power Company



ROBERT E. SMYLLIE
Governor

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

GEO. N. CARTER, STATE RECLAMATION ENGINEER

BOISE

October 20, 1958

THIS IS TO CERTIFY, That I have this day appointed

ED ELLIOTT

as Special Deputy of the Department of Reclamation for the State of Idaho, to release the stored waters of Priest Lake in accordance with the demand of down stream uses.

This appointment is made pursuant to the provisions of Chapter 8, Sections 42-801 and 42-802, Idaho Code, by the owners of the reservoir, State of Idaho.

WITNESS MY HAND and the seal of the Department of Reclamation at Boise, Idaho, this 20th day of October, 1958.

GEO. N. CARTER
State Reclamation Engineer

This folder belongs in Transfer Volume No._____

The preceding folder of this number is in Transfer Vol. No. _____

SUGGESTION—The best results are obtained by attaching to all letters the tissue copy of your reply. This facilitates reference.

ALPHABETICAL FILING.

1—Place in the file a set of Guide Cards indexed with the subdivisions of the alphabet. For a single file use 25 guides indexed from A to Z. For larger outfits we can supply guides alphabetically subdivided into sets of all sizes from 40 to 3,000 A to Z, provided the quantity is a multiple of 20, as 40, 60, 80, 100, etc. For such outfits we suggest the use of 40 guides to each file.

2—Write the name of firm, individual or subject, using separate folder for each important heading, index said folder by placing it between the alphabetical guides.

3—Use a set of Red tab Folders lettered alphabetically to correspond with lettering on guide tabs, place one folder behind **each** guide. In these folders file all miscellaneous papers that do not justify a special folder. This prevents crowding the files with many folders of little value.

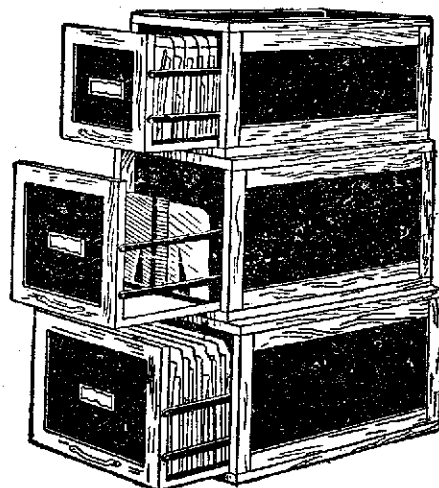
4—For transferring alphabetical files, best results are obtained by removing all the folders, with contents intact, to transfer case of same capacity. See illustration below.

NUMERICAL FILING.

This form of filing is used only in exceptional cases. Using Guide Cards numbered at intervals of 10, and a separate folder for each name or subject numbered from 1 up. As a reference or key, use S/W Card Outfit, alphabetically indexed.

When desirable to transfer single folders as they become bulky or obsolete, use transfer volumes,* that can be stored away on shelves, recording date of transfer and case number on the new folder, using form below :

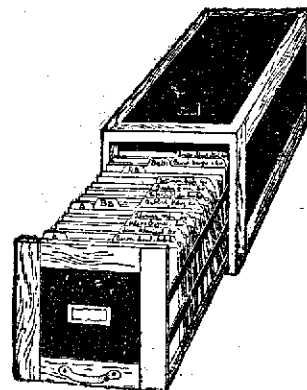
(*See illustration No. 591 below.)

[illegible]

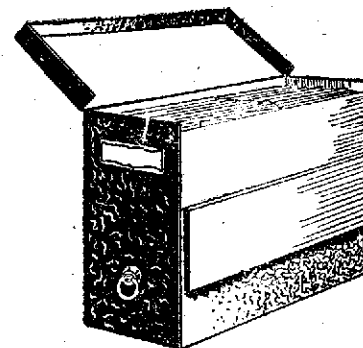
Bill size
No. 790

Letter size
No. 791

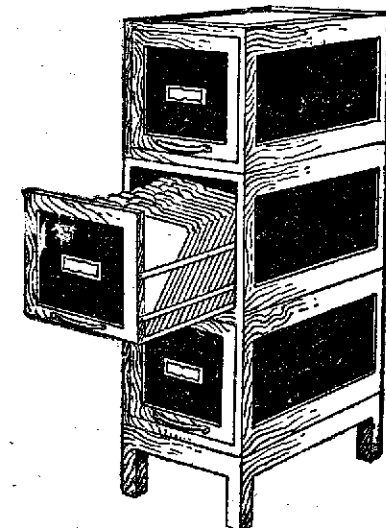
Cap size
No. 792



A Single Storage Case Illustrating Alphabetical Filing



No. 591 Transfer Volume
as Used for Vertical Folders



Three No. 791 V. L. Storage
Cases on Leg Base



State of Idaho
DEPARTMENT OF WATER RESOURCES
STATE OFFICE, 373 W. Franklin Street, Boise, Idaho

JOHN V. EVANS
Governor

C. STEPHEN ALLRED
Director

Mailing address:
Statehouse
Boise, Idaho 83720
(208) 384-2215

November 23, 1977

MEMO

TO: William Gossett, Supervisor, Engineering Section

FROM: Bob Fleenor, Chief, Operations Bureau for the
Administrator, Resources Administration Division *BDF*

DATE: November 23, 1977

RE: Priest Lake Outlet Control Structure Replacement (File 97-2020)

I have reviewed the foundation design report and the contract plans and specifications for the sheet pile cutoff wall to be used on the new structure. The proposed sheet pile cutoff wall will provide an acceptable seepage barrier beneath the new structure proposed; therefore, plans and specifications for this initial phase of work are approved in accordance with the provision of Title 42, Chapter 17 of the Idaho Code.

Please keep me informed of work progress so that any necessary safety inspections can be scheduled.

44-10-100

July 3, 1963

Loran A. Eisela, Supt.
System Operations
Washington Water Power Co.
Spokane 10, Washington

Dear Mr. Eisela:

Thank you for your report on the Dam at Priest Lake. Also noted is the repair work on deck planking. I have no doubt of Washington Water Power Company's desire and willingness to keep up on maintenance of this structure.

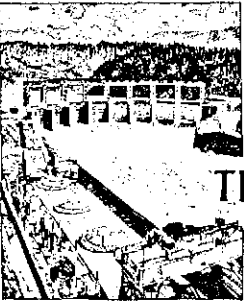
I am glad that Mr. Shackleton has agreed to operate this dam for 1963. Our records show that Mr. Russell Bishop was appointed as Special Deputy, November 19, 1962. An appointment is probably necessary for this year (1963) and when the duties of a Special Deputy are required it can be made upon our receiving due notice.

Very truly yours,

CARL E. TAPPAN, Acting
State Reclamation Engineer

CET:ew

97 2020



M. L. BLAIR, VICE PRESIDENT
POWER SUPPLY

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

July 1, 1963

Mr. Carl Tappan
Assistant State Reclamation Engineer
Idaho Department of Reclamation
State House
Boise, Idaho

Dear Mr. Tappan:

Sorry we failed to supply the information you requested on Priest Lake in time to be of help.

We inspected the dam while the lake was at a low elevation and found everything to be in good shape except the deck planking on the downstream side of the slot. Several of the three by twelves were center cut from the log and heart rot had set in.

Mr. Ralph Shackleton has agreed to operate the dam again this year. On June 8, 1963 the lake was at elevation 3.36 and he installed the first three rows of boards in the bottom of the dam. By June 15, 1963 the lake was down to 2.98 and additional boards were installed to control the elevation. At that time the crew replaced part of the decking with new three by twelves. Since that time the inflow has continued to drop and additional boards have been installed to maintain the lake level. The lake is presently at elevation 2.92 and 150 boards have been installed. (180 boards will completely shut off the flow except for leakage).

Let us know when you plan to be in this area and we will arrange an inspection trip to Priest Lake.

Very truly yours,

Loran A. Eisele

Loran A. Eisele, Supt.
System Operations

LAE:jgb

97 2620

November 19, 1962

Re: Water Districts
Nos. 99, 100 and 101

Washington Water Power Company,
P. O. Drawer 1145,
Spokane 10, Washington.

Gentlemen:

We are enclosing copy of a letter to Mr. Russell Bishop,
newly appointed Special Deputy of Water Districts Nos. 99, 100
and 101, Priest Lake, Idaho, together with a copy of his Certifi-
cate of Appointment, which, we believe, are self-explanatory.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

Encl.
CET:pmk

97 2020

November 19, 1962

Re: Water Districts Nos.
99, 100 and 101

Mr. Russell Bishop,
Coolin, Idaho.

Dear Mr. Bishop:

We are in receipt of a letter from Mr. E. J. Elliott who has resigned as Special Deputy of Water District Nos. 99, 100 and 101, Priest Lake, Idaho. Mr. Elliott has given us your name to fill this vacancy.

We are, accordingly, enclosing your Certificate of Appointment as Special Deputy of the Department of Reclamation, State of Idaho, together with an Official Oath, which you should sign and return to this office.

If, at any time, you are confronted with any problems or questions concerning your duties, do not hesitate to call upon us.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

Encl.

CST:pmk

cc: Washington Water Power Co.
P. O. Drawer 1115
Spokane 10, Washington



STATE OF IDAHO

DEPARTMENT OF RECLAMATION
107 STATE HOUSE
BOISE

November 19, 1962

THIS IS TO CERTIFY, That I have this day appointed

RUSSELL BISHOP

as Special Deputy of the Department of Reclamation for the State of Idaho to represent the State Reclamation Engineer to supervise, control and direct (1) the regulation of the waters of Priest Lake at a level which will preserve for the use of the people of the State the beach, boating, and other recreation facilities which are now located on said Lake, and (2) the operation, repair and maintenance of the State-owned Outlet Control Structure of said Priest Lake.

This appointment is made pursuant to the provisions of Chapter 128, Session Laws of Idaho, Thirty Fourth Session, 1957 and shall remain in full force and effect until further notice of the Department of Reclamation.

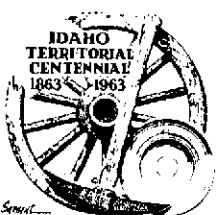
WITNESS MY HAND and the SEAL of the Department of Reclamation at Boise, Idaho, this 19th day of November, 1962.

GEO. N. CARTER
State Reclamation Engineer
By

(SEAL)

s/

CARL E. TAPPAN
CARL E. TAPPAN, Assistant
State Reclamation Engineer



21. 11. #100

November 19, 1962

Mr. E. J. Elliott,
Coolin, Idaho.

Dear Mr. Elliott:

We received your letter of resignation as
Special Deputy with regret. Kindly accept our thanks
for your cooperation in past years.

Mr. Russell Bishop is being appointed as
Special Deputy as you suggested.

Very truly yours,

GEO. H. CARTER
State Reclamation Engineer
By

CARL E. TAPPAN, Assistant
State Reclamation Engineer

GET:pmk

October 1, 1959

Mr. Ross Leonard, Director,
Department of Fish and Game,
State of Idaho,
518 Front Street,
Boise, Idaho.

Dear Mr. Leonard:

Thanks for your letter of September 30, 1959, regarding operation of the Priest Lake dam at the outlet of the lake. I have been puzzling over how the state might operate the structure in 1960 and future years.

Following failure of early 1959 negotiations between Northern Lights, Inc., Washington Water Power Company, State of Idaho, and the Bonneville Power Authority, to reach an agreement on future operation of the dam, the Washington Water Power Company volunteered to do the operation gratis during 1959; and this the company has quite satisfactorily done in full cooperation with all parties of interest.

Regarding the attempts to make a new operating agreement, such was in prospect between the State, Northern Lights Inc., and Washington Water Power Company, i.e. these three parties were in accord on the details of a three way contract for operation during the next 10 years, but Bonneville Power upset the deal by refusing to enter into any compensatory arrangement for release of the storage.

Bonneville Power is currently over supplied with power and expects to be until about 1964; therefore, I doubt if any revenue to the state can be expected by reason of release of the storage for some time to come.

While Washington Water Power operated the dam this year at its own expense without any corresponding compensation, I know of no good reason why it should continue to do so in future years. The company did this in 1959 only as a matter of accommodation and to fill the gap until other arrangements could be made.

I think it would be well for the Department of Fish and Game to assume the control and operation of the dam. You mention the necessity of some repair work on the structure. I had not heard of it and would be interested in knowing what has been suggested as necessary maintenance work. I thought the structure was in good shape.

You have an estimated operating cost figure of \$500 to \$1000 per year. Washington Water Power Company stated its cost to them was some \$2500 to \$3000 a year, but possibly you could realize some lesser figure.

I am prepared to assist in working out an arrangement whereby State Fish and Game would operate the dam. It is all in the family and some plan should be comparatively easy to adopt.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:pmk

October 1, 1959

Mr. Ross Leonard, Director,
Department of Fish and Game,
State of Idaho,
516 Front Street,
Boise, Idaho.

Dear Mr. Leonard:

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16642

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Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:pmk

STATE OF IDAHO

ROBERT E. SMYLIE
GOVERNOR

Department of Fish and Game

ROSS LEONARD
DIRECTOR

COMMISSION
GLENN STANGER IDAHO FALLS
R. J. HOLMES TWIN FALLS
ARLIE JOHNSON BOISE
TOM FELTON MOSCOW
FRANK CULLEN COEUR D'ALENE

September 30, 1959

RECEIVED
OCT 1 1959

Department of Reclamation

Mr. George Carter
State Reclamation Engineer
Statehouse
Boise, Idaho

Dear Mr. Carter:

Our Fisheries Management Division has called to our attention that it may be possible for us to come to an agreement with you regarding the operation of the Priest Lake outlet. It is estimated that it will cost this Department from \$500 to \$1,000 per year to assume this responsibility.

I am also advised that it will be necessary to make some repairs to the outlet this fall if it is to be operated in a satisfactory manner.

We appreciate the fact that you are aware of our interest in the operations of this outlet because of its effect upon the spawning of the Kokanee. In all probability, it would be to our advantage to take over the operation providing we can arrive at an agreement which will be of mutual benefit.

For instance, if it became possible to dispose of excess water in order to meet the power needs of the Bonneville power people, would the revenue come to this Department to be applied upon the operations of the Priest Lake outlet? We certainly appreciate your efforts and proposal in this matter. It might be well for us to hold a meeting in the very near future to see if we can agree upon these matters.

Sincerely,

Ross Leonard
Ross Leonard, Director

RL:jt

16642

September 11, 1959

Mr. E. J. Elliott, Special Deputy,
Water Districts Nos. (99, 100, 101,
Coolin, Idaho.

Dear Mr. Elliott:

After various conferences with Mr. A. H. Wegner, of the Washington Water Power Company, the Idaho Fish and Game Department, and Mr. Bus Bishop, regarding the beginning date for release of Priest Lake water through the state dam, it is now agreeable to everyone, so far as I am informed, that release begin Friday, September 18, 1959.

The release schedule will be approximately at a rate sufficient to draw the lake level down about one foot in the first week. When the lake surface has fallen to the two foot level on the gage, then the remaining flash boards will be pulled, thus permitting the lake to fall with uncontrolled discharge to its natural level.

This letter, therefore, you may take as authority and instruction to order the release of the water, approximately in accordance with the foregoing plan and schedule.

Very truly yours,

GEO. W. CARTER
State Reclamation Engineer

GWC:pmk

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

Ora E. Beasley, Manager
Northern Lights, Inc.,
P.O. Box 712,
Sandpoint, Idaho

(Blind copy sent to Mr. Beasley)

Release dates

1953 - Oct. 18

54 - Oct. 31

55 - Oct. 30 - 28

56 - Oct. 31

57 - Oct. 1

58 - Oct. 24

59 - Sept. 18 + delay?

60 - Sept. 30

Released within 24 hrs?
called for information?

16642

1959
Delay further release! Must be Oct 12. per Buckley Sept 28, call

Daily Gage Height, in Feet, and Discharge, in Second-Feet, of

FRIST

River
Creek

At Near COOLIN, IDAHO

for the Year Ending September 30, 19 57

Drainage Area 611 Square Miles. Water-Stage Recorder Stevens Continuous Ratio 1 : 6

Gage Read to attended Once a Day by USGS Engineer

DATE

OCTOBER		NOVEMBER		DECEMBER		JANUARY		FEBRUARY		MARCH		APRIL		MAY		JUNE		JULY		AUGUST		SEPTEMBER	
Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge
2.00	153	4.63	2,160	3.20	700	2.85	488	2.61	365	2.90	515	3.07	617	4.71	2,260	6.45	5,010	3.62	1,030	2.06	169	1.84	118
2.01	156	4.54	2,040	3.17	680	2.85	488	2.61	365	2.90	515	3.10	635	4.99	2,660	6.38	4,890	3.61	1,020	2.08	174	1.85	120
2.01	156	4.44	1,920	3.14	661	2.83	476	2.61	365	2.90	515	3.14	661	5.23	3,020	6.28	4,720	3.61	1,020	2.14	191	1.86	122
2.01	156	4.33	1,790	3.13	654	2.81	466	2.61	365	2.94	539	3.17	680	5.43	3,320	6.17	4,530	3.50	925	2.14	191	1.86	122
2.01	156	4.24	1,680	3.10	635	2.80	460	2.61	365	2.94	539	3.21	707	5.67	3,700	6.07	4,360	3.35	808	2.07	171	1.86	122
2.00	153	4.17	1,600	3.04	599	2.80	460	2.60	360	2.93	533	3.25	735	5.96	4,170	5.97	4,190	3.07	617	2.02	158	1.89	128
2.00	153	4.11	1,530	3.00	575	2.80	460	2.57	347	2.96	551	3.27	749	6.21	4,600	5.87	4,020	2.82	471	2.14	191	1.88	126
2.00	153	4.35	1,810	2.99	569	2.80	460	2.64	380	2.96	551	3.30	770	6.38	4,890	5.78	3,880	2.77	445	2.38	271	1.88	126
2.01	156	4.52	2,020	2.99	569	2.79	455	2.64	380	2.99	569	3.33	792	6.55	5,190	5.71	3,770	2.71	415	2.53	330	1.89	128
2.01	156	4.41	1,880	3.02	587	2.80	460	2.66	390	3.04	599	3.35	808	6.65	5,370	5.62	3,620	2.67	395	2.72	420	1.90	130
2.01	156	4.31	1,760	3.02	587	2.82	471	2.66	390	3.06	611	3.39	838	6.71	5,480	5.15	2,930	2.67	395	2.78	450	1.90	130
2.01	156	4.21	1,640	3.00	575	2.83	476	2.67	395	3.05	605	3.41	853	6.74	5,530	4.43	1,910	2.68	400	2.81	466	1.90	130
2.01	156	4.12	1,540	2.99	569	2.80	460	2.66	390	3.05	605	3.44	893	6.85	5,730	4.52	2,020	2.71	415	2.84	482	1.90	130
2.01	156	4.05	1,460	2.97	557	2.79	455	2.66	390	3.04	599	3.51	934	6.96	5,930	4.89	2,520	2.81	466	2.83	476	1.86	122
2.03	161	3.97	1,380	2.99	569	2.77	445	2.64	380	3.03	593	3.57	984	7.00	6,000	5.08	2,790	2.81	466	2.75	435	1.76	103
2.11	182	3.92	1,320	3.02	587	2.75	435	2.63	375	3.02	587	3.60	1,010	6.99	5,980	5.21	2,980	2.86	493	2.68	400	1.75	101
2.22	216	3.87	1,270	3.04	599	2.73	425	2.62	370	3.02	587	3.63	1,040	6.97	5,950	5.31	3,140	2.99	569	2.62	370	1.76	103
2.32	249	3.82	1,220	3.09	629	2.71	415	2.62	370	3.01	581	3.67	1,070	6.93	5,870	5.15	2,900	3.06	611	2.47	305	1.81	112
2.50	317	3.75	1,150	3.07	617	2.70	410	2.61	365	3.01	581	3.71	1,110	6.95	5,910	5.01	2,680	3.14	661	2.14	195	1.79	108
2.72	420	3.69	1,090	3.06	611	2.68	400	2.58	351	3.01	581	3.76	1,160	7.08	6,150	4.44	1,950	3.18	687	1.96	144	1.78	106
2.92	527	3.64	1,050	3.04	599	2.68	400	2.56	343	3.02	587	3.82	1,220	7.09	6,170	4.04	1,450	3.17	680	1.93	137	1.76	103
3.10	635	3.59	1,000	3.03	593	2.66	390	2.58	351	2.02	587	3.88	1,280	7.08	6,150	4.06	1,480	3.09	629	1.89	128	1.72	96
3.27	749	3.55	968	3.01	581	2.63	375	2.70	410	3.01	581	3.94	1,340	7.08	6,150	4.05	1,460	2.91	521	1.87	124	1.68	89
3.88	1,280	3.49	917	3.00	575	2.60	360	2.78	450	3.02	587	4.01	1,420	7.03	6,060	4.04	1,450	2.73	425	1.85	120	1.66	86
3.74	1,140	3.44	877	2.98	563	2.60	360	2.82	471	3.01	581	4.07	1,490	6.97	5,950	3.76	1,160	2.69	405	1.85	120	1.65	84
3.71	1,110	3.40	845	2.96	551	2.61	365	2.86	493	3.01	581	4.12	1,540	6.90	5,820	3.62	1,030	2.52	326	1.85	120	1.65	84
3.41	866	3.36	815	2.94	539	2.61	365	2.88	504	3.00	575	4.15	1,580	6.84	5,710	3.64	1,050	2.36	264	1.85	120	1.65	84
2.85	5503	3.32	785	2.92	527	2.60	360	2.89	510	3.00	575	4.19	1,620	6.77	5,590	3.65	1,060	2.16	197	1.85	120	1.64	82
2.63	375	3.28	756	2.90	515	2.60	360			3.00	575	4.29	1,740	6.69	5,440	3.64	1,050	2.16	197	1.85	120	1.68	89
2.86	493	3.23	721	2.88	504	2.60	360			3.01	581	4.46	1,940	6.60	5,280	3.64	1,050	2.13	188	1.85	120	2.02	182
3.75	1,270			2.87	498	2.60	360			3.05	605			6.53	5,150			2.08	174	1.85	120		
TOTAL		12,665	40,994	18,174	13,120	10,990	17,771					32,216		16,180	81,050	16,315		7,338		3,366		415,179	
Mean		409	1,366	586	423	392	573					6,074		5,199	2,702	526		237		112		1,137	
Run-off in inches																							
Run-off in acre-feet		25,120	81,310	36,050	26,020	21,800	35,250					63,900		319,700	160,800	32,360		14,550		6,680		823,540	
Maximum		1,280	2,160	700	488	510	611					1,940		6,170	5,010	1,030		482		182		6,170	
Minimum		153	721	498	360	343	515					617		2,260	1,030	174		120		82		82	

Max Disch. 1,280

Min. Disch. 153

Sec.-ft. at 3.00 gage 25,120

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Sec.-ft. on 82

Sec.-ft. on 82

Sec.-ft. on 82

Sec.-ft. on 82

Sec.-ft. on 82

Sec.-ft. on 82

Sec.-ft. on 82

Sec.-ft

July 1937
Daily Gage Height, in Feet, and Discharge, in Second-Feet, of PRIEST LAKE River
At Outlet near COOLIN, IDAHO for the Year Ending September 30, 1957
Drainage Area 572 Square Miles. Water-Stage Recorder Stevens Continuous Ratio 1 : 6

Gage Read to attended Once a Day by U.S.G.S. Engineer hundred as below

Min. Disch.		Sec.-ft. on		(G. H.		ft.)		Min. G. H.		-0.19 ft. on Feb. 7, 21.	
YEAR		1956		1956		1956		1956		1956	
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1956		1956		1956		1956		1956		1956	
1956		1956		1956		1956		1956		1956	
1956		1956		1956		1956					

Daily Gage Height, in Feet, and Discharge, in Second-Feet, of **PRIEST**River
CreekNear **COOLIN, IDAHO**

for the Year Ending September 30, 1958

Drainage Area **611** Square Miles. Water-Stage Recorder **Stevens Continuous** Ratio **1:6**Gage Read to attendance **Twice**

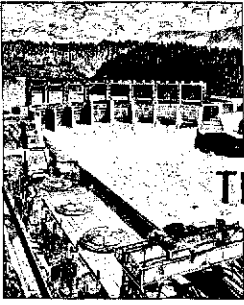
observed 2.6 Min. Disch 957		Sec.-ft. on Sept 25 (G. H. 116 ft.). Min. G. H. Same. ft. on f. Gage height partly estimated. S- Discharge computed by subdividing day a. No gage-height record, discharge estimated on basis of weather records and records for station near Priest River.		OCTOBER		NOVEMBER		DECEMBER		JANUARY		FEBRUARY		MARCH		APRIL		MAY		JUNE		JULY		AUGUST		SEPTEMBER		DAY FOURTH THIRD SECOND FIRST QUARTER FOURTH	
-----------------------------------	--	---	--	---------	--	----------	--	----------	--	---------	--	----------	--	-------	--	-------	--	-----	--	------	--	------	--	--------	--	-----------	--	--	--

Daily Gage Height, in Feet, ^{at midnight} ~~and Discharge, in Second-Foot, of~~ ^{at midnight} ~~Priest Lake~~ ^{Outlet, nr. Coaling, Idaho,} ~~for the Year Ending September 30, 1958~~

At ^{Outlet, nr. Coaling, Idaho,} ~~for the Year Ending September 30, 1958~~

Drainage Area ^{57.2} ~~Square Miles.~~ Water-Stage Recorder ^{Stevens Continuous} ~~Ratio 1 : 6~~

		OCTOBER		NOVEMBER		DECEMBER		JANUARY		FEBRUARY		MARCH		APRIL		MAY		JUNE		JULY		AUGUST		SEPTEMBER			
DAY		Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	Gage height	Discharge	DAY	THIRD
1		3.07		0.49		-0.03		-0.02		-0.02		0.92		1.09		1.97		4.33		3.03		3.02		2.96		1	THIRD
2		2.97		0.46		-0.03		-0.04		-0.03		0.93		1.13		2.03		4.10		3.01		3.02		2.98		2	THIRD
3		2.85		0.42		-0.05		-0.04		-0.04		0.93		1.17		2.13		4.00		2.99		2.99		2.97		3	THIRD
4		2.70		0.39		-0.06		-0.07		-0.05		0.94		1.21		2.24		3.85		2.99		3.01		2.96		4	THIRD
5		2.55		0.36		-0.08		-0.09		-0.06		0.98		1.23		2.35		3.70		3.00		3.02		2.96		5	THIRD
6		2.41		0.33		-0.06		-0.11		-0.06		0.97		1.28		2.47		3.61		3.01		3.01		2.97		6	THIRD
7		2.32		0.30		-0.05		-0.13		-0.04		0.95		1.29		2.55		3.53		3.01		3.01		2.97		7	THIRD
8		2.20		0.27		-0.07		-0.14		-0.04		0.94		1.32		2.91		3.40		3.01		3.01		2.97		8	THIRD
9		2.08		0.23		-0.08		-0.15		0.00		0.92		1.33		3.14		3.29		3.02		3.02		2.98		9	THIRD
10		1.93		0.23		-0.09		-0.15		0.02		0.90		1.35		3.38		3.28		3.03		3.03		2.99		10	THIRD
11		1.81		0.22		-0.11		-0.15		0.02		0.88		1.37		3.61		3.22		3.04		3.04		2.99		11	THIRD
12		1.68		0.22		-0.12		-0.14		0.02		0.85		1.38		3.81		3.14		3.02		3.03		2.94		12	THIRD
13		1.60		0.25		-0.13		-0.15		0.02		0.80		1.39		3.90		3.05		3.03		3.02		2.99		13	THIRD
14		1.51		0.23		-0.15		-0.14		0.02		0.78		1.47		3.92		3.05		3.02		3.01		2.99		14	THIRD
15		1.40		0.22		-0.16		-0.12		0.01		0.76		1.57		3.96		3.05		3.02		3.03		2.99		15	THIRD
16		1.31		0.20		-0.15		-0.11		0.03		0.72		1.67		4.03		3.04		3.03		3.02		2.99		16	THIRD
17		1.23		0.19		-0.14		-0.07		0.06		0.70		1.80		4.10		3.03		3.02		3.01		3.01		17	THIRD
18		1.14		0.16		-0.13		-0.07		0.07		0.68		1.88		4.16		3.04		3.02		3.02		3.03		18	THIRD
19		1.05		0.15		-0.13		-0.09		0.10		0.60		1.97		4.22		3.04		3.03		3.01		3.06		19	THIRD
20		0.95		0.12		-0.12		-0.10		0.14		0.65		2.04		4.32		3.02		3.02		3.01		3.06		20	THIRD
21		0.92		0.09		-0.11		-0.07		0.17		0.68		2.08		4.46		3.02		3.01		3.01		3.07		21	THIRD
22		0.85		0.07		-0.10		-0.07		0.20		0.69		2.10		4.59		3.01		3.01		3.01		3.08		22	THIRD
23		0.77		0.04		-0.10		-0.03		0.26		0.70		2.10		4.68		3.00		3.00		3.00		3.10		23	THIRD
24		0.72		0.03		-0.08		-0.02		0.43		0.73		2.09		4.80		3.03		2.99		3.00		3.11		24	THIRD
25		0.68		0.00		0.00		-0.02		0.67		0.78		2.08		4.85		3.03		2.99		2.99		3.13		25	THIRD
26		0.63		0.00		0.00		-0.01		0.78		0.84		2.05		4.87		3.03		2.99		3.00		3.14		26	THIRD
27		0.59		0.01		0.03		-0.03		0.84		0.88		2.02		4.85		3.02		3.00		3.00		3.14		27	THIRD
28		0.54		-0.01		0.04		0.00		0.89	62280	0.91		2.00		4.80		3.04		3.01		2.99		3.15		28	THIRD
29		0.52		-0.03		0.04		0.00				0.95		1.97		4.72		3.04		3.02		3.01		3.14		29	THIRD
30		0.54		-0.05	47,140	0.03		0.00				1.00		1.96	94,500	4.59		3.03	120,000	3.01		2.99		3.14	122,600	30	THIRD
31		0.52	60,550			0.00	48,310	0.00	48,310			1.07	73,530	31		4.46	154,100			3.02	119,700	2.97	118,600			31	THIRD
TOTAL																											
Mean Second-foot per square mile																											
Change in contents in acre-ft																											
Run-off in inches																											
Run-off in acre-feet																											
4.99	Maximum	3.07		0.49		0.04		0.00		0.89		1.07		2.10		4.87		4.33		3.04		3.04		3.15		4.87	
-0.20	Minimum	0.52		-0.05		-0.16		-0.15		-0.06		0.65		1.09		1.97		3.00		2.99		2.97		2.94		-0.16	



A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

Priest Lake
Bish - Hickory 3-2469 - Newport

Russ Dis Hop
Hickory 3-2469 - Newport

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

September 9, 1959

W W P Co Hudson-9-0500

Department of Reclamation
State of Idaho
Boise, Idaho

Attention: Geo. N. Carter,
State Reclamation Engineer

Gentlemen:

With reference to Priest Lake, it is suggested that we be directed by your office to initiate on 9-11-59, or on 9-14-59, the release of waters retained in Priest Lake by the Outlet Control Structure. We further suggest that release be effected by the removal of a number of boards estimated to permit the Lake surface to recede in about one week to elevation 2.0. When the Lake has receded to said 2.0 level, the remaining boards to be removed thereby permitting the Lake to draft with unrestricted discharge to natural level.

We await your instructions.

Very truly yours,

A. H. Wegner
Assistant Vice President

Hu 9-0500 X 407

A. H. Wegner:c

cc: Blair-Eisele

16642

Begin release
Monday Sept. 14
1st - 2500 A.F.
1800 recd. 7:00 PM
20-8' boards - 100'
1'd = 10:10 PM A.H. Wegner

September 3, 1959

AIR MAIL

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

Attention: A. H. Wagner

Dear Mr. Wagner:

I will be in Spokane all day Wednesday, September 9,
1959.

The meeting I am attending is at the Spokane Press
Club. I will call you from there, or you may call me.
Certainly I should have enough time in the afternoon to
discuss Priest Lake matters.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:pmk

16642

June 19, 1959

Mr. E. J. Elliott,
Special Deputy,
Water Districts 99, 100 & 101,
Priest Lake, Idaho.
Coolin, Idaho.

Dear Mr. Elliott:

The Washington Water Company, at my request contained in the letter of May 27, 1959, (copy of which you received) has informally agreed to temporarily assume the responsibility of operating the Priest Lake Dam, awaiting the outcome of negotiations now pending for a permanent contract for this purpose.

The Special Deputy appointment I made for you last year is continuing in full force and effect until further notice of the Department of Reclamation; consequently, you are the specially appointed representative of the Department of Reclamation of Idaho to take such actions as seem proper in the exercise of your duties.

Likely you may confer with W.W.P. Company officials regarding suitable operation of the dam or the company may call upon you for information or instructions.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC/pmk

cc: W.W.P. Co.
Spokane, Washington
P.O. Drawer 1445

Attn: Mr. Wegner

16642

RECEIVED
JUN 18 1959

Department of Reclamation

June 17, 1959

Washington Water Power Co.
Post Office Drawer 1445
Bozeman 10, Washington

Attention: A.H. Wegner

Dear Mr. Wegner:

On May 27, 1959 I received a copy of a letter from George M. Carter, State of Idaho Reclamation Engineer, regarding the contract of the Priest Lake Dam and to date I have not received any information regarding this contract.

Have you assumed the responsibility of the operation of said dam?

Yours truly,

A. J. Elliott

Copy to Geo. M. Carter

16642

Suggested revision of Section 70 - 507 Idaho Code.

Beginning after the word "elevation" appearing near the end of the first sentence in this Section, strike out the present language and substitute the following:

"Until the time after the close of the main recreational season, as determined by said State Reclamation Engineer, that said lake surface maybe permitted to recede below said elevation 3.0, provided further that said State Reclamation Engineer may enter into contracts for a period of one (1) year or more with qualified persons or cooperations to operate and maintain, at their sole expense, said Outlet Control Structure.

AHW
6-9-59

16642



OFFICE OF
THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
BONNEVILLE POWER ADMINISTRATION
PORTLAND 8, OREGON

44-3
1259

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

Attention: A. H. Wegner, Assistant Vice
President

Re: Priest Lake Storage

Gentlemen:

This will acknowledge your letter of May 18, 1959,
addressed to Mr. Evans concerning the above matter and will
further confirm the discussions in our office on June 5.

In view of the fact that the release of the storage
water in Priest Lake, Idaho, is controlled by Section 70-507
Idaho Code, it is our opinion that the additional firm power
generated at the federal government plants on the Columbia
River from such release must be governed by the same condi-
tions as the sale of any other firm power generated on the
federal system.

Sincerely yours,

Wm. A. Pearl
Administrator

cc: Ora Beasley
Geo. R. Carter

16642

May 27, 1959

The Washington Water Power Co.
Post Office Drawer 1145
Spokane 10, Washington

Attention: A. H. Wegner

Dear Mr. Wegner:

As you know the present contract between Washington Water Power Company and the State of Idaho for operation of the Priest Lake Dam expires May 31, 1959.

Negotiation of a new contract with either your company or Northern Lights, Inc. has been under consideration since last January, but it is evident that such a contract will not be completed prior to June 1, 1959.

In these circumstances the State will be without an operating agent after May 31, 1959 until some new contract is signed. It is important that there be a qualified operator available to regulate the outflow from Priest Lake to make certain the lake level does not fall below 3.0 ft on the commonly recognized lake gage after recession of flood stages, and is held closely at that gage height until beginning of the release period.

If the Washington Water Power Company can see its way clear to assume the operation of the gates at the outlet structure for some interim period of say 30 days or until a new contract is completed it will be greatly appreciated by this office.

Mr. E. J. Elliott of Coolin, Idaho is the Special Deputy for the State of Idaho appointed by me to supervise, control and direct the regulation of the elevations of the waters of Priest Lake in the interests of recreation facilities around the lake. You may avail yourselves of Mr. Elliott's services in reporting gage heights or in any other helpful manner.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

ONC:ew

Bind Co. Elliott

16642

May 27, 1959

The Washington Water Power Co.
Post Office Drawer 1445
Spokane 10, Washington

Attention: A. H. Wegner

Dear Mr. Wegner:

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Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:sw

16642

May 27, 1959

Mr. Ora E. Beasley, Manager
Northern Lights, Inc.
P. O. Box 712
Sandpoint, Idaho

Dear Mr. Beasley:

If and when final draft of a contract for operation of the Priest Lake Dam is written I am requested to have added - following the words "Labor Day" at the bottom of page 2 of the tentative draft - and shall be completed not later than November 20th of each year.

Also for legality's sake my middle initial is N. not R.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:ew

cc: Washington Water Power Co.
P. O. Box 1115
Spokane 10, Wash.

May 27, 1959

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Northern Lights, Inc.
P. O. Box 712
Sandpoint, Idaho

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GEO. N. CANTER
State Reclamation Engineer

GNC:ew

cc: Washington Water Power Co.
P. O. Box 1145
Spokane 10, Wash.

16642

May 27, 1959

MEMORANDUM

To: Governor Robert E. Smylie
From: Geo. N. Carter, State Reclamation Engineer
Subject: Priest Lake Dam Operation

As per my pencil memo to you May 22, 1959, conference was had between Northern Lights, Inc., and Washington Water Power in my office May 20, 1959, regarding future operation of the Priest Lake Dam.

These companies laid before me for consideration a draft of an agreement which they would be willing to execute - contingent upon Bonneville Power Authority agreeing to sell either to Northern Lights, Inc. or Washington Water Power Co. some 10,000 to 12,000 kw of firm power made available at down river Federal hydro-plants by release of Priest Lake storage. I understand Bonneville has not as yet agreed to this and not until some time in June will the answer be known.

I told the companies that - provided you concurred, their proposal was agreeable to me. Apparently it is the best deal we can get - if we get it, and that will depend on the outcome of the negotiations with Bonneville Power Authority.

Previously I had discussed with Ross Leonard and his staff the feasibility of the Fish and Game Department assuming the operation of the dam. Mr. James Simpson sat in on the discussion of the proposed agreement with Northern Lights, Inc. and Washington Water Power.

I now have a copy of a memo, Simpson to Leonard, recommending that in view of Northern Lights, Inc. offer to maintain and operate the dam under state direction at \$1000.00 per year for 10 years that Fish and Game not undertake the operation. Difference to the State between the respective costs of operation would be \$3500.00 to \$4000.00 annually.

You will note that attached to the draft of Agreement is an assignment, Northern Lights, Inc. to Washington Water Power Co. This

16642

Page Two - Continued * Memorandum - Governor Smylie

apparently is a result of some of my suggestions. I inquired how the State might be assured the assignment would be executed and Washington Water Power Co. said it could or would be executed before signing the agreement. This I want done.

A copy of the proposed agreement is attached for retention in your files.

I will keep you informed of further developments.

Respectfully,

Enc. copy of agreement
and assignment

GEO. N. CARTER
State Reclamation Engineer

16642

May 27, 1959

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From: Geo. N. Carter, State Reclamation Engineer
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Previously I had discussed with Ross Leonard and his staff the feasibility of the Fish and Game Department assuming the operation of the dam. Mr. James Simpson sat in on the discussion of the proposed agreement with Northern Lights, Inc. and Washington Water Power.

I now have a copy of a memo, Simpson to Leonard, recommending that in view of Northern Lights, Inc. offer to maintain and operate the dam under state direction at \$1000.00 per year for 10 years that Fish and Game not undertake the operation. Difference to the State between the respective costs of operation would be \$3500.00 to \$4000.00 annually.

You will note that attached to the draft of Agreement is an assignment, Northern Lights, Inc. to Washington Water Power Co. This

16642

Page Two - Continued * Memorandum - Governor Skylis

apparently is a result of some of my suggestions. I inquired how the State might be assured the assignment would be executed and Washington Water Power Co. said it could or would be executed before signing the agreement. This I want done.

A copy of the proposed agreement is attached for retention in your files.

I will keep you informed of further developments.

Respectfully,

Enc. copy of agreement
and assignment

GEO. N. CARTER
State Reclamation Engineer

16642

Hodge

SUBJECT

TO

FROM

Delivered Mr. Carter

5-22-59

Governor Simpson

This agreement was laid down before me by ^{out right} me. representatives of Northern Lights and Washington States Power Wednesday P. M.

After discussion I told them that, provided you concur I believed it would be acceptable to the state.

Simpson was present at the meeting and told me afterward that he thought Fish and Game would "bow out" if said agreement is acceptable to us.

INTER-DEPARTMENT MEMO-1

Carter
16642

SIGNATURE

RECEIVED
MAY 25 1959
Department of Reclamation

May 22, 1959

MEMORANDUM

FROM: James C. Simpson

TO: Director Leonard

On Wednesday, May 13th, a meeting was held in the office of Mr. George N. Carter, State Reclamation Engineer, to discuss a proposed agreement on the operation of the water control structure at the outlet at Priest Lake.

Northern Lights, Inc. had submitted an agreement to the State Reclamation Engineer wherein the cooperative would maintain and operate the control structure in accordance with State law and for which they would pay the State of Idaho the sum of \$1,000 and would pay all maintenance and operation costs with the stipulation that the agreement would continue in effect for a period of 10 years.

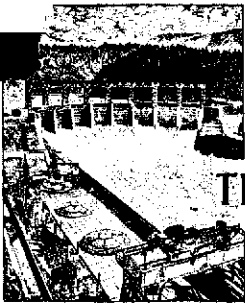
In view of the proposal of Northern Lights, it is recommended that we not enter into an agreement with the State Reclamation Engineer to operate and maintain the outlet control structure as was suggested in a conference between our Department and the State Reclamation Engineer held prior to the meeting with Northern Lights.

I believe we would accomplish our purpose by letting Northern Lights operate the dam and in turn we would not be out the expense of maintenance and operation. I would suggest, however, that Paragraph B under Item I on Page 2 be written with the same language as is contained in Chapter 28 of the 1957 Session Laws. Such language would strengthen the agreement because the law requires that the draw-down shall be completed by November 20 of each year.

Yours very truly,

James C. Simpson
Chief, Fisheries Division

16642



A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

May 18, 1959

Bonneville Power Administration
P. O. Box 3537
Portland 8, Oregon

Attention: Miller Evans, Director of
Operations and Maintenance

Re: Priest Lake

Gentlemen:

By the terms of a letter of agreement between us dated May 24, 1958, we have been purchasing from Bonneville 7,000 kilowatts of firm power resulting from the release of water stored in Priest Lake, Idaho. Said purchase continues to September 14, 1959.

Confirming our telephone discussion with you of May 18, in cooperation with Northern Lights, Inc., of Sandpoint, Idaho, we are proposing and expect to work out an arrangement with the Idaho State Reclamation Engineer providing for the maintenance and operation of the Priest Lake Outlet Control Structure, such operation to continue for a term of ten years and possibly more.

✓ A proposal for such operation, either by this Company or Northern Lights, must, of course, be contingent upon being able to purchase from Bonneville the additional firm power made available, at the plants of the Federal Government on the Columbia River, from the release of water so stored in Priest Lake.

We understand that the amount of additional firm power accruing from the Priest Lake operation now amounts to about 10,000 kilowatts (instead of 7,000 kw) and as additional Federal hydro-generating plants, such as John Day, come into operation, this amount may increase to around 12,000 kilowatts or more.

16642

Bonneville Power Adm.
Portland, Oregon

-2-

May 18, 1959

We are enclosing a copy of an arrangement which we expect to submit to the Idaho State Reclamation Engineer. It will be appreciated if you will advise if, in the event the State Reclamation Engineer finds the proposed arrangement acceptable and enters into such agreement, Bonneville will enter into an agreement of like term, with us (or Northern Lights) as the case may be, whereby from year to year we would have first option to purchase the 10 to 12,000 kilowatts of additional firm power resulting from the operation of the storage and release of water in Priest Lake.

Very truly yours,

A. H. Wegner
Assistant Vice President

A. H. Wegner:c

cc: Ora Beasley
Geo. R. Carter
M. L. Blair

16642

May 14, 1959

The Washington Water Power Company
Mr. A. H. Wagner, Assistant Vice-Pres.
P. O. Drawer 1145
Spokane, Washington

Re: Priest Lake Outlet
Control Structure

Gentlemen:

No proposals were received in response to the State's invitation issued April 30, 1959 to bid on an agreement for operation, maintenance and repair of the state owned Priest Lake Outlet Control Structure, situated near Coolin, Idaho, for the period June 1, 1959 to May 31, 1961. The date and time for receiving such proposals was 10:00 A. M., May 12, 1959.

It is my understanding in cases of governmental agencies inviting sealed proposals for public work, that when none is received it is permissible and not unusual procedure to inquire of qualified concerns if they are inclined to attempt to negotiate some form of agreement to meet the requirement set forth in the proposal.

Adopting this procedure I will ask your company if it is interested in or desires to consider discussing the matter or better still laying before the State in writing a tentative draft of the form of agreement which would be acceptable to your company.

The existing contract for this operating agreement contains substance, beginning with the "NOW, THEREFORE" portion what the State will expect in the way of performance. Various figures therein may be modified to suit your company's offer.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:ew

cc: Governor Robert E. Smylie
Leonard Ross, Director
Dept. of Fish and Game

May 11, 1959

Northern Lights, Inc.
Mr. Ora E. Beasley, Manager
P. O. Box 712
Sandpoint, Idaho

Re: Priest Lake Outlet
Control Structure

Gentlemen:

No proposals were received in response to the State's invitation issued April 30, 1959 to bid on an agreement for operation, maintenance and repair of the state owned Priest Lake Outlet Control Structure, situated near Coolin, Idaho, for the period June 1, 1959 to May 31, 1961. The date and time for receiving such proposals was 10:00 A. M., May 12, 1959.

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Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

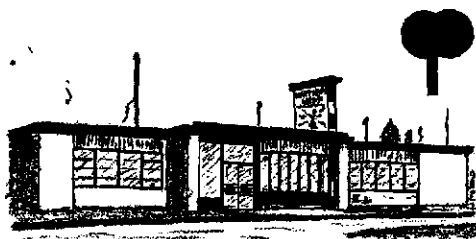
5-22-59.

*These letters not mailed.
Arrangements made via
phone from meeting on May 20, 1959
G.N.C.*

QNC:ew

cc: Governor Robert E. Smylie
Ross Leonard, Director
Dept. of Fish and Game

16642



Northern Lights, Inc.

Ora E. Beasley, Manager

Telephone - CONgress 3-2153

P. O. Box 712

Sandpoint, Idaho

May 6, 1959

RECEIVED
MAY 8 1959

Deposited

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

Dear Mr. Carter:

This will acknowledge receipt of invitation for bids from the Department of Reclamation for the operation, maintenance and repair of the Priest Lake Outlet Control structure for the term June 1, 1959 until May 31, 1961.

It is not our intention to offer any bid whatever for the operation of this structure for the two year period set forth in the invitation for the reason that its operation would be of no present benefit to this cooperative. We are able to purchase sufficient power for our present needs. Also, we believe we have sufficient power for the near future. Our proposed dam should take care of a good portion of our future needs.

We wish to thank you for your consideration in contacting us, but under the circumstances as outlined above, we must decline to enter any formal bid at this time.

Yours very truly,

NORTHERN LIGHTS, INCORPORATED

Ora E. Beasley
ORA E. BEASLEY, Manager

OEB:mv

16642



STATE OF IDAHO
OFFICE OF THE GOVERNOR
BOISE

RECEIVED
MAY 7 1959
Department of Reclamation

ROBERT E. SMYLIE
GOVERNOR

May 6, 1959

Honorable Geo. N. Carter
State Reclamation Engineer
B U I L D I N G

Dear George:

I have your memorandum about the Priest Lake Outlet Control Structure.

Has it occurred to you to call Mr. Robinson direct about this matter? He is familiar with it and it might produce some results.

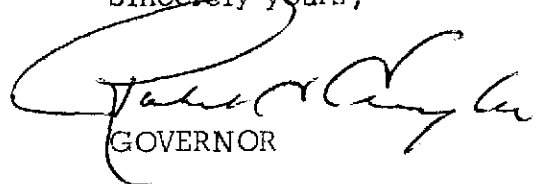
In any event I think you should offer it for bid. I have no objection to a ten year undertaking if that would work, and the State's interest could be protected adequately.

If no bids are forthcoming then I think we might negotiate something -- or if we wanted to be tough we could operate the dam ourselves. I would approve a budget item for that purpose if need be. The balance in the fund had ought to be helpful for the interim period.

It is also possible that the Fish and Game Department might regard control of the structure as an adequate reason to bid, in the absence of other bids. You might discuss this with Mr. Leonard.

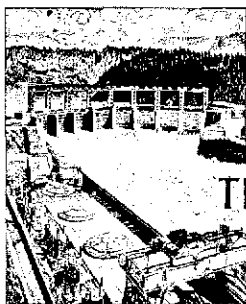
If you desire to discuss this with me I'll be most happy to see you.

Sincerely yours,


GOVERNOR

RES:c

16642



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

May 5, 1959

A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

Department of Reclamation
State of Idaho
Rm. 107 - Capitol Building
Boise, Idaho

Attention: Geo. N. Carter,
State Reclamation Engineer

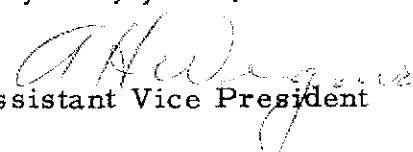
Re: Priest Lake Outlet Control Structure

Gentlemen:

Reference is made to your letter of April 30, inviting this Company to bid on arrangements for the operation and maintenance of the Priest Lake Outlet Control Structure for the two-year period beginning June 1, 1959 and continuing to May 31, 1961.

Please be advised that we do not plan to offer a bid proposal for said two-year period. For that period the firm power available in the area is in sufficiently adequate supply that we can obtain all our requirements for firm power under our contract with Bonneville Power Administration, without incurring the expense of operating and maintaining said Priest Lake Structure. Under these circumstances we do not feel it advisable to offer a bid proposal at this time.

Very truly yours,


Assistant Vice President

A. H. Wegner:c

cc: M. L. Blair
C. H. Nixon-Boise

16642

April 30, 1959

To the Honorable Robert E. Smylie
Governor, State of Idaho

MEMO. Conference with Northern Lights Inc. and Washington Water Power Co. regarding Operating Agreement - Priest Lake Outlet Control Structure

Messrs Beasley and Bandelin representing the Northern Lights Inc. R. E. A. and Wegener and O'Kelly of Washington Water Power Co. met in my office this morning to discuss some kind of an agreement for future operation and maintenance of the State Owned Dam at the outlet of Priest Lake.

These people have been talking about such an agreement for several months but evidently were not yet ready to lay one down for consideration by the State.

Northern Lights Inc. has repeatedly made the statement to me that they need a 50 year agreement for control of the dam to further their application before the F. P. C. for a license to build a power plant some two or three miles below Priest Lake Outlet.

As you know Washington Water Power Co. operated the Priest Lake Control Structure for several years under some sort of a verbal understanding prior to the spring of 1957 when the Reclamation Engineer invited bids for a two year contract to operate, maintain and repair the structure.

On the invitation two bids were received - Northern Lights, Inc. bid \$1.00 per year and Washington Water Power bid \$7500 per year.

The contract signed with Washington Water Power Co. was from June 1, 1957 to May 31, 1959. Thus it expires the last day of this month.

Prior to this morning's conference I had prepared another invitation to bid on a similar contract for a 5 year period with an indefinite continuation clause until cancelled by either party.

Both companies stated and argued to me that a five year contract has in prospect little if any value on account of the present and for several years in the future excess power in the Bonneville system, but a ten year contract would be of more value.

16642

Page Two

The objective of both companies seems to be a negotiated contract but neither is ready to say what it will contain. Maybe such will eventually be the outcome but I wonder what if any money will be offered the State.

To bring the matter to a head I have issued invitations to bid on another two year contract with bids to be opened May 12, 1959. Both companies said they would not bid. My idea is that no bids being received will satisfy ~~the~~ public opinion that somebody in the Statehouse did not give something away which previously had brought in \$7500 per year.

No bids received should I think clear the way to properly enter into a negotiated contract on whatever terms can be secured. The State needs some kind of a contract, otherwise it would of necessity operate the dam at a cost of some \$2500 or \$3000 per year.

I would appreciate your counsel on this matter - or where do we go from here?

Respectfully,

GEO. N. CARTER
State Reclamation Engineer

GNC:ew

16642

April 30, 1959

Washington Water Power Co.
Attn: A. H. Wagner
Box 1145
Spokane 10, Washington

Gentlemen:

Enclosed find an invitation to bid on an
operating agreement for the Priest Lake Outlet
Control Structure.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:ew
Enc. 1

Page 2

Control Structure shall at all time be under the direct supervision and control of the State Reclamation Engineer.

5. The State of Idaho, through the State Reclamation Engineer, will also reserve the right to terminate said agreement for deviations in the operation of said Priest Lake Outlet Control Structure as prescribed by Chapter 5, Title 70, Idaho Code.

The State of Idaho reserves the right to reject any or all bids.

STATE OF IDAHO

By: GEO. N. CARTER

State Reclamation Engineer

16642

INVITATION FOR BIDS

PRIEST LAKE OPERATION AGREEMENT

1. Notice is hereby given that the State of Idaho, acting through the State Reclamation Engineer, proposes to enter into an agreement providing for the operation, maintenance and repair of the Priest Lake Outlet Control Structure owned by the State of Idaho and near Coolin, Idaho, in accordance with Chapter 5, Title 70, Idaho Code. The term of said agreement shall begin June 1, 1959 and continue until May 31, 1961.

2. Sealed proposals will be received at the office of the Department of Reclamation, Room 107, State Capitol Building, Boise, Idaho, until 10:00 A. M., May 12, 1959, at which time said proposals will be publicly opened and read. Proposals shall be plainly marked on the outside of the envelope - "Proposal for Operating Agreement of Priest Lake Outlet Control Structure".

3. The State of Idaho invites proposals from persons, companies or corporations qualified to operate, maintain and repair the Priest Lake Outlet Control Structure at their own expense, in a manner which will preserve and maintain its present condition of stability and utility, normal depreciation excepted, throughout the life of the agreement.

4. It will be required that the Priest Lake Outlet Control Structure shall be operated, maintained and repaired in conformity to the laws of Idaho pertaining to the Priest Lake water surface levels, as specified in Chapter 5, Title 70, Idaho Code, and particularly Sections 70-501 and 70-597, Idaho Code. The operation, maintenance and repair of said Outlet

April 30, 1959

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Attn: A. H. Wagner
Box 1145
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Enc. 1

16642

I N V I T A T I O N F O R B I D S

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16642

Page 2

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5. The State of Idaho, through the State Reclamation Engineer, will also reserve the right to terminate said agreement for deviations in the operation of said Priest Lake Outlet Control Structure as prescribed by Chapter 5, Title 70, Idaho Code.

The State of Idaho reserves the right to reject any or all bids.

STATE OF IDAHO

By:

GEO. N. CARTER

State Reclamation Engineer

April 30, 1959

Northern Lights, Inc.
Ora E. Beasley, Manager
P. O. 712
Sandpoint, Idaho

Gentlemen:

Enclosed find an invitation to bid on an
operating agreement for the Priest Lake Outlet
Control Structure.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:ew
Enc. 1

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GEO. N. CARTER
State Reclamation Engineer

GNC:ew
Enc. 1

16642

STATE OF IDAHO
FRANK L. BENSON
ATTORNEY GENERAL

January 22, 1959

Honorable Glenn E. Bandelin
Senator of Bonner County
S E N A T E

Dear Sir:

Pursuant to your request we have this day examined the proposed agreement between the Northern Lights Incorporated and the State of Idaho. Please be advised that the following is our opinion.

Section 70-507, of the Idaho Code, provides that the State Reclamation Engineer shall have supervision and control of the Priest Lake outlet control structure. A further reading of that statute would seem to limit his supervision and control to the maintaining of the specified water level of said lake. Inasmuch as the question presented here is seemingly the same as a lease of state land, it is our opinion that Section 58-304, of the Idaho Code, would be applicable and that any agreement entered into by the State of Idaho, would of necessity require approval of the State Board of Land Commissioners.

Section 58-310, of the Idaho Code, sets forth that where you have two or more applicants for a lease, the State Land Commissioner and the Board must provide for an auction and the highest bidder shall receive the lease. We merely mention this to call attention to the fact that perhaps the Washington Water Power may wish to bid on said lease.

Hoping this answers your questions, I remain

Very truly yours,


ROBERT D. WENNERGREN
Assistant Attorney General

cc: George Carter
State Reclamation Engineer

RDW:b

16642

*This opinion superseded or
withdrawn by Mr. Wennergren.
Was predicated on an erroneous
premise.*



ROBERT E. SMYLLIE
Governor

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

GEO. N. CARTER, STATE RECLAMATION ENGINEER

BOISE

January 15, 1959

Memorandum - Control Priest Lake Levels

Comment on Proposed Agreement,
Northern Lights, Inc., and State of Idaho
acting through State Reclamation Engineer

Northern Lights Incorporated, of Sandpoint, Idaho, requests an agreement with the State of Idaho, to be executed on the part of the State by the State Reclamation Engineer.

Under the provisions of an existing two year contract which terminates June 1, 1959, the Washington Water Power Company of Spokane, Washington is presently operating and maintaining the control dam owned by the State, at the outlet of Priest Lake. The power company agrees to maintain, repair if necessary and operate the dam and regulating gates as directed by Chapter 128, Session Laws of 1957 and the State Reclamation Engineer and is paying the State \$7500.00 per year for the benefits it may derive from such operation.

Northern Lights, Incorporated, in the draft of the agreement presented to me for consideration after stating that the Cooperative will at all times comply with the provisions of Chapter 128, Session Laws of 1957, and operate, maintain and repair if necessary the dam, enumerates benefits which will accrue to the State of Idaho if the agreement is executed. They are listed as:

- | | |
|--|--------|
| a. Additional kilowatt tax annually | \$6000 |
| b. Additional property tax annually | 4000 |
| c. New cottage rental by reason of creating 5 miles of new shore line property, one half of which is owned by the State, annually - \$3000 to \$5000 | 4000 |
| d. Increase in private property taxes, not evaluated | -- |
| e. Increased income taxes, not evaluated | -- |
| f. Increased recreational use of 5 miles of shore line property with controlled water level, not evaluated | -- |

16642

Memorandum - Control Priest Lake Levels

January 15, 1959

The benefit to Northern Lights, Incorporated by reason of the proposed agreement is stated as "that of releasing the waters of Priest Lake as necessary for the generation of power at site and downstream under Federal Power Commission License No. 2141, when issued."

Some things come to my mind which should be considered in studying this proposal agreement such as:

1. If the agreement or some modified form is to be executed on the part of the state it should be signed by some higher authority than an appointive administrative officer. ✓
2. As a matter of fairness, the Washington Water Power Company should be informed of the proposal. ✓
3. Likewise the Priest Lake Association of owners of shore line property which protested the approval of the applications to appropriate the water for power purposes should perhaps be informed of the proposal. ✓
4. The draft of the agreement specifies a minimum release of 60 cubic feet per second, presumably for the preservation of fish. The Idaho Fish and Game Commission has in the past, taken interest in the matter of minimum releases down Priest River and last fall conducted some experiments with minimum flows. This agency should be informed of the Northern Lights proposal. ✓

The draft of agreement proposed that after completion of the power dam the Cooperative will, at its own expense, remove the state owned dam in a manner satisfactory to the State Reclamation Engineer.

Proposal is that the agreement shall be in full force and effect as of June 1, 1959 and continue for the life of the Federal Power Commission license when issued.

Geo. N. Carter
GEO. N. CARTER
State Reclamation Engineer

16642

January 15, 1959

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C
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P
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January 15, 1959

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acting through State Reclamation Engineer

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Under the provisions of an existing two year contract which terminates June 1, 1959, the Washington Water Power Company of Spokane, Washington is presently operating and maintaining the control dam owned by the State, at the outlet of Priest Lake. The power company agrees to maintain, repair if necessary and operate the dam and regulating gates as directed by Chapter 128, Session Laws of 1957 and the State Reclamation Engineer and is paying the State \$7500.00 per year for the benefits it may derive from such operation.

Northern Lights, Incorporated, in the draft of the agreement presented to me for consideration after stating that the Cooperative will at all times comply with the provisions of Chapter 128, Session Laws of 1957, and operate, maintain and repair if necessary the dam, enumerates benefits which will accrue to the State of Idaho if the agreement is executed. They are listed as:

- | | |
|--|--------|
| a. Additional kilowatt tax annually | \$6000 |
| b. Additional property tax annually | 4000 |
| c. New cottage rental by reason of creating 5 miles of new shore line property, one half of which is owned by the State, annually - \$3000 to \$5000 | 4000 |
| d. Increase in private property taxes, not evaluated | -- |
| e. Increased income taxes, not evaluated | -- |
| f. Increased recreational use of 5 miles of shore line property with controlled water level, not evaluated | -- |

Memorandum - Control Priest Lake Levels

January 15, 1959

The benefit to Northern Lights, Incorporated by reason of the proposed agreement is stated as "that of releasing the waters of Priest Lake as necessary for the generation of power at site and downstream under Federal Power Commission License No. 2141, when issued."

Some things come to my mind which should be considered in studying this proposal agreement such as:

1. If the agreement or some modified form is to be executed on the part of the state it should be signed by some higher authority than an appointive administrative officer.
2. As a matter of fairness, the Washington Water Power Company should be informed of the proposal.
3. Likewise the Priest Lake Association of owners of shore line property which protested the approval of the applications to appropriate the water for power purposes should perhaps be informed of the proposal.
4. The draft of the agreement specifies a minimum release of 60 cubic feet per second, presumably for the preservation of fish. The Idaho Fish and Game Commission has in the past, taken interest in the matter of minimum releases down Priest River and last fall conducted some experiments with minimum flows. This agency should be informed of the Northern Lights proposal.

The draft of agreement proposed that after completion of the power dam the Cooperative will, at its own expense, remove the state owned dam in a manner satisfactory to the State Reclamation Engineer.

Proposal is that the agreement shall be in full force and effect as of June 1, 1959 and continue for the life of the Federal Power Commission license when issued.

GEO. N. CARTER
State Reclamation Engineer

January 15, 1959

Memorandum - Control Priest Lake Levels

C
O
P
Y
Comment on Proposed Agreement,
Northern Lights, Inc., and State of Idaho
acting through State Reclamation Engineer

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January 15, 1959

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GEO. W. CARTER
State Reclamation Engineer

SUBJECT TO

Northern Lights Inc.

1958 - Gross tax
Tax exempt.

\$ 25,490.76
1351.01

24,139.75

1957 Gross tax

\$ 19,063.92

Total Inv.

\$ 2,647,422.00

Revised Val.

341,341

Tax exempt Val.

18091

Net

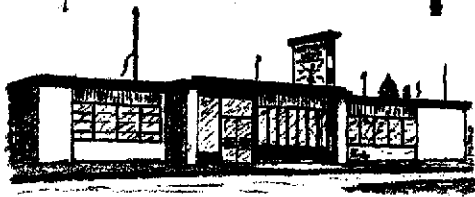
\$ 323,250

INTER-DEPARTMENT MEMO--1

DATE

16642

SIGNATURE



Northern Lights, Inc.

Ora E. Beasley, Manager

Telephone - COngress 3-2153

P. O. Box 712

Sandpoint, Idaho

January 10, 1959

RECEIVED
JAN 12 1959
Department of Reclamation

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

Dear Mr. Carter:

I have forwarded copies of the proposed agreement which we discussed in your office earlier this week to our attorney, Senator Glenn Bandelin, and requested him to see that you get a copy.

I plan to be in Boise Thursday and Friday of next week and would like to see you Friday morning at your office at 8:30 a.m. if that is convenient for you. I will check with your office Thursday for confirmation.

Yours very truly,

NORTHERN LIGHTS, INCORPORATED

Ora E. Beasley
ORA E. BEASLEY, Manager

16642

Department of Reclamation

INTER-DEPARTMENT MEMO--1

DATE January 7, 1959

FROM Ora E. Beasley - Northern Lights, Inc.,

TO Geo. N. Carter

SUBJECT Priest River Power Project - Maps loaned to Mr. Carter

Exhibit J, Sheet 1 of 1
Exhibit K, Sheet 1 of 2
Exhibit K, Sheet 2 of 2
Exhibit L, Sheet 1 of 15
Exhibit L, Sheet 2 of 15
Exhibit L, Sheet 3 of 15
Exhibit L, Sheet 4 of 15
Exhibit L, Sheet 5 of 15
Exhibit L, Sheet 6 of 15
Exhibit L, Sheet 7 of 15
Exhibit L, Sheet 8 of 15

Exhibit L, Sheet 9 of 15
Exhibit L, Sheet 10 of 15
Exhibit L, Sheet 11 of 15
Exhibit L, Sheet 12 of 15
Exhibit L, Sheet 13 of 15
Exhibit L, Sheet 14 of 15
Exhibit L, Sheet 15 of 15

Booklet -
Federal Power Commission
Application For License -
Project 2141
Northern Lights, Inc."

16642

SIGNATURE

AGREEMENT
(In Duplicate)

THIS AGREEMENT entered into this _____ day of _____, 1959, by and between Northern Lights, Incorporated, a non-profit corporation organized under the laws of the State of Idaho, hereinafter called the "Cooperative," and George N. Carter, State Reclamation Engineer, Department of Reclamation, State of Idaho, hereinafter called "State Reclamation Engineer," WITNESSETH:

WHEREAS, the State of Idaho owns an Outlet Control Structure for the purpose of regulating the waters of Priest Lake, Bonner County, Idaho, and

WHEREAS, said Outlet Control Structure is to be operated under the direction of the State Reclamation Engineer in accordance with State Water License No. 16642 held by the Governor of the State in trust for all the people of Idaho and in accordance with Section 70-507, Idaho Code, as amended by Chapter 128 of the Session Laws of 1957, and

WHEREAS, the Commissioner of Reclamation of the State of Idaho on January 21, 1957, issued to the Cooperative Permit No. 26689 and Permit No. 26691 authorizing Northern Lights, Incorporated, to divert 400 cubic feet per second of the waters of the State of Idaho for power purposes, and

WHEREAS, said Cooperative did on the 12th day of April, 1957, apply to the Federal Power Commission for a license for project No. 2141 to construct works to develop 4,250 kw of electrical power, which application is still pending before the Federal Power Commission, and

WHEREAS, it appears to the parties hereto that the construction of said power project No. 2141 will comply with the requirements of the State of Idaho Permits Nos. 26689 and

1642
16642

26691, and will provide a permanent structure controlling the waters of Priest Lake, and said structure can be used to replace the existing State-owned Outlet Control Structure in such a manner as to perform all the functions of said existing Outlet Control Structure, and

WHEREAS, the Cooperative has an organization which is fully capable and prepared to operate said project, if licensed, under the supervision of the State Reclamation Engineer and the laws of the State of Idaho as specifically provided in Sections 70-507, Idaho Code, as amended by Chapter 128 of the Session Laws of 1957, and

WHEREAS, the State of Idaho will receive benefits in the additional property taxes collected, additional generation tax collected, additional taxes collected from private individuals and corporations using the power produced by said proposed development, and from the rental of cottage sites along the approximately two and one-half (2½) miles of additional lake shore made available on land belonging to the State of Idaho between the proposed dam and the outlet of Priest Lake on the east side of the Priest River, and

WHEREAS, the waters retained in Priest Lake when released at the close of the recreational season may contribute to the generation of some additional electric power and energy on the Pend Oreille River and other rivers of the area.

NOW, THEREFORE, in contemplation of the benefits which will inure to the benefit to the State of Idaho and its political subdivisions, and to the Cooperative, it is agreed between the parties hereto as follows:

(1) The Cooperative, at its expense and as directed by the State Reclamation Engineer:

(a) on the receding stage following the run-off of accumulated winter snows as the surface of the Lake approaches elevation 3.0 feet,

as shown on the gage of the U. S. Geological Survey located at the outlet, near Coolin, of said Lake, will operate said Control Structure to arrest the outflow of the Lake and retain, for and during the main recreational season, said Lake at elevations 3.0 feet at the same time permitting, as nearly as practicable, the flow of water below said Control Structure to continue with a minimum of fluctuation provided that during those months of the main recreational season said Control Structure will be operated in such manner that said flow of water shall be not less than sixty (60) cubic feet per second as recorded by the U. S. Geological Survey "Dickensheet" gage; all as pursuant to Section 70-507, Idaho Code, as amended;

(b) at the close of the main recreational season will operate the Control Structure so as to permit the release of water retained by said Control Structure provided that such release shall be initiated on or before October 31 of each year but shall not be initiated before the 10th day of September of each year; all as pursuant to Section 70-507, Idaho Code, as amended.

(2) The Cooperative at its expense will maintain and repair the proposed dam which is hereby designated as the permanent Outlet Control Structure referred to in the Statutes of Idaho referred to herein, in a condition of stability and utility throughout the term of this Agreement. The Cooperative will, at its expense, repair as promptly as reasonably practicable any damage to said Outlet Control Structure, for any cause whatever, during the term of this Agreement.

(3) This Agreement shall be in full force and effect beginning June 1, 1959, and continue for the same period as the Federal Power Commission License, when issued, to construct project works No. 2141.

(4) Pending the completion of the new Priest Lake Outlet Control Structure, herein agreed upon, the Cooperative shall operate and maintain the present Priest Lake Outlet Control Structure of the State of Idaho under the supervision of the State Reclamation Engineer, in the manner above specified for the permanent Outlet Control Structure, and shall, at its expense, repair or replace as promptly as reasonably practicable any portions of the present Outlet Control Structure damaged or destroyed during the period pending the completion of the new Outlet Control Structure.

(5) On the completion of the permanent Outlet Control Structure by the Cooperative, and its approval by the State Reclamation Engineer, the Cooperative will remove the existing Outlet Control Structure in a manner satisfactory to the State Reclamation Engineer.

(6) The consideration of this agreement is the mutual benefit received by the State and the Cooperative. The benefit to the Cooperative is that of releasing the waters of Priest Lake as necessary for the generation of power at site and downstream under Federal Power Commission License No. 2141, when issued. The benefits to the State of Idaho are many and extensive and include, but not restricted to, the following:

(a) additional generation tax of approximately six thousand dollars (\$6,000) per year based on twelve million (12,000,000) kwh of generation not exempt under the State laws;

(b) property taxes on the improvements required in connection with project No. 2141 amounting to about four thousand dollars (\$4,000) per year initially, and increasing as times goes on;

(c) rentals of additional cottage sites along the new lake shore belonging to the State of Idaho of three thousand to five thousand dollars (\$3,000 to \$5,000) per year, which also probably will increase as time goes on;

(d) increase in property taxes paid by private individuals and corporations on new industry, new recreational facilities, and other increased assets of the people of the State of Idaho which will follow the development of this project, both in its vicinity and other parts of Northern Idaho;

(e) income tax and other taxes received during the construction period of the dam from the employees of the construction contractor and the industries supplying materials for said project manufactured in the State of Idaho;

(f) the increased recreational use of Priest Lake made possible by the addition of approximately five (5) miles of lake shore.

(7) This Agreement contains all the terms and conditions bearing upon the subject matter and will not be modified or varied except by written agreement executed by each of the parties hereto through authorized representatives. If at any time the terms hereof are not strictly adhered to or enforced, they will not thereby be deemed waived or modified but will at all subsequent times and dates be deemed in full force and effect.

(8) This Agreement will inure to the benefit of and be binding upon the successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF the parties of this instrument have caused the same to be executed the day and year first above written.

NORTHERN LIGHTS, INCORPORATED

By _____
President

Attest: _____
Secretary

DEPARTMENT OF RECLAMATION
STATE OF IDAHO

By _____
State Reclamation Engineer

STATE OF IDAHO }
COUNTY OF BONNER } ss.

On this _____ day of _____ in the
year 1959, before me, _____, a Notary
Public, in and for said County and State, personally appeared
W. C. Caughey and Carl Womack, known to me to be the present
President and Secretary, respectively, of Northern Lights,
Incorporated, a non-profit Idaho corporation, and acknowledged
to me that they executed the foregoing instrument,

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

Notary Public for the State of Idaho
Residing at _____
My commission expires _____

STATE OF IDAHO }
COUNTY OF ADA } ss.

On this _____ day of _____ in the
year 1959, before me, _____, a Notary
Public, in and for said County and State, personally appeared
George N. Carter, known to me to be the present State Reclama-
tion Engineer, Department of Reclamation, State of Idaho, and
acknowledged to me that he executed the foregoing instrument,

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

Notary Public for the State of Idaho
Residing at _____
My commission expires _____

16642

December 19, 1958

Mr. Ora E. Beasley, Manager
Northern Lights, Incorporated
P. O. Box 712
Sandpoint, Idaho

Dear Mr. Beasley:

I acknowledge your letter of December 12, 1958 with two drawings of proposed dam, 55-1-7 (revised 6-17-58) and 55-1-1.

The drawing 55-1-7 received bears a last revision date of 8-9-57 rather than the 6-17-58 revision date stated in your letter. I am wondering what the 6-17-58 revision changed.

We have discussed the proposed regulated high storage level on Priest Lake as set at elevation 2437.5 shown in drawing 55-1-1 which I believe is a mutually agreed level by all parties concerned in this matter.

One detail I note on the print I have of drawing 55-1-7 which may cause concern is: Section N-N indicates the top of the gate is elevation 2438.5, one foot above High Water Elevation 2437.54 indicated on Typical Cross Section of Dam.

Obviously possible control of the lake to elevation 2438.5 can result at minimum river flow if top of gates are at elevation 2438.5. It could be controlled at higher elevations when the river flow is greater.

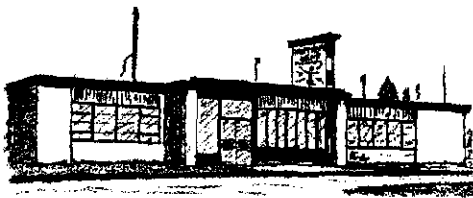
When you called at this office December 5, 1958, mention was made of working out an agreement with the State for operation and control of Priest Lake levels. If you would be inclined to set out in a letter the specific points of the agreement you have in mind, it would be helpful in the way of giving advance study to the proposal.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC/lw

16642



Northern Lights, Inc.

Ora E. Beasley, Manager

Telephone - COngress 3-2153

P. O. Box 712

Sandpoint, Idaho

December 9, 1958

RECEIVED
DEC 12 1958
Department of Reclamation

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

Dear Mr. Carter:

We recently received State Water Right Permit No. 27573 on Smith Creek and would like to express our appreciation for your cooperation in issuing this permit to us. As you know, our preliminary permit request still is pending before the Federal Power Commission, and we probably will not be doing any further investigation until after the FPC issues a preliminary permit. This has been designated project no. 2247 by the Federal Power Commission.

We wish also to express our appreciation for the nice conference we had with you last Friday in connection with our Priest River project. We do not have a complete extra copy of the license application but are having some made and as soon as we receive them we will forward a complete copy, including the revisions, to you.

We are enclosing, however, two exhibits which we feel will be of some use to you at the present time in studying the project. These are: Exhibit L, sheet 4 of 15, drawing no. 55-1-7 (revised 6-17-58), Plans and Cross Sections Dam and Outlet Control Structure; and Exhibit J, sheet 1 of 1, Priest River Power Project General Lay-Out, drawing no. 55-1-1. On this last drawing I would like particularly to call your attention to the proposed regulation elevations as noted up at the mouth of the river on the lake. The proposed regulation is from 2434.44 to 2437.54, or a difference of 3.1 feet. On Exhibit L the elevation height of the dam is shown as 2442.5. This is 4.96 feet above the high water elevation, but, of course, the height of the dam has to be greater than the elevation at which we plan to hold the water. I am wondering if the difference in these two figures possibly is where some people form the opinion that we would build a dam high enough to store more than 3 feet of water. As you can readily see, if we subtract 2434.18, as shown on this exhibit, from 2442.50, there is a difference of 7.32 feet.

We would appreciate any comments or questions you might have concerning this project and are looking forward to furnishing you the additional material some time in the next few days.

Dwg. No. 1 was 8 4 57 Revision

16642

Geo. N. Carter

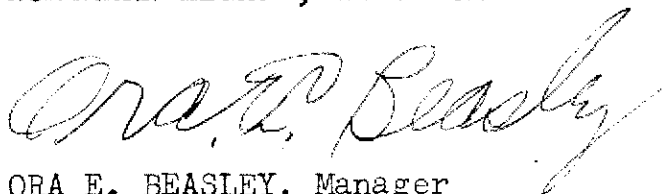
-2-

December 9, 1958

We hope to see you again soon for further discussion in connection with the State of Idaho and Northern Lights working together in order that Northern Lights can proceed at the earliest possible date with the construction of this project.

Yours very truly,

NORTHERN LIGHTS, INCORPORATED

A handwritten signature in cursive script, reading "Ora E. Beasley". The signature is written in dark ink and is positioned above the typed name.

ORA E. BEASLEY, Manager

OEB:lfm

Enclosures-2

16642



ROBERT E. SMYLLIE
Governor

COPY

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

GEO. N. CARTER, STATE RECLAMATION ENGINEER

BOISE

October 30, 1958

THIS IS TO CERTIFY, That I have this day appointed

E. J. ELLIOTT

as Special Deputy of the Department of Reclamation for the State of Idaho to represent the State Reclamation Engineer to supervise, control and direct (1) the regulation of the waters of Priest Lake at a level which will preserve for the use of the people of the State the beach, boating, and other recreation facilities which are now located on said Lake, and (2) the operation, repair and maintenance of the State-owned Outlet Control Structure of said Priest Lake.

This appointment is made pursuant to the provisions of Chapter 128, Session Laws of Idaho, Thirty Fourth Session, 1957 owners of the reservoir, State of Idaho and shall remain in full force and effect until further notice of the Department of Reclamation.

WITNESS MY HAND and the seal of the Department of Reclamation at Boise, Idaho, this 30th day of October, 1958.

A handwritten signature in cursive script, appearing to read "Geo. N. Carter".

GEO. N. CARTER
State Reclamation Engineer

16642

Priest Lake Level Control

1957 Senior Laws - Chap 128 - P. 216

Special Wap. No. 42-801 + 802 Idaho Lake

Storage 78,350 acre feet above elev. 2434.32

(2434.69 in 1955)

(by B.P.A. letter to W.W.P. 6-7-56)

12-17-58.

Reed. Div. No. 55-1-7 as revised 8-9-57. Shows Sec N-N.

Top of Gate (Contracted) El. 2428.5 - 1 ft above
controlled storage level 2437.32. Why?

Letter 12-9-58 says 55-1-7 as revised 6-17-58,
what was the 6-17-58 revision.

16642

3-3-9

Nov / Oct. 30-31 1st full

Rever Bishop.

3600 1' deep - -

Brist Lake 10-00-58

Bounds all pulled at 3.0 gage,
lets about 3000' out. too much

Regulate drop of 1st foot with
adjustment of flush bounds, after
that pull all rest. will take
about a week to drop first foot.

C. d. Elliott

16642

WILBUR F. BROWN
LANDFALL
ROUTE 5
PRIEST RIVER, IDAHO

September 9, 1958.

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

RECEIVED
SEP 10 1958
Department of Reclamation

Dear Mr. Carter:

Thank you for your recent information regarding the coming river flow experiments at Priest River.

For the last several weeks it has been apparent that flows in Priest have been below the stated present minimum of 60 s.f. Without access to Geological Survey gaging station in Priest (at the Dickensheet Bridge) I could not be positive about this. However, this was confirmed to day by measurements of river flow made by the F and G Dept; present flow about 50 s.f.

In view of the coming experiment, when flows will be reduced to 25 s.f., I can see no real objection to the present below stated minimum allowed flow except that a precedent might be established which might be used to advantage by Northern Lights in their continued effort to have a minimum flow of something like 25 s.f. accepted. They might argue, and probably will, that the state has allowed Washington Water Power to violate their written agreement without action on the part of the state. I am passing these thoughts along to you for your information for whatever use you may wish to make of them.

You are probably aware that Northern Lights has stated that the minimum flows must not be greater than 25 s.f. i.e., with a minimum greater than this the dam operation during winter will not be possible. Should any such minimum be established, regardless of what F and G and Fish and Wildlife might agree to, the recreational value of the Priest River will be nil.

As you know, I feel that a minimum of 125 s.f. between dam and power house is necessary.

Sincerely


Wilbur F. Brown

16642

September 2, 1958

Mr. Ross Leonard
Idaho Director
Department of Fish & Game
518 Front Street
Boise, Idaho

Dear Mr. Leonard:

Your letter of August 28, 1958, states the desirability of a joint study between your department and the Fish and Wildlife Service on resulting stream flow conditions and water temperatures when releases from Priest Lake fall below or are maintained at less than 60 cubic feet per second. In the proposed trial run on the river you forecast that in the course of the experiment it may be desirable to reduce river flows to 25 cubic feet per second for a maximum period of 3 days, and that this should be done before the normal release of storage from the lake is started.

I am advised that the user of the storage has indicated a willingness to cooperate in this study and inasmuch as the experiment is to be conducted in the interest of fish and fishing I do not foresee why fishermen should object to this action.

Therefore, you may take this letter as approval of your request to manipulate the flows below the outlet of Priest Lake as may best serve your purpose in securing the information you desire. I am satisfied that you will not do anything during this operation which will kill game fish.

Very truly yours,

Geo. N. Carter
State Reclamation Engineer

cc: Washington Water Power Co.
East Hill Mission Ave.
Spokane, Washington

Wilbur F. Brown
Landfall, Route 5
Priest River, Idaho

GNC/nls

16642

STATE OF IDAHO

ROBERT E. SMYLIE
GOVERNOR

Department of Fish and Game

ROSS LEONARD
DIRECTOR

COMMISSION
GLENN STANGER IDAHO FALLS
R. J. HOLMES TWIN FALLS
ARLIE JOHNSON BOISE
TOM FELTON MOSCOW

August 28, 1958

RECEIVED
AUG 29 1958

Department of Reclamation

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

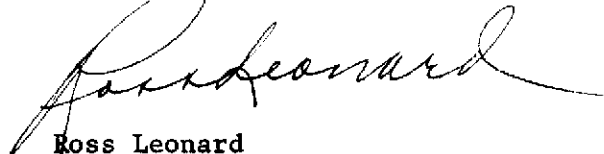
Dear Mr. Carter:

This Department has been requested to make studies, jointly with the Fish and Wildlife Service, on the stream flow conditions and temperatures which might be expected below the proposed Northern Lights diversion dam on Priest River. The request for these studies came from Northern Lights, which has an application under file before the Federal Power Commission for a project on this stream.

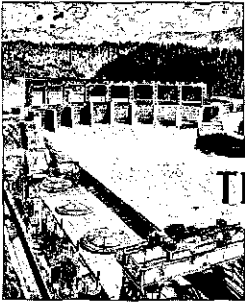
The Washington Water Power Company has indicated willingness to cooperate in such a study, provided we obtain a release from your office to maintain flows of less than 60 c.f.s. It is anticipated that the lowest flows under study would be 25 c.f.s. and these for a maximum period of three days.

It would be desirable to conduct these studies prior to the release of Priest Lake storage this fall and winter. Your consideration of this request will be appreciated.

Yours very truly,


Ross Leonard
Director

16642



A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

Madison 4-5121

July 29, 1958

RECEIVED
JUL 31 1958
Department of Reclamation

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

Dear Mr. Carter:

Thank you for your letter July 25. In reference to your scheduled trip to inspect the Outlet Control structure, etc. at Priest Lake we suggest the following based on your arrival at Spokane on Wednesday, August 6, about 6:30 a.m. via Union Pacific Railroad.

1. Would suggest you go to Coeur d'Alene Hotel and have breakfast.

2. About 7:30 a.m., we will pick you up at the Coeur d'Alene Hotel.

3. Drive to Priest River where we will meet C. W. King, about 8:45 a.m., (Mr. King, a resident of Spokane but formerly of Bonners Ferry, Idaho represents Kootenay Valley Reclamation Association. He will drive his car to Priest River and park it there awaiting our return thru there in the afternoon.

"Charlie" will accompany us on Priest Lake

About 9:30 a.m., arrive at Outlet Control structure.

About 10:30 a.m., arrive at Bishop's Marina at "Coolin". Take boat for inspection of lower end of Priest Lake.

Noon - Lunch at Linger Longer Lodge

After lunch - Complete inspection trip of upper portion of Priest Lake, and return to Coolin.

Upon return thru Priest River, Mr. King will take his car and drive you to Bonners Ferry.

16642

Mr. George N. Carter

-2-

July 29, 1958

Mr. Loren Eisele, (Power Supply Department of our Company) has assisted in making these arrangements. I may be away from the office on Monday or Tuesday. In the event you phone to confirm these arrangements and are unable to reach me would suggest that you ask for Mr. Eisele, or in his absence, my Secretary Mrs. Caldwell. She or Mr. Eisele will advise Mr. King and myself if this program meets your approval.

Very truly yours,

A. H. Wegner:


Assistant Vice President

cc: C. W. King - 508 W. 23rd
L. A. Eisele - TWWPCo.

P.S. If you desire we will extend an invitation to Mr. E. H. (Harry) Collins and W. F. (Shorty) Brown to join us for lunch. Please advise.



16642

WILBUR F. BROWN
LANDFALL
ROUTE 6
PRIEST RIVER, IDAHO

July 20, 1958

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

RECEIVED
JUL 22 1958
Department of Reclamation

Dear Mr. Carter:

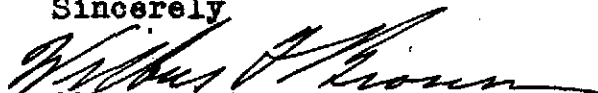
We were pleased to learn by your letter of July 17th that you plan a trip to the Priest Lake area in the near future.

As indicated by our letter of June 9th, 1958, addressed to Mr. Mark Kulp, it appears to us that there is reason to believe that early action on the part of the State of Idaho is necessary if the interests of the State are to be protected.

I will be absent from Priest Lake from July 23rd to 26th. Except for this period, we will be pleased to roll out our equivalent of the red carpet for you on your arrival.

The Priest Lake Association has accumulated a considerable mass of data pertinent to the proposed F.P.C. project 2141 which we feel will be of interest to you.

Sincerely


Wilbur F. Brown
Executive Secretary
The Priest Lake Association.

Telephone Hickory 3-2495

16642

July 17, 1958

Mr. W. F. Brown
Executive Secretary
Priest Lake Association
P. O. Box 27
Coolin, Idaho

Dear Mr. Brown:

At Governor Smylie's suggestion I had planned a trip this week to Priest River to familiarize myself with conditions around the lake, the river and the storage dam.

However a heart difficulty and hospitalization of one of the principal deputies in this office prevents my coming for some little time.

As soon as I can appropriately leave the office I will come up there and expect to call on you.

Sincerely yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:lw

16642

3-755 - Ant. Green

Pine Lake Dam:

B.P.A. letter to WWP 7-3-56

Storage 78,350 ac ft. above

El. 2434.32. (2434.64 in 1955)

Can purchase 7000 KW @ PPA

wholesale rate Schedule C-4 (17.50/KW)

$$\begin{array}{r} 64\% \\ 6 \overline{) 378350} \\ \underline{28440} \text{ ac ft. area} \end{array}$$

16642



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
SURFACE WATER BRANCH

Room 215, 914 Jefferson Street, Boise, Idaho

July 8, 1958

RECEIVED
JUL 9 1958
Department of Reclamation

Mr. George Carter, State Reclamation Engineer
State House
Boise, Idaho

Dear Mr. Carter:-

In response to your request there is enclosed the most recently revised capacity table (print) for Priest Lake near Coolin.

Very truly yours,

Thomas R. Newell
Thomas R. Newell
District Engineer

16642

PRIEST RIVER PROPOSED DAM
F.P.C. Proposed Project 2141

Date ?
Handed to me by
Governor Sweeney about
July 8, 1958 by W. F. Broun
1956.

State Level.

The State Fish and Game Dept. (together with the Federal Fish and Wildlife Service) are to determine the minimum amount of water required to make the fish ladder effective.

- At the present time, it looks as if the determination was
(a) - 35 second feet for ladder
(b) - 50 second feet attraction water.
85 s.f. total between dam and power house.

This amount appears insufficient, at least 125 s.f. required to allow fish to reach the foot of the ladder. And 125 s.f. may be not enough, due to high water temperatures.

Ross Leonard appears to have been leaning over backwards (to the point where he is entirely out of line) in co-operating with Northern Lights. Quote from Leonard letter to N.L., "and if Northern Lights is willing to concede these points (85 s.f. ?), this Department will join with Northern Lights in recommending that a license be granted by the F.P.C. for this project".-Note-quote from memory. Original letter sent to Parsons.

Suggested State action: Stiffen Ross Leonard's spine. F and G should insist on at least 125 cu ft per sec between dam and power house, ~~xxxx~~ at all times.

* * * * *

Initiate legislative action to legalize putting the operation of the Outlet Structure up for bid.

* * * * *

Immediate steps to obtain F.P.C. license for Outlet Control Structure.

* * * * *

Official representation to F.P.C. regarding States position, i.e., Outlet Control Structure not to be interfered with.

W. F. Broun
Executive Secretary
Priest Lake Association
P.O. Box 27
Coolin, Id

16642

AFTER 5 DAYS RETURN TO

Northern Lights, Inc.

BOX 712

SANDPOINT, IDAHO

Mark R. Kulp

Honorable Mark R. Kulp
State Reclamation Engineer
Boise, Idaho

16642



Seal Del

14 Jan
May 13

THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 10, WASHINGTON

16842

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

Recd. 10⁰⁷ AM May 10, 1957
from Mrs.



STATE OF IDAHO
DEPARTMENT OF RECLAMATION

MARK R. KULP, STATE RECLAMATION ENGINEER

ROBERT E. SMYLIE
GOVERNOR

BOISE

NOTICE is hereby given that the State Reclamation Engineer of the State of Idaho proposes to enter into an agreement on the operation, maintenance and repair of the State owned Outlet Control Structure which regulates the water level in Priest Lake, Bonner County, Idaho, for the period beginning June 1, 1957 and continuing to June 1, 1959.

The Outlet Control Structure is to be operated under the direction of the State Reclamation Engineer in accordance with State Water License No. 18642, held by the Governor of the State of Idaho in trust for all the people of Idaho and Section 70-507, Idaho Code, as amended by Chapter 128 of the Session Laws of 1957.

The State Reclamation Engineer invites proposals from persons or corporations with the necessary organization, equipment and experience and who can benefit from the operation of the said Outlet Control Structure, for the operation, maintenance and repair of the said Outlet Control Structure.

Said proposals shall provide for the maintenance, repair and operation at the expense of the proposing entity of the said Priest Lake Outlet Control Structure for the period above defined.

Said maintenance, repair and operation shall at all times be under the supervision of and shall be directed by the State Reclamation Engineer so as to regulate the surface level of Priest Lake as provided by Section 70-507 of the Idaho Code, as amended by Chapter 128 of the 1957 Session Laws.

The State Reclamation Engineer will require that the Priest Lake Outlet Control Structure be maintained or repaired at or to its present condition of stability and utility throughout the two year period.

The State Reclamation Engineer reserves the right to terminate the agreement for deviations from the operation as required by Section 70-507, Idaho Code, as amended, and the terms of the agreement except for causes beyond the control of the operating entity.



ROBERT E. SMYLIE
GOVERNOR

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

MARK R. KULP, STATE RECLAMATION ENGINEER

BOISE

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The State Reclamation Engineer invites proposals from persons or corporations with the necessary organization, equipment and experience and who can benefit from the operation of the said Outlet Control Structure, for the operation, maintenance and repair of the said Outlet Control Structure.

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The State Reclamation Engineer reserves the right to terminate the agreement for deviations from the operation as required by Section 70-507, Idaho Code, as amended, and the terms of the agreement except for causes beyond the control of the operating entity.

16642

Acceptance of a proposal shall be based on the opinion of the State Reclamation Engineer and the State Board of Examiners as to the ability of the proposer to perform and which proposal in addition to the preservation of the benefits of the regulation of its lake surface elevation to the interests around the lake, seems of the greatest benefit to the State of Idaho and in the best interests of the State of Idaho.

Proposals, in sealed envelopes, will be received by the State Reclamation Engineer at his office in the State Capitol Building, Boise, Idaho, up to 12 o'clock noon, May 13, 1957.

The State Reclamation Engineer reserves the right to reject any or all bids.

Boise, Idaho.
April 25, 1957

MARK R. KULP
State Reclamation Engineer

16642

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Boise, Idaho
April 25, 1957

MARK R. KULP
State Reclamation Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WATER RESOURCES DIVISIONFile No. Washington
FieldCapacity
Rating table for Priest Lake at outlet, near Coolin, Idahofrom 19 to 19

Gage height	Discharge	Difference	Gage height	Discharge	Difference	Gage height	Discharge	Difference	Gage height	Discharge	Difference	Gage height	Discharge	Difference
Feet	Cfs	Cfs	Feet	Cfs	Cfs	Feet	Cfs	Cfs	Feet	Cfs	Cfs	Feet	Cfs	Cfs
-1.00			1.00	71,880	2360	3.00	119,270	2380	5.00	167,050	2400			
.10			.10	74,240		.10	121,650		.10	169,450		.10		
.20			.20	76,600		.20	124,030		.20	171,850		.20		
.30			.30	78,960		.30	126,410		.30	174,250		.30		
.40			.40	81,320	2360	.40	128,790		.40	176,650		.40		
.50			.50	83,680	2370	.50	131,170		.50	179,050	2400	.50		
-4.38910	2350		.60	86,050		.60	133,550	2380	.60	181,450	2410	.60		
-5.41260			.70	88,420		.70	135,930	2390	.70	183,860		.70		
-6.43610			.80	90,790		.80	138,320		.80	186,270		.80		
-7.45960			.90	93,160		.90	140,710		.90	188,680		.90		
0.00	48,310		2.01	95,530		4.00	143,100		6.00	191,090				
.10	50,660		.10	97,900		.10	145,490		.10	193,500		.10		
.20	53,010	2350	.20	100,270		.20	147,880		.20	195,910	2410	.20		
.30	55,360	2360	.30	102,640		.30	150,270		.30	198,320	2420	.30		
.40	57,720		.40	105,010		.40	152,660	2390	.40	200,740		.40		
.50	60,080		.50	107,380	2370	.50	155,050	2400	.50	203,160		.50		
.60	62,440		.60	109,750	2380	.60	157,450		.60	205,580		.60		
.70	64,800		.70	112,130		.70	159,850		.70			.70		
.80	67,160		.80	114,510		.80	162,250		.80			.80		
.90	69,520	2360	.90	116,890	2380	.90	164,650	2400	.90			.90		

1.0 71,880
0 48,310
23,370
3.0 119,270
95,530
20 23,740

The above table is approximate ~~not applicable for ice or obstructed channel conditions~~. It is based on ~~discharge measurements made during~~

lake area from Priest Lake quadrangle, USGS (scale 1:250,000) and reconnaissance survey in 1923 -- see Plate No. 14, Priest Lake, Idaho, and in Area & Capacity Table and Curves, U.S. Engineer Office, Seattle, Wash., July 31, 1931. Also see p. 14, Summary of Investigations on Pend Oreille River, Pend Oreille Lake and Priest River, Washington and Idaho, by Arthur Johnson (USGS) January 1941.

Datum of gage, 2435.06, datum of 1929
" " " 2434.64, supp. adj. of 1947
Computed by H.M.O.
Checked by H.M.O.
Date 6-23-58

16642 This does not agree very well with B.R.A. letter 7-3-56 to W.H.R.Co. which says stage at 2434.32 or 2434.64 is 78,350 cfs. B.H.B.

AGREEMENT

2

1 THIS AGREEMENT entered into this 29th day of May,
2 1957, by and between The Washington Water Power Company, hereinafter
3 called the "Company," and Mark R. Kulp, State Reclamation Engineer,
4 Department of Reclamation, State of Idaho, hereinafter called "State
5 Reclamation Engineer, "WITNESSETH:

6 WHEREAS, the State of Idaho owns an Outlet Control Structure
7 for the purpose of regulating the waters of Priest Lake, Bonner County,
8 Idaho, and
9

10 WHEREAS, said Outlet Control Structure is to be operated
11 under the direction of the State Reclamation Engineer in accordance with
12 State Water License No. 16642 held by the Governor of the State in trust
13 for all the people of Idaho and in accordance with Section 70-507, Idaho
14 Code, as amended by Chapter 128 of the Session Laws of 1957, and
15

16 WHEREAS, the State Reclamation Engineer has invited proposals
17 from persons or corporations with necessary organization, equipment
18 and experience and who can benefit from the operation of said Outlet
19 Control Structure, for the operation, maintenance and repair of said
20 Outlet Control Structure, and
21

22 WHEREAS, the Company is a public utility corporation, law-
23 fully qualified to do business in and operating in the State of Idaho, and
24 is carrying on its business of operating hydro electric power dams and
25 related facilities in Idaho for the purpose of generating, distributing and
26 furnishing electric power and energy for public convenience in Idaho at
27 rates and under terms and conditions approved by the Idaho Public
28 Utilities Commission, and
29

30 WHEREAS, the Company has operated and maintained said
31 Outlet Control Structure, as directed by the State Reclamation Engineer,
32 for the past six years and has the organization, trained personnel,

16642

1 equipment and experience necessary to operate, maintain and repair
2 said Outlet Control Structure as provided by Section 70-507, Idaho Code,
3 as amended by Chapter 128 of the Session Laws of 1957.

4 WHEREAS, the waters retained in Priest Lake when released
5 at the close of the recreational season may contribute to the generation
6 of some additional electric power and energy on the Pend Oreille River
7 and other rivers of the area.

8 NOW, THEREFORE, in contemplation of the beneficial use
9 which, incident thereto, may inure to the benefit of the Company, it is
10 agreed between the parties hereto as follows:

11 (1) The Company, at its expense and as directed by the State
12 Engineer;

13 (a) on the receding stage following the run-off of
14 accumulated winter snows as the surface of the Lake
15 approaches elevation 3.0 feet, as shown on the gage of the
16 U. S. Geological Survey located at the outlet, near Coolin,
17 of said Lake, will operate said Control Structure to arrest
18 the outflow of the Lake and retain, for and during the main
19 recreational season, said Lake at elevation 3.0 feet at the
20 same time permitting, as nearly as practicable, the flow
21 of water below said Control Structure to continue with a
22 minimum of fluctuation provided that during those months
23 of the main recreational season said Control Structure
24 will be operated in such manner that said flow of water shall
25 be not less than sixty (60) cubic feet per second as recorded
26 by the U. S. Geological Survey "Dickensheet" gage;

1 (b) at the close of the main recreational season
2 will operate the Control Structure so as to permit the
3 release of water retained by said Control Structure
4 provided that such release shall be initiated on or before
5 October 31 of each year but shall not be initiated before
6 the first Friday following Labor Day.
7

8 (2) The Company, at its expense, will maintain and repair
9 said Outlet Control Structure at or to its present condition of stability
10 and utility throughout the term of this agreement. The Company, at its
11 expense, will replace as promptly as reasonably practicable said Outlet
12 Control Structure, as presently constructed should same or any portion
13 thereof be damaged or destroyed, during the term of this agreement,
14 from any cause so as to render said Outlet Control Structure inoperative.
15 The provisions of this Section 2 will be performed by the Company as
16 reasonably directed and required by the State Reclamation Engineer.
17

18 (3) This agreement shall be in full force and effect beginning
19 June 1, 1957, and shall continue in full force and effect until June 1, 1959.
20

21 (4) Each year during the term hereof the Company will pay
22 to the Department of Reclamation, State of Idaho, the sum of Seventy-five
23 hundred dollars (\$7,500). Payment of said amount for the first year will
24 be made by the Company within thirty (30) days after receipt of notice
25 that this agreement has been executed on behalf of the Department of
26 Reclamation, State of Idaho, and payment for the second year will be
27 made on or before the anniversary date of said notice.
28

29 (5) This agreement contains all the terms and conditions
30 bearing upon the subject matter and will not be modified or varied except
31 by written agreement executed by each of the parties hereto through
32

1 authorized representatives. If at any time the terms hereof are not
2 strictly adhered to or enforced, they will not thereby be deemed waived
3 or modified but will at all subsequent times and dates be deemed in full
4 force and effect.

5
6 (6) This agreement will inure to the benefit of and be binding
7 upon the successors and assigns of the respective parties hereto.

8 IN WITNESS WHEREOF the parties to this instrument have
9 caused the same to be executed the day and year first above written.

10
11 THE WASHINGTON WATER POWER CO.

12 By W. L. Blair *AKW*
13 Vice President

14
15 Attest: R. V. J. [Signature] *680*
16 Secretary

17 DEPARTMENT OF RECLAMATION
18 STATE OF IDAHO

19 By Mark R. Kulp
20 State Reclamation Engineer

Department
file 1 of 4 6/19/57



ROBERT E. SMYLIE
GOVERNOR

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

MARK R. KULP, STATE RECLAMATION ENGINEER

BOISE

May 28, 1957

State Board of Examiners
Building

SUBJECT: Priest Lake Proposals

1957
Date of Action
STATE BOARD OF EXAMINERS
APPROVED By Following Members:
Governor
Attorney General
Secretary of State

Gentlemen:

It is recommended that the proposal of the
Washington Water Power Company be accepted and the
State Reclamation Engineers be authorized to complete
the necessary arrangements.

Very truly yours,

Mark R. Kulp

MARK R. KULP
State Reclamation Engineer

MRK:lw

16642

16642

May 28, 1957

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MARK R. RULP
State Reclamation Engineer

MRK:lw



STATE OF IDAHO
OFFICE OF THE GOVERNOR
BOISE

ROBERT E. SMYLLIE
GOVERNOR

RECEIVED
MAY 27 1957
Department of Reclamation

May 24, 1957

Honorable Mark R. Kulp
State Reclamation Engineer
B U I L D I N G

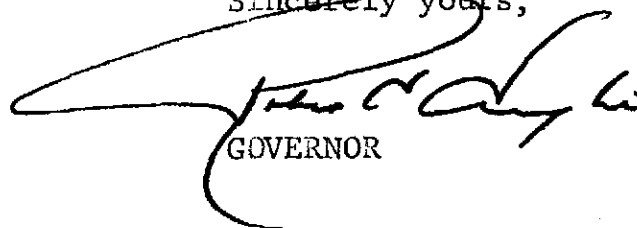
Dear Mr. Kulp:

I am returning herewith your letter of May 14 addressed to the Board of Examiners which has had the benefit of study by the Board of Examiners.

Speaking for the Board, and for myself, it is desired that the State Reclamation Engineer make affirmative recommendation with respect to the matter of preference between the two proposals.

I will be most happy to discuss this with you at the first convenient opportunity.

Sincerely yours,


GOVERNOR

RES:c

16642

NORTHERN LIGHTS, INCORPORATED *Electric Cooperative*

ORA E. BEASLEY, Manager

POST OFFICE BOX 712

U. S. HIGHWAY NO. 2 AND DIVISION STREET

TELEPHONE Congress 3-2153

SANDPOINT, IDAHO

May 17, 1957

RECEIVED
MAY 21 1957

Department of Reclamation

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

Dear Mr. Kulp:

After visiting with you Monday and submitting our proposal for the operation of the Priest Lake outlet control structure for the period from June 1, 1957, through May 30, 1959, we would like to point out to you the additional benefits which would accrue to the State of Idaho and to Bonner County under our plan for the building of a dam at dam site number 3.

By having the cooperation of the State of Idaho for the 3 feet of water in connection with our construction of the dam at dam site number 3 on Priest River, we would be in a position to furnish to Bonner County an additional payroll which we estimate would be well over one-half million dollars over a period of approximately $1\frac{1}{2}$ -2 years.

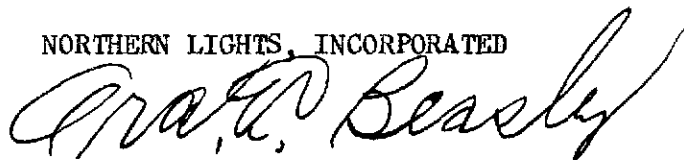
Another benefit which we think should be taken into consideration is that of taxation. Our estimate on the generation tax which would accrue and would be payable to the State of Idaho is \$6,000 a year, and we estimate the property tax to Bonner County would be about \$3,000 a year.

Of course, you realize that our plan calls for building a similar dam at dam site number 4 after we have completed the construction of the dam at dam site number 3. The dam at site number 4 would be approximately the same size and investment as number 3. This would mean that we would be paying into the State of Idaho approximately \$12,000 generation tax a year after both dams are completed and approximately \$6,000 property tax into Bonner County.

We believe that you will readily agree that in both cases the State and County could put these tax moneys to a very good use. We hope that we can receive favorable action and cooperation from your office which will assist us in going ahead with these projects.

Yours very truly,

NORTHERN LIGHTS, INCORPORATED



ORA E. BEASLEY, Manager

16642

cc: Honorable Robert E. Smylie, Governor



ROBERT E. SMYLIE
GOVERNOR

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

MARK R. KULP, STATE RECLAMATION ENGINEER

BOISE MAY 15 6 35 AM 1957
May 14, 1957

Date of Action
STATE BOARD OF EXAMINERS
APPROVED BY Following Members:
Governor
Attorney General
Secretary of State

STATE BOARD OF EXAMINERS
Building

SUBJECT: Priest Lake Proposals

Gentlemen:

On April 25, 1957, a notice was mailed to Northern Lights, Inc. and Washington Water Power Company inviting proposals for the operation, maintenance and repair of the State owned Outlet Control Structure at the outlet of Priest Lake. A copy of the notice is attached.

Proposals were received and opened at 1:30 P.M., May 13, 1957, in the presence of Ora Beasley, Manager of Northern Lights, Inc., Glenn Bandelin, their attorney, and Marvin Vanderberg, State Representative from Boundary County.

The Northern Lights, Inc. consists of a letter and the Washington Water Power submitted a formal agreement accompanied by a letter of transmittal. Copies of both the letters and the proposed agreement are attached.

The Northern Lights proposes to pay \$1.00 per year to the State and save the State harmless from all claims for damages from erosion or sloughage while the Washington Water Power Company proposes to pay the State \$7500.00 annually.

Both companies have available personnel. The Washington Water Power Company has experience and the Northern Lights, Inc. offers to post a bond.

The Northern Lights, Inc. bases their claim to benefits to the State on the probability of their building a taxable hydro-electric development.

Your comments or your directive would be appreciated.

The contribution of \$1.00 per year from the Northern Lights, Inc. or the \$7500. per year from the Washington Water Power Company could be put into an earmarked account to be expended as legally authorized by your board.

Very truly yours,

Mark R. Kulp

Mark R. Kulp
State Reclamation Engineer

MRK/nls

16642

May 14, 1957

STATE BOARD OF EXAMINERS
Building

SUBJECT: Priest Lake Proposals

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Very truly yours,

Mark R. Kulp
State Reclamation Engineer

MRK/nls

5-15-57

Sealed bids for the operation of the outlet structure for the outlet on Priest Lake Structure owned by the State of Idaho located in Bonner County were received and were opened by the State Reclamation Engineer at 1:30 P. M., May 13th in his office.

Present were Representative Marvin Vandenberg of Bonner County, Ora Beesley, Manager of Northern Lights, Incorporated; and Glen L. Bandelin, Attorney for the Company.

The Washington Water Power Company submitted a letter and a bid agreement which were read by Mr. Kulp.

The Northern Lights, Inc., submitted a bid proposal and agreement subject to further contract under said bid.

The State Reclamation Engineer stated that it was necessary to take up the bids submitted with the State Board of Examiners and advised that this would be done at the first opportunity.

5/13/57
L. T.

16642

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5/13/57
L. T.

NORTHERN LIGHTS, INCORPORATED

Electric Cooperative

ORA E. BEASLEY, Manager

POST OFFICE BOX 712

U. S. HIGHWAY NO. 2 AND DIVISION STREET

TELEPHONE COngress 3-2153

SANDPOINT, IDAHO

May 9, 1957

Honorable Mark R. Kulp
State Reclamation Engineer
Boise, Idaho

Dear Mr. Kulp:

We have your letter of April 26, 1957, enclosing a copy of notice inviting bid proposals for the 2-year operation of the Priest Lake outlet control structure.

Our bid is as follows:

We offer to the State of Idaho the sum of \$1.00 per year as a monetary consideration for the right to operate, maintain, and repair the state-owned outlet control structure at our own expense in conformance with the bid proposal sent out by your office under date of April 25, 1957.

Further, Northern Lights, Inc., agrees it will save the state harmless from any and all claims for damages from erosion or sloughage due to maintaining the level of the lake in accordance with the laws of the State of Idaho and under the direction of the State Reclamation Engineer.

We wish to state that Northern Lights, Inc., is a tax-paying, non-profit cooperative organized under and pursuant to the laws of the State of Idaho with its principal place of business at Sandpoint, Bonner County, Idaho. At the present time, we are serving approximately 3,500 member consumers.

We, of course, are willing, able, and ready to give the State of Idaho such performance bond or bonds as may be required for the performance of the bid.

Northern Lights, Inc., has the only electric transmission and distribution system located on Priest Lake and in the vicinity of the control structure. We maintain a crew 24 hours a day at Priest Lake and, in fact, one of our servicemen for the area lives immediately at the control structure site. We have sufficient qualified engineers, mechanics, and skilled employees to properly operate the control structure. We also have sufficient financial resources to carry out the obligations of this bid.

*Rec'd 11:50 AM
May 13 1957
MRK.
Checked 1:20 PM
May 13 1957*

16642

May 9, 1957

At the present time, we have the following federal and state permits and licenses for the construction of a hydro-electric project on Priest River:

Federal Power Commission Preliminary Permit No. 2141, issued
May 21, 1954
Federal Power Commission License Application No. 2141, dated
April 12, 1957
State of Idaho Permit No. 26689, approved January 21, 1957
State of Idaho Permit No. 26691, approved January 21, 1957

We have an application pending before the Federal Power Commission for a license to construct a hydro-electric project approximately 2 miles downstream from the present structure. Upon receipt of such license, we will commence construction of a modern dam with pushbutton controls to facilitate regulation of Priest Lake subject to and in accordance with the control of the State Reclamation Engineer and the laws of the State of Idaho. This project will cost approximately \$1,300,000.

We wish to point out that we have already expended more than \$30,000 in exploration in connection with hydro development on this reach of the Priest River. In addition to this, we have constructed a 33,000-volt transmission line from the Priest Lake area connected to the northwest transmission grid.

We have acquired lands from the State of Idaho which are presently being flooded by the operation of the outlet control structure.

We mention these facts for the purpose of showing that we are interested in the future development of Priest Lake and the upper reaches of Priest River for the fullest benefit to the greatest number of citizens of the State of Idaho.

In conclusion, we wish to point out that in our opinion we are the only organization that can operate the outlet control structure so that the greatest benefit can be given to the largest number of people of the State of Idaho and that our bid, if accepted, will result in the greatest benefit to the State of Idaho and to the largest number of citizens of this state.

In submitting this bid, it is not our intention to give up, or waive in any manner whatsoever, any rights which we now have, or may hereafter acquire, from the Federal Power Commission of the United States Government by way of

16642

Mark R. Kulp

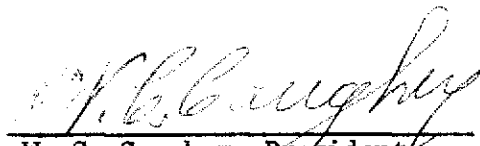
-2/3

May 9, 1957

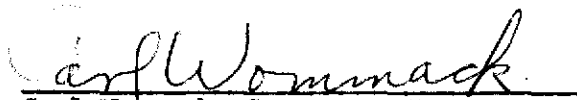
preliminary permit or Federal Power license. Further, in submitting this bid, we specifically do not recognize the right of the State of Idaho to do indirectly what it cannot do directly, contrary to the constitution and the laws of the State of Idaho.

Respectfully submitted,

NORTHERN LIGHTS, INCORPORATED


W. C. Caughey, President

ATTEST:


Carl Wommack, Secretary-Treasurer

16642

Northern Lights, Incorporated
Electric Cooperative
Sandpoint, Idaho
May 9, 1957

C O P Y

Honorable Mark R. Kulp
State Reclamation Engineer
Boise, Idaho

Dear Mr. Kulp:

We have your letter of April 26, 1957, enclosing a copy of notice inviting bid proposals for the 2-year operation of the Priest Lake outlet control structure.

Our bid is as follows:

We offer to the State of Idaho the sum of \$1.00 per year as a monetary consideration for the right to operate, maintain, and repair the state-owned outlet control structure at our own expense in conformance with the bid proposal sent out by your office under date of April 25, 1957.

Further, Northern Lights, Inc., agrees it will save the state harmless from any and all claims for damages from erosion or sloughage due to maintaining the level of the lake in accordance with the laws of the State of Idaho and under the direction of the State Reclamation Engineer.

We wish to state that Northern Lights, Inc., is a tax-paying, non-profit cooperative organized under and pursuant to the laws of the State of Idaho with its principal place of business at Sandpoint, Bonner County, Idaho. At the present time, we are serving approximately 3,500 member consumers.

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Mark R. Kulp

May 9, 1957

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In submitting this bid, it is not our intention to give up, or waive in any manner whatsoever, any rights which we now have, or may hereafter acquire, from the Federal Power Commission of the United States Government by way of

Mark R. Kulp

-2-

May 9, 1957

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Respectfully submitted,

NORTHERN LIGHTS, INCORPORATED

/s/ W. C. Caughey, President
W. C. Caughey, President

ATTEST:

/s/ Carl Wommack, Secretary-Treasurer
Carl Wommack, Secretary-Treasurer

Northern Lights, Incorporated
Electric Cooperative
Sandpoint, Idaho
May 9, 1957

C O P Y

Honorable Mark R. Kulp
State Reclamation Engineer
Boise, Idaho

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Mark R. Kulp

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We have an application pending before the Federal Power Commission for a license to construct a hydro-electric project approximately 2 miles downstream from the present structure. Upon receipt of such license, we will commence construction of a modern dam with pushbutton controls to facilitate regulation of Priest Lake subject to and in accordance with the control of the State Reclamation Engineer and the laws of the State of Idaho. This project will cost approximately \$1,300,000.

We wish to point out that we have already expended more than \$30,000 in exploration in connection with hydro development on this reach of the Priest River. In addition to this, we have constructed a 53,000-volt transmission line from the Priest Lake area connected to the northwest transmission grid.

We have acquired lands from the State of Idaho which are presently being flooded by the operation of the outlet control structure.

We mention these facts for the purpose of showing that we are interested in the future development of Priest Lake and the upper reaches of Priest River for the fullest benefit to the greatest number of citizens of the State of Idaho.

In conclusion, we wish to point out that in our opinion we are the only organization that can operate the outlet control structure so that the greatest benefit can be given to the largest number of people of the State of Idaho and that our bid, if accepted, will result in the greatest benefit to the State of Idaho and to the largest number of citizens of this state.

In submitting this bid, it is not our intention to give up, or waive in any manner whatsoever, any rights which we now have, or may hereafter acquire, from the Federal Power Commission of the United States Government by way of

Mark A. Kulp

-2-

May 9, 1967

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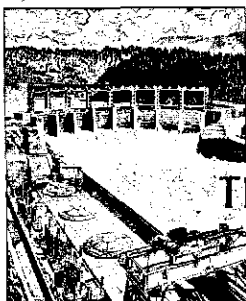
Respectfully submitted,

NORTHERN LIGHTS, INCORPORATED

/s/ W. C. Caughey, President
W. C. Caughey, President

ATTEST:

/s/ Carl Wornack, Secretary-Treasurer
Carl Wornack, Secretary-Treasurer



A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

May 8, 1957

*Recd, P. 107, 10/10/57
Opened
130 PM
May 12*

State of Idaho
Department of Reclamation
Capitol Building
Boise, Idaho

Attention: Mark R. Kulp
State Reclamation Engineer

Gentlemen:

Reference is hereby made to the notice received April 29, 1957, from your Department inviting proposals for the operation, maintenance, and repair of Outlet Control Structure, owned by the State, for the purpose of regulating the waters of Priest Lake, Bonner County, Idaho, for the period beginning June 1, 1957, and continuing to June 1, 1959. Pursuant to said notice, transmitted herewith are two copies of a proposal, in agreement form, of this Company for said operation, maintenance and repair of said Outlet Control Structure.

In brief, the accompanying agreement provides:

- (1) The Company, at its expense, will operate, maintain and repair said Outlet Control Structure as provided by Idaho Statute.
- (2) The Company, each year, will pay to the State of Idaho, Department of Reclamation \$7,500.
- (3) The Company claims no rights other than those set forth in said Agreement.

If for any reason your office determines the enclosed agreement is not fully in proper form, the Company is prepared to accept any reasonable change therein.

16642

State of Idaho
Department of Reclamation

-2-

May 8, 1957

Both copies of said agreement have been executed on behalf of this Company and will be accepted by us as being in full force and effect upon execution for the State of Idaho, Department of Reclamation.

In the event this agreement is executed on behalf of the State of Idaho, please return a dated and fully executed copy to us for our records.

Very truly yours,


Assistant Vice President

A. H. Wegner:c

16642

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

May 8, 1957

C O P Y

State of Idaho
Department of Reclamation
Capitol Building
Boise, Idaho

Attention: Mark R. Kulp
State Reclamation Engineer

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State of Idaho
Department of Reclamation

-2-

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Very truly yours,

/s/ A. H. Wegner
Assistant Vice President

A. H. Wegner:c

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

May 8, 1957

C O P Y

State of Idaho
Department of Reclamation
Capitol Building
Boise, Idaho

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State Reclamation Engineer

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- (2) The Company, each year, will pay to the State of Idaho, Department of Reclamation \$7,500.
- (3) The Company claims no rights other than those set forth in said Agreement.

If for any reason your office determines the enclosed agreement is not fully in proper form, the Company is prepared to accept any reasonable change therein.

State of Idaho
Department of Reclamation

-2-

May 8, 1937

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In the event this agreement is executed on behalf of the State of Idaho, please return a dated and fully executed copy to us for our records.

Very truly yours,

/s/ A. H. Wegner
Assistant Vice President

A. H. Wegner:c

April 19, 1957

Governor Robert E. Smylie
State Capitol Building
Boise, Idaho

Dear Governor Smylie:

Attached is a rough draft of an invitation I propose to make to the Washington Water Power Co. and the Northern Lights Inc. on the operation of the Priest Lake outlet control structure.

The State owns the outlet control structure which was acquired as a gift from the Washington Water Power Co. The Washington Water Power Co. presumably recovered the cost of the structure (more than \$100,000.00) and the cost of operation for six years, by having an agreement with the Bonneville Power Administration whereby the Washington Water Power Co. could purchase a given amount of firm power at the B.P.A. rate. The State Reclamation Engineer has no appropriation to operate the structure and approved the operation of the structure for five years by the Washington Water Power Co. (1951 through 1955) by verbal agreement and one year by letter.

The Northern Lights Inc. claim a vested right in Priest Lake and Priest River waters by reason of having had a permit to store and appropriate waters of Priest Lake, which permit has been cancelled, and by reason of having permits to appropriate waters of Priest River for power purposes. The State Department of Reclamation denies the validity of any such claim to any rights whatever except the permit right to appropriate waters of Priest River without interfering with the operation of the State owned outlet control structure.

The results of operation of the outlet control structure in maintaining a 3 ft. gage level on the lake during the summer season and releasing the water used in maintaining the level after Labor Day have a recognized value in downstream Federal power plants (Albion Falls, Grand Coulee, Chief Joseph, McNary, The Dalles and Bonneville) which the chosen operator can obtain. *eni*

The position of the Department of Reclamation is that the primary obligation of the State Reclamation Engineer is to operate the

16642

April 19, 1957

outlet structure for:

1. The benefit of the interests around and on the lake according to Sec. 70-507, Idaho Code, as amended by Chapter 128, Session Laws of 1957, and
2. Protect the best interests of the State of Idaho.

A further position of the Department is that the State has no obligation to either the Washington Water Power Co. or the Northern Lights Inc. and that the annual benefits are greater than the annual cost of operation and maintenance.

Both utilities desire to operate the structure for the benefits they may get from the B.P.A.

The two year period is chosen on account of possible legislative action in 1959 defining a policy.

Your comments on the procedure and the draft of the attached notice are requested.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

MRK:d
attach.

16642

April 19, 1957

Graydon W. Smith, Attorney General
State of Idaho
State Capitol Building
Boise, Idaho

Dear Mr. Smith:

Attached is a rough draft of an invitation I propose to make to the Washington Water Power Co. and the Northern Lights Inc. on the operation of the Priest Lake outlet control structure.

The State owns the outlet control structure which was acquired as a gift from the Washington Water Power Co. The Washington Water Power Co. presumably recovered the cost of the structure (more than \$100,000.00) and the cost of operation for six years, by having an agreement with the Bonneville Power Administration whereby the Washington Water Power Co. could purchase a given amount of firm power at the B.P.A. rate. The State Reclamation Engineer has no appropriation to operate the structure and approved the operation of the structure for five years by the Washington Water Power Co. (1951 through 1955) by verbal agreement and one year by letter.

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The results of operation of the outlet control structure in maintaining a 3 ft. gage level on the lake during the summer season and releasing the water used in maintaining the level after labor Day have a recognized value in downstream Federal power plants (Albion Falls, Grand Coulee, Chief Joseph, McNary, The Dalles and Bonneville) which the chosen operator can obtain.

16642

Mr. Graydon W. Smith

-2-

April 19, 1957

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2. Protect the best interests of the State of Idaho.

A further position of the Department is that the State has no obligation to either the Washington Water Power Co. or the Northern Lights Inc. and that the annual benefits are greater than the annual cost of operation and maintenance.

Both utilities desire to operate the structure for the benefits they may get from the B.P.A.

The two year period is chosen on account of possible legislative action in 1959 defining a policy.

Your comments on the procedure and the draft of the attached notice are requested.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

MPK:d
attach.

16642

February 18, 1957

Mr. Wilbur F. Broun,
Executive Secretary
The Priest Lake Assn.
Nordman Route
Priest River, Idaho

Dear Mr. Broun:

I have your letter of February 11, 1957, and am at a loss as to how to answer in order to give you a proper picture of the situation.

The manager, the engineer and two of the directors of Northern Lights, with a legislator from Boundary County, were in the office trying to arrive at "an understanding" with me as to the future operation of the outlet structure and the allocation of downstream benefits. They came back later in the week without the engineer, but with both legislators from Boundary County and both Senator Derr and Representative Doolittle from Bonner County.

No commitments were made. I made the statement that my first obligation was to regulate the lake level in the interests of the people around the lake and my next obligation was to protect the interest of the State of Idaho in its ownership of the outlet structure.

The Northern Lights, Inc., group met with the Governor. Senator Derr introduced S. B. 66, which requires regulation of the level of Priest Lake between 3.0 feet and 0.1 foot on the lake gage or the way it has been operated.

It is probable that the policy question as to what disposition will be made of the downstream benefits will require legislation. The State has a valuable asset which cannot be disposed of lightly, or given away under pressure.

I do not know if legislation is being prepared or being sponsored by the Northern Lights, Inc., or what they would introduce if they did decide to try such a procedure.

The situation is.....Permit has been issued to the Northern Lights, Inc., to appropriate 400 cubic feet per second at each of the two sites. The exact location of the sites is subject to amendment. The Northern Lights, Inc., has a preliminary F.P.C. permit to hold their priority while

16642

cont'd ltr to
Mr. Wilbur F. Broun

2-18-57

they investigate the project. The permit to appropriate the water on the upper site has a limitation as to forebay level that would not interfere with the outlet structure operation by the State.

If the plants were built, they might be used for peaking, in which case, a very irregular river flow would result.

It is presumed that if Northern Lights, Inc., finds the project feasible without state subsidy, there will be an announcement by the F.P.C. when license is applied for and the matter will not be closed until after such a hearing.

The operation for 1957 is not settled, but any agreement will protect the river flow as much as is possible.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

MRK:ab

16642

WILBUR F. BROUN
LANDFALL
NORMAN ROUTE
PRIEST RIVER, IDAHO

February 11, 1957.

Mr. Mark Kulp
Department of Reclamation
State Capitol Building
Boise, Idaho

RECEIVED
FEB 13 1957
Department of Reclamation

Dear Mr. Kulp:

As you probably know, I am Secretary of the Priest Lake Association, an organization formed to prevent, if possible, the proposed dams by Northern Lights from damaging lake front property and to minimize the damage to the river.

Recent newspaper items have indicated a flurry of activity by Northern Lights in Boise, apparently with a view to either reverse or circumvent your recent decision in this matter.

We are prepared to retain legal counsel to look after our interests if such a step is necessary.

It would be appreciated if you would let me know how this matter stands in order that we may make a reasonable decision as to what steps we should take, if any.

Very Truly Yours


Wilbur F. Broun
Executive Secretary
The Priest Lake Association.

16642

February 4, 1957

PROPOSED LETTER AGREEMENT BETWEEN THE STATE OF IDAHO, PARTY OF THE FIRST PART, AND NORTHERN LIGHTS, INCORPORATED, PARTY OF THE SECOND PART

Mark R. Kulp
State Reclamation Engineer
Capitol Building
Boise, Idaho

Re: Operation of Priest Lake Outlet Control Structure

Dear Mr. Kulp:

Reference is made to various past discussions with you and Governor Smylie with reference to proposals in connection with the operation and maintenance of the outlet control structure at Priest Lake.

We propose, upon your authorization and under your supervision, to operate the said outlet control structure in accordance with your instructions. Under this proposal we would maintain, attend, and operate the said outlet control structure in all respects and be responsible for all cost in connection with the operation, maintenance, and necessary repairs, and further agree to hold the State of Idaho harmless from any and all claims in connection with any cost necessary for the complete operations, maintenance, and/or repairs for a period of one year. The period of this agreement would be for a twelve months' period, beginning June 1, 1957.

It is agreed and understood that the storage of the three feet of water will accrue to the benefit of Northern Lights, Incorporated, under the terms for release not later than November 15, 1957.

Very truly yours,

NORTHERN LIGHTS, INCORPORATED

ORA E. BEASLEY, Manager

The proposed agreement as set forth above is acceptable and Northern Lights, Inc., is hereby directed and authorized to operate the Priest Lake Outlet Control Structure in accordance with instructions received from the State Reclamation Engineer of Idaho, Mr. Mark R. Kulp.

Approved date _____

Mark R. Kulp, State Reclamation Engineer

16642

January 22, 1957

P-16642

Messrs. H. A. & J. A. Sewell
Consulting and Contracting Engineers
Newport, Washington

Attention: Mr. H. A. Sewell

Gentlemen:

Enclosed is certified copy of Permit No. 16642 and
copy of License and Certificate of Water Right made by H. C.
Baldridge, Governor of the State of Idaho, Boise, Idaho.

We submit the cost of the certified copy of permit
and copy of water license at \$1.50 each, or \$3.00 total.

We are also enclosing a copy of The Washington Water
Power Company's letter of May 23, 1956.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Roy W. Thompson
Office Manager

RWT:ab
Enclosures (3)

16642

A G R E E M E N T

This agreement, made and entered into as of November 1, 1956, by Public Utility District No. 1 of Pend Oreille County, Washington, a Municipal Corporation, party of the first part, hereafter referred to as the District; and Pacific Northwest Alloys, Inc., a Washington Corporation, of Spokane, Washington, party of the second part, hereafter referred to as the Grantee.

WHEREAS, the District has entered into an agreement with Inland Portland Cement Company for the use of Sullivan Lake Reservoir for the period during the fall and winter of 1956-57, including the State and Federal water rights concerned; and

WHEREAS, the District has entered into a memorandum of understanding providing for the purchase by the District of certain properties of the Inland Portland Cement Company and the Lehigh Portland Cement Company on the date on which certain conveyances can be delivered by the sellers, including a Federal Power Commission license covering the waters to be stored by Sullivan Lake Reservoir, together with other waters, lands, etc., and said properties include the Sullivan Lake Reservoir and State water rights as well as the F.P.C. license above mentioned; and

WHEREAS, the Bonneville Power Administration has agreed ~~that~~ if and when the District releases the waters impounded in Sullivan Lake for generation of power at Government downriver plants on the Columbia River, at such times and in such amounts as the Bonneville Power Administration requires, the Bonneville Power Ad-

16642

ministration will sell to the District or to such other person or organization as the District may designate at a rate which is not in excess of what is known as the C-4 rate:

THE PARTIES HERETO HEREBY AGREE AS FOLLOWS:

Section 1

The District agrees to release the water now impounded in Sullivan Lake Reservoir at such times and in such amounts as may be required by the Bonneville Power Administration for the generation of firm power, which power the District hereby authorizes the grantee to purchase from the Bonneville Power Administration at a rate not in excess of the C-4 rate.

The estimated amount of water now impounded is 28,470 acre feet. The District agrees to impound and release water during the fall and winter of 1957-58 provided the agreement now entered into with Inland Portland Cement Co. is extended to the capacity of the reservoir, which is estimated to be 33,510 acre feet, in case the purchase of the properties is not consummated before the date of release required by the Bonneville Power Administration.

Section II

After the consummation of the purchase of the Inland Portland Cement and Lehigh Portland Cement properties and water rights, the District agrees to impound and release the waters of Sullivan Lake reservoir as required by Bonneville Power Administration and in accordance with the terms and conditions as may be specified in the District's above-mentioned F.P.C. license for the generation of firm power for sale to the Grantee until September 1, 1966, unless the District before said date shall decide to integrate the release of said stored waters with its own generation and shall give one year's written notice of said intention. If the District shall give one year's written notice of said intention, the

16642

Grantee shall have the option of withdrawing from this agreement or purchasing from the District the amount of firm power which the Grantee would have received from Bonneville Power Administration during the remainder of the term of this agreement, at the then-existing Bonneville Power Administration rate corresponding to the present C-4 rate plus \$8.75 per kilowatt year and with the then-existing Bonneville Power Administration general contract provisions and general rate schedule provisions. In case the conditions of the memorandum of agreement herein referred to are not met by Inland Portland Cement Company or Lehigh Portland Cement Company so that said proposed purchase is not consummated, no liability shall attach to the District beyond that in Section I.

Section III

The Grantee agrees to purchase said power from the Bonneville Power Administration as hereinbefore and hereinafter provided until September 1, 1966, unless either party is released under the terms of Section II hereof.

Section IV

The Grantee agrees to pay the District for the right to purchase the power from the Bonneville Power Administration which is produced by the water released from Sullivan Lake as hereinbefore provided at the rate of \$8.75 per kilowatt year of contract demand of power sold to the Grantee by the Bonneville Power Administration, the amount of such power to be determined by applying Grantee's average load factor at its Mead plant to the amount of energy generated at downstream Government plants on the Columbia River, Under Bonneville Power Administration C-4 rate or corresponding rate and general contract provisions and general rate schedule provisions. In case the District is able to secure for the Grantee any special reduction from the C-4

rate or corresponding rate on account of costs incurred by the District, such special reductions shall be added to the \$8.75 payment per kilowatt year.

Section V

This agreement is made under authority of Resolution No. 407 passed by the Commissioners dated December 3, 1956, and shall not be assigned by either party except with the written consent of the other party.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the first day of November, 1956.

PUBLIC UTILITY DISTRICT
No. 1 of Pend Oreille
County, Washington

Party of the First Part
(District)

By John M. Fountain
President

Attest: F. W. Schwab
Secretary

PACIFIC NORTHWEST ALLOYS,
INC.

Party of the Second Part
(Grantee)

By H. B. McGill

Attest: R. N. Speer

This statement is a part of the application for license made by Public Utility District No. 1 of Pend Oreille County, State of Washington, this 21 day of December, 1956.

PUBLIC UTILITY DISTRICT NO. 1
of Pend Oreille County

By /s/ F. W. Schwab
F. W. Schwab, President

Attest:

/s/ F. R. Jordan
F. R. Jordan, Secretary

Approved:

/s/ John M. Fountain
John M. Fountain, Commissioner

16642

A G R E E M E N T

This agreement, made and entered into as of November 1, 1956, by Public Utility District No. 1 of Pend Oreille County, Washington, a Municipal Corporation, party of the first part, hereafter referred to as the District; and Pacific Northwest Alloys, Inc., a Washington Corporation, of Spokane, Washington, party of the second part, hereafter referred to as the Grantee.

WHEREAS, the District has entered into an agreement with Inland Portland Cement Company for the use of Sullivan Lake Reservoir for the period during the fall and winter of 1956-57, including the State and Federal water rights concerned; and

WHEREAS, the District has entered into a memorandum of understanding providing for the purchase by the District of certain properties of the Inland Portland Cement Company and the Lehigh Portland Cement Company on the date on which certain conveyances can be delivered by the sellers, including a Federal Power Commission license covering the waters to be stored by Sullivan Lake Reservoir, together with other waters, lands, etc., and said properties include the Sullivan Lake Reservoir and State water rights as well as the F.P.C. license above mentioned; and

WHEREAS, the Bonneville Power Administration has agreed that if and when the District releases the waters impounded in Sullivan Lake for generation of power at Government downriver plants on the Columbia River, at such times and in such amounts as the Bonneville Power Administration requires, the Bonneville Power Ad-

ministration will sell to the District or to such other person or organization as the District may designate at a rate which is not in excess of what is known as the C-4 rate:

THE PARTIES HERETO HEREBY AGREE AS FOLLOWS:

Section 1

The District agrees to release the water now impounded in Sullivan Lake Reservoir at such times and in such amounts as may be required by the Bonneville Power Administration for the generation of firm power, which power the District hereby authorizes the grantee to purchase from the Bonneville Power Administration at a rate not in excess of the C-4 rate.

The estimated amount of water now impounded is 28,470 acre feet. The District agrees to impound and release water during the fall and winter of 1957-58 provided the agreement now entered into with Inland Portland Cement Co. is extended to the capacity of the reservoir, which is estimated to be 33,510 acre feet, in case the purchase of the properties is not consummated before the date of release required by the Bonneville Power Administration.

Section II

After the consummation of the purchase of the Inland Portland Cement and Lehigh Portland Cement properties and water rights, the District agrees to impound and release the waters of Sullivan Lake reservoir as required by Bonneville Power Administration and in accordance with the terms and conditions as may be specified in the District's above-mentioned F.P.C. license for the generation of firm power for sale to the Grantee until September 1, 1966, unless the District before said date shall decide to integrate the release of said stored waters with its own generation and shall give one year's written notice of said intention. If the District shall give one year's written notice of said intention, the

Grantee shall have the option of withdrawing from this agreement or purchasing from the District the amount of firm power which the Grantee would have received from Bonneville Power Administration during the remainder of the term of this agreement, at the then-existing Bonneville Power Administration rate corresponding to the present C-4 rate plus \$8.75 per kilowatt year and with the then-existing Bonneville Power Administration general contract provisions and general rate schedule provisions. In case the conditions of the memorandum of agreement herein referred to are not met by Inland Portland Cement Company or Lehigh Portland Cement Company so that said proposed purchase is not consummated, no liability shall attach to the District beyond that in Section I.

Section III

The Grantee agrees to purchase said power from the Bonneville Power Administration as hereinbefore and hereinafter provided until September 1, 1966, unless either party is released under the terms of Section II hereof.

Section IV

The Grantee agrees to pay the District for the right to purchase the power from the Bonneville Power Administration which is produced by the water released from Sullivan Lake as hereinbefore provided at the rate of \$8.75 per kilowatt year of contract demand of power sold to the Grantee by the Bonneville Power Administration, the amount of such power to be determined by applying Grantee's average load factor at its Mead plant to the amount of energy generated at downstream Government plants on the Columbia River, Under Bonneville Power Administration C-4 rate or corresponding rate and general contract provisions and general rate schedule provisions. In case the District is able to secure for the Grantee any special reduction from the C-4

rate or corresponding rate on account of costs incurred by the District, such special reductions shall be added to the \$8.75 payment per kilowatt year.

Section V

This agreement is made under authority of Resolution No. 407 passed by the Commissioners dated December 3, 1956, and shall not be assigned by either party except with the written consent of the other party.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the first day of November, 1956.

PUBLIC UTILITY DISTRICT
No. 1 of Pend Oreille
County, Washington

Party of the First Part
(District)

By John M. Fountain
President

Attest: F. W. Schwab
Secretary

PACIFIC NORTHWEST ALLOYS,
INC.

Party of the Second Part
(Grantee)

By H. B. McGill

Attest: R. N. Speer

This statement is a part of the application for license made by Public Utility District No. 1 of Pend Oreille County, State of Washington, this 21 day of December, 1956.

PUBLIC UTILITY DISTRICT NO. 1
of Pend Oreille County

By /s/ F. W. Schwab
F. W. Schwab, President

Attest:

/s/ F. R. Jordan
F. R. Jordan, Secretary

Approved:

/s/ John M. Fountain
John M. Fountain, Commissioner



Contract No. 14-03-001-11900

UNITED STATES
DEPARTMENT OF THE INTERIOR
BONNEVILLE POWER ADMINISTRATION
PORTLAND 8, OREGON

Copy for Mark Kulp-

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

Attention: Mr. A. H. Wegner, Manager
Rate and Contract Department

RECEIVED - W. W. P. A.
RATE AND CONTRACT DEPT

JUL 3 1956

Date Answered: 7/5 By *hugan*
Sent to File: By
Referred To: By

Gentlemen:

Reference is made to your letter of May 28, 1956 relative to Priest Lake Storage arrangements.

The arrangements you have made with the Reclamation Engineer of the State of Idaho, as evidenced by the attachments to your letter, to store water in Priest Lake for release during September and October of this year will enable the Government to provide firm power for sale to the Company under the following terms and conditions:

1. This agreement will be effective for the term commencing on September 15, 1956 and ending at 12 p.m. on September 14, 1957.
2. The Company will impound 78,350 acre-feet of water in Priest Lake above elevation 2,434.32 feet above mean sea level (datum of 1929, supplementary adjustment of 1947), prior to September 7, 1956. Release of such impounded water shall be initiated prior to October 31, 1956 as requested by the Administrator.
3. The Government will make available to the Company at one or more of the points of delivery described in, and subject to the applicable terms and provisions of Contract No. Ibp-7420, as amended, and the Company shall purchase from the Government during the term of this agreement, 7,000 kilowatts of firm power, which shall constitute the Company's contract demand (as defined in section 2.1 of Bonneville's General Rate Schedule Provisions); provided, however, that if the release of water from Priest Lake is not made in accordance with section 2 hereof, the Administrator

R/C Copy

16642

may reduce the Company's contract demand for the remainder of the term hereof to the amount which he determines can then be made available.

Delivery of firm power to the Company hereunder is restricted to the amount of the contract demand specified above.

4. The Company shall pay the Administrator for the electric energy made available hereunder at the rate specified in Bonneville Wholesale Power Rate Schedule C-4, as amended December 20, 1954, and in accordance with the terms thereof and the General Rate Schedule Provisions (effective December 20, 1954). Sale of firm power will also be subject to the provisions of Bonneville General Contract Provisions presently in effect.

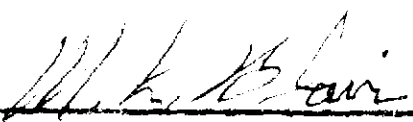
If these arrangements are satisfactory to your Company, please indicate your acceptance by having sufficient copies signed, in the space provided for such purpose, to provide three copies for Bonneville and as many more copies as the Company may wish to retain for its files. The three copies for Bonneville should be returned to this office.

Very truly yours,

[SEAL]


Acting Administrator

THE WASHINGTON WATER POWER COMPANY

W
By 

Vice President

[SEAL]

ATTEST:

By 

Secretary

16642

DATE May 25, 1956

FROM State Reclamation Engineer, Mark R. Kulp

TO Robert E. Smylie, Governor

SUBJECT Priest Lake Outlet

Arrangements have been made with the Washington Water Power to operate the Priest Lake Outlet this year, only. The 1955 operation was very satisfactory.

16642

State Reclamation Engineer SIGNATURE

May 24, 1956

The Washington Water Power Company
P. O. Drawer 1145
Spokane 10, Washington

ATTENTION: Mr. A. H. Wagner

RE: Priest Lake

Dear Mr. Wegner:

I am returning your proposal to operate the Outlet Control Structure at Priest Lake in accordance with your proposed operating agreement dated March 15, 1956, as approved for one year only or from June 1, 1956 to June 1, 1957.

Future operating possibilities are being considered but no decision beyond this season has been made.

A study of the lake and river hydrographs of 1955 shows excellent operation during that season.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

K:hl1
Enc.

16642

FRED F. KONDO
ATTORNEY-AT-LAW
Phone 7371 Telephone Bldg.
PRIEST RIVER, IDAHO

May 14, 1956

RECEIVED
MAY 16 1956
Department of Reclamation

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

Re: Wilbur F. Broun - Outlet Dam.

Dear Mr. Kulp:

I have received yours of April 12, 1956 in regards to your opinions on the suggestions made by Mr. Broun as to a plan of operation as to the regulation of the level of Priest Lake by the Outlet Control Dam, as outlined in my letter of April 9, 1956.

I have had another opportunity to review this subject matter with Mr. Broun, and after several hours of detailed discussion, the following conclusions have been reached:

1. Any regulation of the Lake level, that is, any constant storage level, regardless of whether it be at 2, 2½, or 3 feet is going to adversely effect the River.

a) During periods of slightly above average water availability, 200 c.f.s. may be attained in the River without drawing on the Lake storage.

b) During periods of average availability, some Lake storage must be available in order to maintain 200 c.f.s. in the River during the latter part of August and first part of September.

c) During periods of less than average availability, it may be necessary to draw on the Lake storage for perhaps two to three inches of the Storage.

d) During periods of extreme drought conditions, it might be necessary to draw on the Lake storage for perhaps as much as three to four inches of storage.

2. That after 5 years of experience and careful study of all available records, it is Mr. Broun's opinion that it is possible to provide a minimum flowage in the River of 200 c.f.s. at all times; and that such flowage is the minimum reasonable that should be permitted.

3. That the suggested maximum draw-down below the 3.00 level of .5 feet would probably never be required provided the operators of the dam exercise reasonable caution and intelligence in its operation, and this suggested maximum draw-down would operate to act as a "built-in" performance bond on the Lessee of the Dam to the River property owners.

16642

4. That a protection to the River property owners in guaranteeing a minimum flowage of 200 c.f.s. at all times except in times of extreme drought when the storage might have to be drawn down to the suggested maximum of .5 feet below the 3.0 level, would be about the only direct benefit that they would ever receive from the existence of this Structure. They have done nothing in the past except to have suffered damage.

Assuming the Structure should be operated on the theory of doing the most good to the greatest number of people, it would appear that this guaranteed flowage requested by Mr. Broun should be little enough compensation to him of his rights as one of the riparian owners on the River.

5. That it would appear that if Mr. Broun's plan of operation is used, the only possible adverse effect would be to the Lessee of the Dam, in that the storage may drop below the 3.0 level up to the suggested maximum of .5 feet, in which case the problem of recovery would be involved. Of course, the extent of the problem of recovery so as to receive maximum benefits will depend upon the water conditions and weather. However, from past records, it can be assumed that the usual rainfalls in late September and early October would take care of this recovery problem for the Lessee.

6. The only other possible interest involved would be the State and US Forestry officials. A small problem might arise for a few days when storage is being used to guarantee this minimum suggested flowage. However, Mr. Broun has stated that he has observed and sounded the Thoroufare when the lake level was at the 2' 7" level, and it is his opinion that at such level there is sufficient water therein to provide an easy access to the Upper Priest for fire protection purposes.

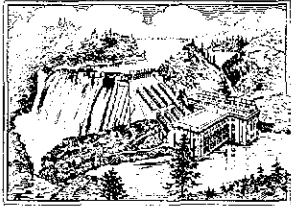
In closing, I trust that the contents of my previous letter of April 9, 1956 and of this letter will be given just and due consideration when discussing any question involving the execution of the new lease covering this Structure. It has become absolutely necessary at this point that Mr. Broun must insist upon a plan of operation of the Priest Lake Outlet Dam substantially as outlined in said letter of April 9, 1956 in order to avoid any further damages to his riparian property.

Your immediate answer would be greatly appreciated.

Yours very truly,



Fred F. Kondo



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 10, WASHINGTON

ALLAN F. ELDER, TREASURER

May 2, 1956

RECEIVED
MAY 4 1956
Department of Reclamation

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

Dear Mr. Kulp:

At the request of Mr. Arthur H. Wegner, Manager of our Rate and Contract Department, we are forwarding herewith Supplemental Pages 55A-B-C and D of our Annual Report to the Idaho Public Utilities Commission (F.P.C. Form No. 1). These exhibits show the amounts of our state, county, local and Federal taxes charged to operations and other accounts during the year ended December 31, 1955.

Examination of the exhibits will show -

- (1) Real and Personal Property taxes for the State of Idaho amounted to \$1,067,277.08 (page 55A).
- (2) Total state, county and municipal taxes for the State of Idaho amounted to \$1,337,109.14 (page 55B).
- (3) Total Federal taxes and total of all taxes as payable or allocable to each state are shown on page 55C.
- (4) The segregation of all taxes assignable to each of our operations is indicated on page 55D.

With respect to items (3) and (4) above, it should be noted Federal income taxes are stated at \$461,538.59, of which \$451,485.36 were charged to our electric operations. In addition to these taxes, provision was made for Federal Income Taxes Deferred of \$2,712,308.00, of which \$2,672,166.00 pertains to our electric operations. These deferred taxes are being accumulated in a reserve which will be used to pay any excess above normal in these taxes when the deferment period is completed.

Mr. Wegner also mentioned you needed the information on our property taxes in Bonner County. Of the total property taxes (1) above of \$1,067,277.08, Bonner County's share was \$449,767.42, or over 42% of the total. It might be noted these taxes compare with our 1951 property tax in Bonner County (before Cabinet Gorge was constructed) of \$5,363.14.

We trust this information will be of some assistance to you. We suggest if any further information is needed, Mr. Rulon E. Larsen, Utilities Auditor of the Public Utilities Commission, Mr. Harold Johnson, Executive Secretary of the State Tax Commission, Mr. Wegner or the undersigned will be glad to assist you.

Very truly yours,

A. E. Becker, Tax Agent

16642

AEB:ll

RECEIVED
MAY 4 1956

Department of Reclamation

THE WASHINGTON WATER POWER COMPANY
TAXES CHARGED DURING YEAR
STATE, COUNTY AND LOCAL TAXES
Pages 55-A & B
Year Ended December 31, 1955

Tax Item	Year	Utility Department	Account Charged	DISTRIBUTION OF TAXES CHARGED (See Note (1)-Page 55-C)				
				Washington	Idaho	Montana	Not Allocated to States	Total
State real and personal property	1954		125-Accts. Rec.	\$ 644.68				\$ 644.68
State real and personal property	1954	Electric	507-Taxes	1,506.94	9.92*	3.65*		1,493.37
State real and personal property	1954	Water	507-Taxes	724.01				724.01
State real and personal property	1954	Steam heat	507-Taxes	.57*				.57*
State real and personal property	1955	Electric	100-Utility Plant			1,867.64		1,867.64
State real and personal property	1955		125-Accts. Rec.		75.00			75.00
State real and personal property	1955		110-Other Physical Prop.	56.40				56.40
State real and personal property	1955	Electric	507-Taxes	752,963.60	1,067,212.00	6,014.00		1,826,189.60
State real and personal property	1955	Water	507-Taxes	15,058.00				15,058.00
State real and personal property	1955	Steam heat	507-Taxes	13,858.00				13,858.00
Total state real and personal property taxes				784,811.06	1,067,277.08	7,877.99		1,859,966.13
State excise	1954	Electric	100-Utility Plant	67.01				67.01
State excise	1954	Electric	507-Taxes	3,091.86				3,091.86
State excise	1955	Electric	100-Utility Plant	1,629.15				1,629.15
State excise	1955	Water	100-Utility Plant	224.38				224.38
State excise	1955	Steam heat	100-Utility Plant	43.30				43.30
State excise	1955	Electric	507-Taxes	473,892.95				473,892.95
State excise	1955	Water	507-Taxes	3,704.16				3,704.16
State excise	1955	Steam heat	507-Taxes	4,898.60				4,898.60
Total state excise taxes				487,551.41				487,551.41
State excise - vehicle registration	1955		143-Clearing	11,237.32	1,169.25	66.60		12,473.17
State real estate sale excise	1955	Electric	507-Taxes	1,946.75				1,946.75
State unemployment insurance	1954	Electric	100-Utility Plant	182.40		5.45		187.85
State unemployment insurance	1954	Electric	250-Depreciation Res.	16.15				16.15
State unemployment insurance	1954	Electric	507-Taxes	364.91	133.35		190.01	678.27
State unemployment insurance	1954	Water	507-Taxes	15.78				15.78
State unemployment insurance	1954	Steam heat	507-Taxes	25.02				25.02
State unemployment insurance	1955	Electric	100-Utility Plant	6,594.61	3,566.91	763.12		10,924.64
State unemployment insurance	1955	Water	100-Utility Plant	300.06				300.06
State unemployment insurance	1955	Steam heat	100-Utility Plant	25.76				25.76
State unemployment insurance	1955		142-Pre. Survey & Inv. Charges				420.84	420.84
State unemployment insurance	1955	Electric	250-Depreciation Res.	501.77	234.58			736.35
State unemployment insurance	1955	Water	253-Depreciation Res.	26.77				26.77
State unemployment insurance	1955	Electric	507-Taxes	21,500.45	8,796.02		10,844.85	41,141.32
State unemployment insurance	1955	Water	507-Taxes	1,111.02				1,111.02
State unemployment insurance	1955	Steam heat	507-Taxes	1,425.24				1,425.24
Total state unemployment taxes (See Note (2) - Page 55-C)				32,089.94	12,730.86	768.57	11,445.70	57,035.07

16642

<u>Tax Item</u>	<u>Year</u>	<u>Utility Department</u>	<u>Account Charged</u>
State income	1949	Electric	507-Taxes
State income	1950	Electric	507-Taxes
State income	1955	Electric	507-Taxes
Total state income tax			
State kilowatt hour generation	1954-1955	Electric	507-Taxes
State kilowatt hour generation	1955-1956	Electric	507-Taxes
Total state kilowatt hour generation taxes			
State revenue stamps	1955	Electric	507-Taxes
State corporation license	1954	Electric	507-Taxes
State corporation license	1955-1956	Electric	507-Taxes
Total state corporation license taxes			
State employed capital stock filing fee	1954	Electric	507-Taxes
State electrician's license and bond	1955	Electric	507-Taxes
State business location registration fee	1955	Electric	507-Taxes
City of Lewiston electrician's license and bond	1955	Electric	507-Taxes
City of Spokane occupation	1955	Electric	507-Taxes
City of Spokane occupation	1955	Steam heat	507-Taxes
Total City of Spokane occupation taxes			
City of Spokane use of streets	1954-1955	Steam heat	507-Taxes
City of Spokane use of streets	1955-1956	Steam heat	507-Taxes
Total City of Spokane use of streets taxes			
Town of Othello annual license fee	1956	Electric	507-Taxes
Local street maintenance assessments	1955	Electric	507-Taxes
Local street maintenance assessments	1955	Steam heat	507-Taxes
Total local street maintenance assessments			
Local street improvement assessment	1955	Electric	100-Utility Plant

<u>DISTRIBUTION OF TAXES CHARGED (See Note (1)-Page 55-C)</u>				
<u>Washington</u>	<u>Idaho</u>	<u>Montana</u>	<u>Not Allocated to States</u>	<u>Total</u>
\$	\$ 997.88*	\$	\$	\$ 997.88*
	8,627.83			8,627.83
	26,456.00			26,456.00
	34,085.95			34,085.95
	169,238.83			169,238.83
	52,354.17			52,354.17
	221,593.00			221,593.00
205.00				205.00
			5.00	5.00
			300.00	300.00
			305.00	305.00
			1.00	1.00
	15.00			15.00
	40.00			40.00
	5.00			5.00
235,006.20				235,006.20
18,370.41				18,370.41
253,376.61				253,376.61
4,232.35				4,232.35
2,760.00				2,760.00
6,992.35				6,992.35
62.50				62.50
580.90				580.90
78.40				78.40
659.30				659.30
208.00				208.00
\$1,578,947.24	\$1,337,109.14	\$8,713.16	\$11,751.70	\$2,936,521.24

TOTAL STATE, COUNTY AND MUNICIPAL TAXES

* Red figure

THE WASHINGTON WATER POWER COMPANY
TAXES CHARGED DURING YEAR
FEDERAL TAXES
Page 55-C
Year Ended December 31, 1955

Tax Item	Year	Utility Department	Account Charged	DISTRIBUTION OF TAXES CHARGED (See Note (1)-Page 55-C)				
				Washington	Idaho	Montana	Not Allocated to States	Total
Normal income	1950	Electric	507-Taxes	\$	\$	\$	\$ 44,473.33*	\$ 44,473.33*
Surtax	1950	Electric	507-Taxes				57,163.72	57,163.72
Normal income and surtax	1951	Electric	507-Taxes				214,443.80*	214,443.80*
Normal income and surtax	1955	Electric	507-Taxes				669,218.77	669,218.77
Normal income and surtax	1955	Steam heat	507-Taxes	10,053.23				10,053.23
Total federal income taxes				10,053.23			467,025.36	477,078.59
Excess profits	1955	Electric	507-Taxes				15,540.00*	15,540.00*
Unemployment insurance	1954	Electric	100-Utility Plant	22.49		.67		23.16
Unemployment insurance	1954	Electric	250-Depreciation Res.	1.99				1.99
Unemployment insurance	1954	Electric	507-Taxes	44.99	16.44		22.20	83.63
Unemployment insurance	1954	Water	507-Taxes	1.95				1.95
Unemployment insurance	1954	Steam heat	507-Taxes	3.08				3.08
Unemployment insurance	1955	Electric	100-Utility Plant	1,175.65	635.89	136.05		1,947.59
Unemployment insurance	1955	Water	100-Utility Plant	53.49				53.49
Unemployment insurance	1955	Steam heat	100-Utility Plant	4.59				4.59
Unemployment insurance	1955		142-Pre. Survey & Inv. Charges				75.02	75.02
Unemployment insurance	1955	Electric	250-Depreciation Res.	89.45	41.82			131.27
Unemployment insurance	1955	Water	253-Depreciation Res.	4.78				4.78
Unemployment insurance	1955	Electric	507-Taxes	3,832.97	1,568.10		1,933.35	7,334.42
Unemployment insurance	1955	Water	507-Taxes	198.07				198.07
Unemployment insurance	1955	Steam heat	507-Taxes	254.08				254.08
Total federal unemployment insurance taxes (See Note (2))				5,687.58	2,262.25	136.72	2,030.57	10,117.12
Insurance contributions act	1954	Electric	100-Utility Plant	104.09		3.11		107.20
Insurance contributions act	1954	Electric	250-Depreciation Res.	9.22				9.22
Insurance contributions act	1954	Electric	507-Taxes	208.25	76.10		102.73	387.08
Insurance contributions act	1954	Water	507-Taxes	9.01				9.01
Insurance contributions act	1954	Steam heat	507-Taxes	14.28				14.28
Insurance contributions act	1955	Electric	100-Utility Plant	10,249.58	5,543.82	1,186.08		16,979.48
Insurance contributions act	1955	Water	100-Utility Plant	466.37				466.37
Insurance contributions act	1955	Steam heat	100-Utility Plant	40.04				40.04
Insurance contributions act	1955		142-Pre. Survey & Inv. Charges				654.09	654.09
Insurance contributions act	1955	Electric	250-Depreciation Res.	779.88	364.59			1,144.47
Insurance contributions act	1955	Water	253-Depreciation Res.	41.61				41.61
Insurance contributions act	1955	Electric	507-Taxes	33,416.82	13,671.10		16,855.48	63,943.40
Insurance contributions act	1955	Water	507-Taxes	1,726.79				1,726.79
Insurance contributions act	1955	Steam heat	507-Taxes	2,215.17				2,215.17
Total federal contribution act taxes (See Note (2))				49,281.11	19,655.61	1,189.19	17,612.30	87,738.21
Revenue stamps	1955	Electric	507-Taxes				195.55*	195.55*
Revenue stamps	1955	Electric	100-Utility Plant			565.70		565.70
Total federal revenue stamps						565.70	195.55*	761.25
Fire protection agreement	1955	Electric	507-Taxes			69.75		69.75
TOTAL FEDERAL TAXES				\$ 65,021.92	\$ 21,917.86	\$ 1,961.36	\$ 470,732.68	\$ 559,833.82
TOTAL ALL TAXES (See Notes (1) and (3))				\$1,643,969.16	\$1,359,027.00	\$10,674.52	\$492,644.38	\$3,406,315.06

- Notes: (1) Includes total of columns (d) and (f), Page 43-A.
(2) Allocated on the basis of direct labor charges to the operating districts where work is performed. No allocation of general office labor made between states.
(3) Does not include taxes on gas, oil, tires, telephone, etc.; or sales tax.

* Red figure

16642

THE WASHINGTON WATER POWER COMPANY
TAXES CHARGED TO OPERATIONS AND OTHER ACCOUNTS

Page 55-D

Year Ended December 31, 1955

	Federal Income Normal & Surtax	State Income	Other Taxes	Total Taxes
<u>ELECTRIC DEPARTMENT</u>				
Operations	\$451,485.36	\$34,085.95	\$2,877,870.45	\$3,363,441.76
Utility Plant			34,507.42	34,507.42
Depreciation Reserve			2,039.45	2,039.45
Total Utility Plant (Net)			36,546.87	36,546.87
Total Electric Department	<u>451,485.36</u>	<u>34,085.95</u>	<u>2,914,417.32</u>	<u>3,399,988.63</u>
<u>WATER DEPARTMENT</u>				
Operations			22,548.79	22,548.79
Utility Plant			1,044.30	1,044.30
Depreciation Reserve			73.16	73.16
Total Utility Plant (Net)			1,117.46	1,117.46
Total Water Department			<u>23,666.25</u>	<u>23,666.25</u>
<u>STEAM HEAT DEPARTMENT</u>				
Operations	10,053.23		48,134.06	58,187.29
Utility Plant			113.69	113.69
Depreciation Reserve			113.69	113.69
Total Utility Plant (Net)			<u>113.69</u>	<u>113.69</u>
Total Steam Heat Department	<u>10,053.23</u>		<u>48,247.75</u>	<u>58,300.98</u>
<u>TOTAL ALL DEPARTMENTS</u>				
Operations	461,538.59	34,085.95	2,948,553.30	3,444,177.84
Utility Plant			35,665.41	35,665.41
Depreciation Reserve			2,112.61	2,112.61
Total Utility Plant (Net)			<u>37,778.02</u>	<u>37,778.02</u>
TOTAL DEPARTMENTAL TAXES - Operations and Utility Plant (Net)	<u>461,538.59</u>	<u>34,085.95</u>	<u>2,986,331.32</u>	<u>3,491,955.86</u>
OTHER PHYSICAL PROPERTY			56.40	56.40
ACCOUNTS RECEIVABLE			719.68	719.68
OTHER DEFERRED DEBITS:				
Preliminary Survey and Investigation Charges			1,149.95	1,149.95
Clearing Accounts			12,473.17	12,473.17
TOTAL ALL TAXES (Page 55-C)	<u>\$461,538.59</u>	<u>\$34,085.95</u>	<u>\$3,000,730.52</u>	<u>\$3,476,355.06</u>

ROST. E. MCLEAN E. E.
BRANCH OFFICE
507 PAULSEN BLDG.
SPOKANE, WASH.

H. A. SEWELL AND J. A. SEWELL
MEMBER A. S. C. E. ASSOC. M. A. S. C. E.
CONSULTING AND CONTRACTING ENGINEERS
NEWPORT, WASHINGTON
April 21, 1956

RECEIVED
APR 24 1956
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State Capitol
Boise, Idaho

Subject: Priest Lake Outlet Control Structure
Northern Lights, Inc.

Dear Sir:

Enclosed herewith find revised draft of proposed agreement as revised as of this date, in accordance with our discussion of yesterday. You will note that all reference to the proposed new structure is eliminated except as to its desirability, which is covered in the 'Whereas' and Section No. 4 which provides for termination of this agreement if it is constructed.

You also will note that it assumes that we will have the number of our Idaho State Permit to insert in the final draft.

You will also note that, after consultation with Mr. Beasley, we are proposing to take over your obligations with the USGS, as we feel that we should do this for you in order to provide you with suitable records at our expense.

Mr. Beasley has instructed me to inform you that he will recommend to the Board at their regular meeting on Tuesday, April 24, that if you execute an agreement similar to the preliminary draft of April 21, 1956, and issue us the permit designated therein, that they go ahead with authorization to our firm to proceed with surveys, test pits, and feasibility studies. The authorization of final plans and preparation of FPO license will, of course, depend on feasibility. He desired that we make this commitment to you so that you will know, and can inform the Governor also, that the Board is ready to go ahead. Mr. Beasley will write you after the Board meeting as to whether or not they accept his recommendation.

We believe that the adoption of the essential features of this agreement will set up the thing which we believe is contemplated by yourself and the Governor, namely local operation of the Priest Lake Outlet Control Structure. Northern Lights, Inc. is a going organization and has its operating personnel and accounting personnel all set up. It is a non-profit organization, and practically all of the interested people around Priest Lake are members of Northern Lights, Inc. We believe, therefore, that it represents the best agency obtainable for carrying out the purposes of Idaho Code, Volume 11, Page 216, and Chapter 61 of the First

16642

Mr. Mark R. Kulp

- 2 -

April 21, 1956

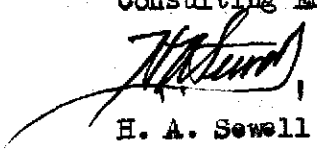
Extraordinary Session of 1950 of the Laws of Idaho. We have tried to draw up the background of this contract in the Whereas section so as to convey this idea, while not placing any strings on either party as to whether or not they will mutually agree upon a future mutually beneficial program.

Now referring to the status of our present applications, we find that on October 26, 1953 we transmitted to you two applications. One was a revised application for the storage of 95,250 acre-feet of the waters of Priest Lake at Site No. 3, which was accompanied by General Fund Check No. 16080, payable to the State of Idaho, dated October 30, 1953, in the amount of \$100, and the other was an application to use 400 second feet of the water of Priest River at Site No. 4, which was accompanied by General Fund Check No. 16081, payable to the State of Idaho, dated October 30, 1953, in the sum of \$104.75. We believe that the application for Site No. 4 will require revision of the map because we find a letter of October 30 addressed to you stating that this will have to be done. In regard to the application for Dam No. 3, we will forward you an amendment to that along the lines which we discussed and will either enclose an additional check or ask a refund, depending on how the fee figures on the amended application. This will maintain the priority as of the date of receipt of these two applications by you. Mr. Beasley has requested that you cash these checks inasmuch as they have to carry them forward every month on their monthly statement as outstanding checks. We believe that the reason that you did not find these checks yesterday at your office, was on account of the fact that you were looking for them in connection with an earlier application for permit dated April 4, 1951. Please advise us if you concur in our proposed method of handling the two former applications.

We hope to be able to forward you the revised application for permit within the next week or so. We hope that we have incorporated your ideas to such an extent that it will not be necessary to make another trip to Boise immediately, but will be glad to come if there are matters which justify it. We believe that you agree with us that our conference of April 20 was very beneficial in working out a solution of this matter, and we will be glad to arrange whatever conferences you desire in the future.

Yours truly,

H. A. SEWELL AND J. A. SEWELL
Consulting Engineers



H. A. Sewell

HAS:vw
enc.

cc. w/enc: Mr. Kulp (dup.)
Mr. Beasley (2)
File

16642

A G R E E M E N T
(Preliminary Draft of April 21, 1956)

THIS AGREEMENT, made this _____ day of _____, 1956, by and between the STATE OF IDAHO, acting through MARK R. KULP, State Reclamation Engineer of the State of Idaho, party of the first part, and NORTHERN LIGHTS, INC., a corporation organized under the laws of the State of Idaho, party of the second part,

WITNESSETH:

WHEREAS, under and by virtue of Idaho Code, volume 11, page 216, the Governor of Idaho, in trust for the people of Idaho, holds License No. 16642 for 800,000 acre-feet of the waters of Priest Lake for the preservation of said water in said lake for scenic beauty, health, recreation, transportation and commercial purposes necessary and desirable for all the inhabitants of the State; and

WHEREAS, under and by virtue of Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, party of the first part did cause to be constructed and completed the Priest Lake Outlet Control Structure, located in Priest River, for the purpose of regulating the level of Priest Lake, located in Bonner County, Idaho, at a level which will preserve for the use of the people of the beach, boating and other recreational facilities which were then located on said Lake; and

WHEREAS, under and by virtue of said Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, the Priest Lake Outlet Control Structure, so constructed, is now under the supervision and control of the State Reclamation Engineer; and

WHEREAS, Northern Lights, Inc. proposes to make investigations of a dam under Permit No. _____ to appropriate the public waters of the State of Idaho, issued by the Commissioner of Reclamation of the State of Idaho on _____, and under Preliminary Permit No. 2141 issued by the Federal Power Commission of the United States of America under the Federal Power Act on May 21, 1954, for the purpose of the generation of approximately 4,400 horsepower of electrical energy at Site No. 3, as proposed in said State Permit and Federal Power Commission Permit, and proposes in said dam, if found feasible, to provide a more permanent control structure with devices for registering the elevation of Priest Lake at all times and with gates electrically operated with pushbutton control, by means of which said proposed outlet control structure will provide more exact control of the levels of Priest Lake and Priest River, with consequent improvement of fishing and recreational conditions on Priest Lake and Priest River, and

WHEREAS, preliminary studies by Northern Lights, Inc., made under the terms of Federal Power Commission Preliminary Permit No. 2141, and State of Idaho Permit No. _____, indicate that fishing and recreational facilities will be improved on Priest Lake by the addition of an arm of

the lake approximately two and one-half miles long, providing approximately five miles of additional lake shore for beach, boating, fishing, and other recreational facilities, and Northern Lights, Inc. is required under said Federal Power Commission Preliminary Permit No. 2141 to provide additional recreational facilities for the citizens of Idaho, if said dam be found feasible; and

WHEREAS, the construction of said dam and powerhouse as proposed in said State of Idaho Permit and Federal Power Commission Permit is highly desirable for the health, recreation, and commercial purposes of the inhabitants of the State of Idaho, and, if constructed, will bring added taxes to various taxing districts of said State; and

WHEREAS, Northern Lights, Inc., pending completion of feasibility studies and/or construction of said proposed dam at Site No. 3, will immediately be able to provide better electrical service at lower rates to approximately 2,000 inhabitants of its service area in northern Idaho, and especially to approximately 750 inhabitants of the shores and vicinity of Priest Lake and Priest River, by operating the Priest Lake Outlet Control Structure and receiving from various downstream power plants a portion of the additional electrical energy generated by the release of said stored waters, and

WHEREAS, Northern Lights, Inc. is a non-profit corporation organized under the laws of the State of Idaho, and as such all benefits inuring to it under the terms of this agreement will inure to the benefit of the citizens of the State of Idaho, except insofar as said non-profit corporation has certain members in the States of Montana and Washington;

NOW, THEREFORE, for and in consideration of the agreements to be performed by the party of the second part, as enumerated herein, and in further consideration of the benefits accruing to its citizens and inhabitants, the party of the first part does mutually agree with the party of the second part as follows:

1. The party of the second part shall for a period of five years, unless sooner terminated or extended by mutual agreement, and beginning _____, operate and maintain the present Priest Lake Outlet Control Structure of party of the first part under the supervision of the State Reclamation Engineer, as provided by Chapter 61 of the First Extraordinary Session of 1950 of Laws of Idaho. In consideration of said operation and maintenance, the party of the first part assigns to party of the second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith. Any renewals or replacements required to maintain said present Priest Lake Outlet Control Structure in proper condition to perform its present functions during said period of operation shall be considered as a part of maintenance. The party of the second part shall receive any salvage from any parts required to be renewed or replaced in the maintenance of the present Priest Lake Outlet Control Structure.

2. It is specifically agreed between the parties hereto that after the end of the spring and summer runoff period, no more of the incoming waters of Priest Lake shall be stored until the time designated by the State Reclamation Engineer for their release under the terms of this agreement, and the storage or release shall at all times be subject to the control of the Commissioner of Reclamation, and within the limits as designated by him.

3. In order to provide a record of the operation of Priest Lake and Priest River, for the purposes of carrying out this agreement, the party of the second part shall take over that part of the obligations in connection with the operation of the USGS gaging facilities now assumed by the State of Idaho through the Commissioner of Reclamation, and shall incorporate the results shown by such gaging station in such records as the Commissioner of Reclamation may require as to the operation of the Priest Lake Outlet Control Structure.

4. Nothing contained in the terms of this agreement shall be construed to prevent the parties hereto from making a new agreement concerning a new Priest Lake Outlet Control Structure to replace the present Priest Lake Outlet Control Structure, and terminating this agreement upon the completion of said new Priest Lake Outlet Control Structure.

5. Neither party to this agreement shall be liable to the other for damages to the other party for any event which is reasonably beyond the control of that party, including but not limited to the failure or breakdown of generating or transmission facilities, floods, fire, strikes, or acts of God or the public enemy. However, that party shall make every reasonable effort to avoid damage to the other party from any cause whatsoever.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

Party of First Part:

STATE OF IDAHO

(SEAL)

By _____
Mark R. Kulp
State Reclamation Engineer

Party of Second Part:

NORTHERN LIGHTS, INC.

Attest: _____
Secretary

By _____
President

(SEAL)

16642

April 12, 1956

Mr. Fred F. Kondo
Attorney-At-Law
Telephone Building
Priest River, Idaho

RE: Priest Lake Regulation

Dear Mr. Kondo:

I am pleased to have the comments of Mr. Brown as he has a direct interest and his comments show careful consideration and his solutions have merit.

I am in general agreement and have reviewed some of the U.S.G.S. records and find that:

--: From 1930 to 1950 the flow of Priest River at the outlet to Priest Lake under unregulated conditions reduced to 200 cubic feet per second not earlier than August 31, and then only in two years. In four other years the 200 cubic feet per second was reached in September and the other 14 years not until later than September if at all.

By the first of September the natural storage in the lake is largely depleted and the unregulated outflow would be little more than the natural inflow minus evaporation.

I am reluctant to put a specific figure on the required outflow but favor a restriction prohibiting the storage of any natural flow after the natural or regulated lake level has receded to 3 feet on the gage. Under this restriction it would be only on rare occasions of extremely dry conditions that the outflow would be less than 200 cubic feet per second during the recreation season.

See 9/1/55 memo
I am also reluctant to set a drawdown figure such as 2.5 on the gage. A difference of .5 feet on the gage would amount to 12,000 acre feet of water or enough to support a flow of 200 cubic feet per second for 30 days without inflow.

Experience in 1955 demonstrated the desirability of suggestion No. 1-- that the level be tapered off from 3.5 or there about to 3.0 feet without abrupt change.

Very truly yours,

K:cu
CC: Mr. Wilbur Brown

16642
MARK R. KULP
State Reclamation Engineer

FRED F. KONDO
ATTORNEY-AT-LAW
Phone 7371 Telephone Bldg.
PRIEST RIVER, IDAHO

April 9, 1956

RECEIVED
APR 11 1956
Department of Reclamation

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

Re: Wilbur Broun - Outlet Dam.

Dear Mr. Kulp:

I am representing Mr. Wilbur Broun, of Nordman Route, Priest River, Idaho, with whom I understand you have had previous correspondence in regards flowage in the Priest River when the Outlet Dam at Priest Lake is being operated to maintain storage levels.

In view of the fact that the State must negotiate a new lease of these water rights upon expiration of the present lease, Mr. Broun feels that this is the appropriate time for him to present his views on the matter so as to insure the protection of his rights.

In order to present some preliminary matters on this subject, I believe you will agree that Mr. Broun has always indicated to your office that he is in favor, generally speaking, of the maintenance of the Outlet Dam, and therefore, substantially, in accordance with the Resort and other property owners on the Lake.

His problem is very simply that as a riparian owner of downstream property, he would like to be assured of a certain minimum flowage of the water during the months in which the water is being impounded.

As you know, there are several diverse interests or views in regards to the problem of regulating the lake level, even among the property owners on the Lake. Then there are the interests involving the property owners on the River, and the problems involving the Fish & Game Department, and the economics involving the Dam Lessee.

It would appear that there must be some way to reconcile these various and diverse interests. Mr. Broun and myself are cognizant of the fact that your Department has given this problem a great deal of thought and attention and will continue to do so in the future.

However, I feel that you would appreciate receiving the views of persons who are being effected, and therefore am submitting to you a suggested plan of operation, which Mr. Broun feels would reconcile these various interests.

16642

Ltr to Mr. Kulp re Wilbur Broun, dated 9 Apr 56.

Mr. Broun's plan of operation of the Outlet Dam is as follows, to-wit:

1. When the spring run-off is at a point where it would result in a Lake level of between 3.5 and 3.0 ft, the operator of the Dam should start the boarding procedure, so as to prevent the dropping of the level below the 3.0 ft level and thereby insure that it does not go below the regulatory level of 3.0 ft during this exceptional critical period.

This is important for the reason that during some of the previous years, there was a gross mismanagement of the dam operation in that there was a failure to board up in time, resulting in a level below the 3.0 level. The only thing that could be done then was to cut off the flowage completely in order to bring the Lake level up to the proper 3.0 ft level.

I would suggest some sort of a performance bond to be executed by the Lessee of the Dam in order to insure that this does not happen again.

2. The Lake level would be stabilized at the 3.0 ft level as quickly as possible, preferably within 5-6 days after operations are started.

3. After stabilization of the Lake at 3.0 ft., there should not be less than 200 cu. ft. per sec. flowage in the River, and if necessary, during drought years, the Lake storage could be used to insure this minimum flowage, until the Lake level should reach a level of 2.5 ft.

4. If the Lake level is reduced to 2.5 ft in order to insure this minimum flowage of 200 cu. ft. per sec., the Lake is to be stabilized at this point, and the flowage in the River shall be that equal to the inflow into the Lake minus evaporation.

This plan of operation would be acceptable to most, if not all, of the various interests involved, including, I believe, the Fish & Game Department. It would also be economical feasible to the Dam Lessee.

The important point at this time is that I feel your office should take such steps as are necessary in the negotiations on the new lease to insure to Mr. Broun and the other property owners on the River a minimum flowage in the Priest River at all times.

It would be appreciated if you would keep either Mr. Broun or myself posted in regards to what steps your office is taking in regards to this problem.

At a later date, Mr. Broun will submit to you materials supporting his suggested plan of operation.

Yours very truly,

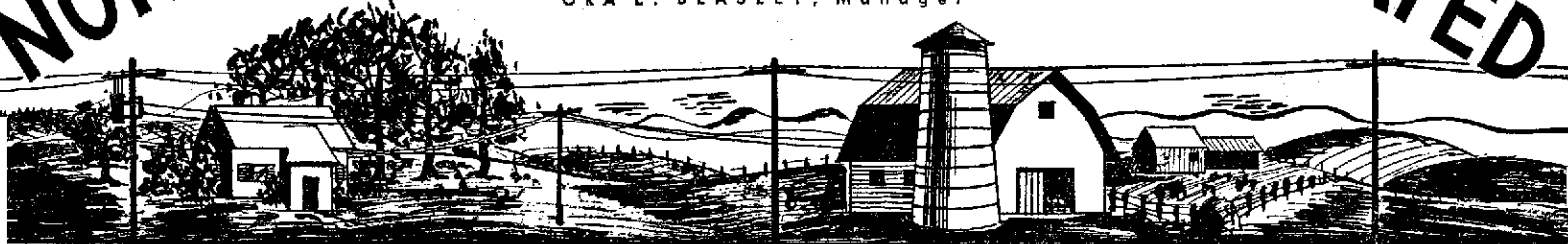
Fred F. Kondo
Fred F. Kondo

16642

NORTHERN LIGHTS, INCORPORATED

Electric Cooperative

ORA E. BEASLEY, Manager



POST OFFICE BOX 712

U.S. HIGHWAY NO. 2 AND DIVISION STREET

TELEPHONE 265

SANDPOINT, IDAHO

April 4, 1956

RECEIVED
APR 9 1956

Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
Capital Bldg.
Boise, Idaho

Dear Mr. Kulp:

Confirming our recent visit with you at your office, at that time we submitted to you a revised, proposed agreement preliminary draft dated March 23, 1956 for the operation of your Priest Lake Outlet control structure. It was our understanding, as the result of the conference which Mr. Caughey, Mr. Howell, Mr. Hill and myself had with you last Thursday, March 29 in your office, that you would check this preliminary draft and advise us what changes were necessary in the proposed draft to meet the requirements of the State of Idaho.

We would very much appreciate, at your earliest opportunity of submitting to us the necessary changes in order that we can make such changes in a further draft and submit to you for your consideration.

It was also our understanding that you are agreeable to issuing us a water use permit to use the water that comes down the river.

Your assistance and cooperation in following through on this important matter to us will be greatly appreciated. If in the meantime there is anything further we can do to assist you in advising you on some of these changes we would appreciate hearing from you.

Yours very truly,

NORTHERN LIGHTS, INCORPORATED

Ora E. Beasley
Ora E. Beasley, Manager

OEB:amb
cc: Sewell

16642

April 3, 1956

RE: License No. 16642

Messrs. Bandelin & Cogswell
News-Bulletin Building
Sandpoint, Idaho

ATTENTION: Mr. Dar Cogswell

Dear Mr. Cogswell:

We acknowledge receipt of your letter of March 27 enclosing your check for \$1.50. We are enclosing, herewith, a certified copy of License No. 16642 together with departmental receipt No. 27890 for the \$1.50 fee for the certified copy.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Roy W. Thompson
Office Manager

hll
Enc.

16642

GLENN E. BANDELIN
DAR COGSWELL

LAW OFFICES OF
BANDELIN & COGSWELL
NEWS-BULLETIN BUILDING
SANDPOINT, IDAHO
March 27, 1956

TELEPHONE 56

OK Enclosed

RECEIVED
MAR 30 1956
Department of Reclamation

State of Idaho
Department of Reclamation
Boise, Idaho

Attn: Roy W. Thompson

Dear Mr. Thompson:

Pursuant to your letter of March 22, 1956, I am enclosing
herewith our check for \$1.50 for a certified copy of License
No. 16642 mentioned in my previous letter to you.

Very truly yours,

DC:amb
enc: check

Dar Cogswell
Dar Cogswell

16642



STATE OF IDAHO

OFFICE OF THE GOVERNOR
BOISE

ROBERT E. SMYLIE
GOVERNOR

RECEIVED
MAR 30 1956
Department of Reclamation

March 29, 1956

Mr. Wilbur F. Brown
Landfall
Nordman Route
Priest River, Idaho

Dear Mr. Brown:

Thanks so much for giving me your thoughts on the application of Northern Lights, Inc., relative to their control of the present outlet dam at Priest Lake.

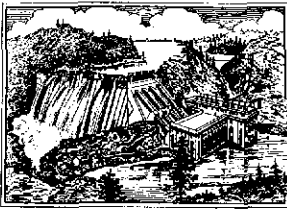
Your comments and background supplies information which I did not have but appreciate very much. Should you have further thoughts on this matter please pass them on to me. I would also like to thank Mr. Willard Stevens for joining in the presentation of this information.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert E. Smylie".
GOVERNOR

RES:H:s

16642



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 10, WASHINGTON

March 23, 1956

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

RECEIVED
MAR 26 1956
Department of Reclamation

Re: Priest Lake

Dear Mark:

Reference is made to our letter to you dated August 3, 1955, by which we transmitted to you a proposed form of pact providing for the operation and maintenance of the Outlet Control Structure at Priest Lake, Idaho. Transmitted herewith are two copies of a revised draft of said proposed pact. The draft is identified by date of 3-15-56.

During recent weeks we have had discussions with some of the property owners at Priest Lake, representatives of Bonneville Power Administration, and others respecting this proposed plan of operation; out of which have come suggestions for the provisions that are included in this draft. We believe that it represents a basis of operating and maintaining, at this Company's expense, the Outlet Control Structure so as to implement the control of the Lake water for recreational purposes as required of your office.

Should you consider this pact in acceptable form, we would appreciate being advised thereof so that we can complete companion arrangements with Bonneville in time to assure desired operation of the Outlet Control Structure and retention of the Lake for recreational purposes beginning with this Summer season.

Very truly yours,

A. H. Wegner
Manager - Rate and Contract
Department

A. H. Wegner:c
enc.

cc:C. H. Nixon
W. F. McNaughton
M. L. Blair-L. Eisele

16642

3/29/56

AGREEMENT (Preliminary Draft 5-23-56)

THIS AGREEMENT, made this _____ day of _____, 1955, by and between the STATE OF IDAHO, acting through MARK R. KULP, State Reclamation Engineer of the State of Idaho, party of the first part, and NORTHERN LIGHTS, INC., a corporation organized under the laws of the State of Idaho, party of the second part,

WITNESSETH:

WHEREAS, under and by virtue of Idaho Code, volume 11, page 216, the Governor of Idaho, in trust for the people of Idaho, holds License No. 16642 for 800,000 acre-feet of the waters of Priest Lake for the preservation of said water in said lake for scenic beauty, health, recreation, transportation and commercial purposes necessary and desirable for all the inhabitants of the State; and

WHEREAS, under and by virtue of Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, party of the first part did cause to be constructed and completed the Priest Lake Outlet Control Structure, located in Priest River, for the purpose of regulating the level of Priest Lake, located in Bonner County, Idaho, at a level which will preserve for the use of the people of the beach, boating and other recreational facilities which were then located on said lake; and

WHEREAS, under and by virtue of said Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, the Priest Lake Outlet Control Structure, so constructed, is now under the supervision and control of the State Reclamation Engineer; and

WHEREAS, the Federal Power Commission of the United States of America, under the Federal Power Act, on May 21, 1954, issued an order issuing Preliminary Permit to Northern Lights, Inc., for proposed Project No. 2141, to be located on Priest River and Priest Lake, in Bonner County, Idaho; and

WHEREAS, the construction of a dam by Northern Lights, Inc., at Site No. 3 on Priest River about three miles below the outlet of Priest Lake in Section 18, Township 33 North, R. 4 E. B. M., will regulate the surface of Priest Lake through a range of approximately three feet conforming to the present regulation of Priest Lake in every respect, and a powerhouse in connection therewith will contain about 4,400 horsepower of capacity, according to the terms of said Preliminary Permit; and

WHEREAS, the construction of said dam by Northern Lights, Inc., with proper gates and control equipment, will perform all of the functions of the Priest Lake Outlet Control Structure, and will render inoperative and unnecessary the said Priest Lake Outlet Control Structure as it now exists; and

WHEREAS, Northern Lights, Inc., has heretofore filed with the Commissioner of Reclamation of the State of Idaho Application No. _____ for the storage of 95,500 acre-feet of the waters of Priest Lake by a dam at Site No. 3 as hereinabove described, and appropriation of water for generation of 4,400 horsepower at said Site No. 3, and the Commissioner of Reclamation has refused to issue Permit for said storage because of its conflict with License No. 16642, but is willing to issue permit for development of generation of 4,400 horsepower at said Site No. 3; and

Mark
3/29/55

A G R E E M E N T (Preliminary Draft 3-23-56)

THIS AGREEMENT, made this _____ day of _____, 1955, by and between the STATE OF IDAHO, acting through MARK R. KULP, State Reclamation Engineer of the State of Idaho, party of the first part, and NORTHERN LIGHTS, INC., a corporation organized under the laws of the State of Idaho, party of the second part,

WITNESSETH:

WHEREAS, under and by virtue of Idaho Code, volume 11, page 216, the Governor of Idaho, in trust for the people of Idaho, holds License No. 16642 for 800,000 acre-feet of the waters of Priest Lake for the preservation of said water in said lake for scenic beauty, health, recreation, transportation and commercial purposes necessary and desirable for all the inhabitants of the State; and

WHEREAS, under and by virtue of Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, party of the first part did cause to be constructed and completed the Priest Lake Outlet Control Structure, located in Priest River, for the purpose of regulating the level of Priest Lake, located in Bonner County, Idaho, at a level which will preserve for the use of the people of the beach, boating and other recreational facilities which were then located on said lake; and

WHEREAS, under and by virtue of said Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, the Priest Lake Outlet Control Structure, so constructed, is now under the supervision and control of the State Reclamation Engineer; and

WHEREAS, the Federal Power Commission of the United States of America, under the Federal Power Act, on May 21, 1954, issued an order issuing Preliminary Permit to Northern Lights, Inc., for proposed Project No. 2141, to be located on Priest River and Priest Lake, in Bonner County, Idaho; and

WHEREAS, the construction of a dam by Northern Lights, Inc., at Site No. 3 on Priest River about three miles below the outlet of Priest Lake in Section 18, Township 59 North, R. 4 W. B. M., will regulate the surface of Priest Lake through a range of approximately three feet conforming to the present regulation of Priest Lake in every respect, and a powerhouse in connection therewith will contain about 4,400 horsepower of capacity, according to the terms of said Preliminary Permit; and

WHEREAS, the construction of said dam by Northern Lights, Inc., with proper gages and control equipment, will perform all of the functions of the Priest Lake Outlet Control Structure, and will render inoperative and unnecessary the said Priest Lake Outlet Control Structure as it now exists; and

WHEREAS, Northern Lights, Inc., has heretofore filed with the Commissioner of Reclamation of the State of Idaho Application No. _____ for the storage of 95,250 acre-feet of the waters of Priest Lake by a dam at Site No. 3 as hereinabove described, and appropriation of water for generation of 4,400 horsepower at said Site No. 3, and the Commissioner of Reclamation has refused to issue Permit for said storage because of its conflict with License No. 16642, but is willing to issue permit for development of generation of 4,400 horsepower at said Site No. 3; and

WHEREAS, the construction of said powerhouse is highly desirable for the health, recreation, and commercial purposes of the inhabitants of the State of Idaho, and will bring added taxes to various taxing districts of said state; and

WHEREAS, the construction of said dam at Site No. 3 will make available approximately five miles of additional lake shore for beach, boating and other recreational facilities, and Northern Lights, Inc. is required under said Federal Power Commission Preliminary Permit No. 2141 to provide additional recreational facilities for the citizens of Idaho; and

WHEREAS, preliminary studies by Northern Lights, Inc., made under the terms of Federal Power Commission Preliminary Permit No. 2141, indicate that fishing will be improved on Priest Lake by the addition of an arm of the lake approximately two and one-half miles long, and that fishing on Priest River will be improved by the outlet structure of the dam as proposed providing more exact control of Priest Lake and Priest River water levels; and

WHEREAS, Northern Lights, Inc., will be able to provide better electrical service at lower rates to approximately 2,000 inhabitants of its service area in northern Idaho, and especially to approximately 750 inhabitants of the shores and vicinity of Priest Lake and Priest River, by the proposed generation of 4,400 horsepower of electric energy at said Site No. 3;

Now, THEREFORE, for and in consideration of the agreements to be performed by the party of the second part, as enumerated herein, and in further consideration of the benefits accruing to its citizens and inhabitants, the party of the first part does mutually agree with the party of the second part as follows:

1. The party of the second part shall withdraw its Application No. _____ for the storage of 95,250 acre-feet and shall substitute an application to appropriate the public waters of the State of Idaho in the amount of 40 cubic feet per second from Priest River at Site No. 3 for the purpose of generating approximately 4,400 horsepower of electric energy, which substituted application shall be considered as an amendment of the Application No. _____ and shall enjoy the same priority as Application No. _____. The party of the first part agrees that such an application will not conflict with License No. 16642, and that, upon compliance with the provisions of the Idaho Code, Permit will be issued in the regular manner.

2. The party of the second part agrees to replace the Priest Lake Outlet Control Structure rendered inoperative by its generation of approximately 4,400 horsepower at Site No. 3 as proposed in Federal Power Commission Preliminary Permit No. 2141, by a more permanent structure built at Site No. 3 under plans and specifications to be prepared by the party of first part. The party of the second part shall render to party of the first part whatever assistance may be required in the preparation of said plans and specifications and when said plans and specifications have been approved by the Board of Examiners of the State of Idaho, and the Commissioner of Reclamation has issued Permit for Application provided for in Section 1, and the Federal Power Commission has issued license for construction at Site No. 3 of Project 2141, said party of second part shall proceed with the construction of said more permanent structure under said plans and specifications. When completed, the new structure shall become the property of the State of Idaho and shall be known as the "Priest Lake Outlet Control Structure" completely replacing the outlet control structure now existing, which shall then be removed by party of second part to extent required by State Reclamation Engineer.

WHEREAS, the construction of said powerhouse is highly desirable for the health, recreation, and commercial purposes of the inhabitants of the State of Idaho, and will bring added taxes to various taxing districts of said state; and

WHEREAS, the construction of said dam at Site No. 3 will make available approximately five miles of additional lake shore for beach, boating and other recreational facilities, and Northern Lights, Inc. is required under said Federal Power Commission Preliminary Permit No. 2141 to provide additional recreational facilities for the citizens of Idaho; and

WHEREAS, preliminary studies by Northern Lights, Inc., made under the terms of Federal Power Commission Preliminary Permit No. 2141, indicate that fishing will be improved on Priest Lake by the addition of an arm of the lake approximately two and one-half miles long, and that fishing on Priest River will be improved by the outlet structure of the dam as proposed providing more exact control of Priest Lake and Priest River water levels; and

WHEREAS, Northern Lights, Inc., will be able to provide better electrical service at lower rates to approximately 2,000 inhabitants of its service area in northern Idaho, and especially to approximately 750 inhabitants of the shores and vicinity of Priest Lake and Priest River, by the proposed generation of 4,400 horsepower of electric energy at said Site No. 3;

Now, THEREFORE, for and in consideration of the agreements to be performed by the party of the second part, as enumerated herein, and in further consideration of the benefits accruing to its citizens and inhabitants, the party of the first part does mutually agree with the party of the second part as follows:

1. The party of the second part shall withdraw its Application No. _____ for the storage of 95,250 acre-feet and shall substitute an application to appropriate the public waters of the State of Idaho in the amount of 400 cubic feet per second from Priest River at Site No. 3 for the purpose of generating approximately 4,400 horsepower of electric energy, which substituted application shall be considered as an amendment of the Application No. _____ and shall enjoy the same priority as Application No. _____. The party of the first part agrees that such an application will not conflict with License No. 16642, and that, upon compliance with the provisions of the Idaho Code, Permit will be issued in the regular manner.

2. The party of the second part agrees to replace the Priest Lake Outlet Control Structure rendered inoperative by its generation of approximately 4,400 horsepower at Site No. 3 as proposed in Federal Power Commission Preliminary Permit No. 2141, by a more permanent structure built at Site No. 3 under plans and specifications to be prepared by the party of first part. The party of the second part shall render to party of the first part whatever assistance may be required in the preparation of said plans and specifications and when said plans and specifications have been approved by the Board of Examiners of the State of Idaho, and the Commissioner of Reclamation has issued Permit for Application provided for in Section 1, and the Federal Power Commission has issued license for construction at Site No. 3 of Project 2141, said party of second part shall proceed with the construction of said more permanent structure under said plans and specifications. When completed, the new structure shall become the property of the State of Idaho and shall be known as the "Priest Lake Outlet Control Structure" completely replacing the outlet control structure now existing, which shall then be removed by party of second part to extent required by State Reclamation Engineer.

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3. The new "Priest Lake Outlet Control Structure", when constructed, shall be under the supervision of the State Reclamation Engineer. The parties hereto mutually agree that the supervisory control exercised shall be such as required under Chapter 61 of First Extraordinary Session of 1950 of the Laws of Idaho, and that after fulfilling the purposes of said Chapter 61, such supervision shall be such as will best fulfill the maximum utilization of the waters of Priest Lake and Priest River for power generation as required under Permit issued under application provided for in Section 1, and license theretofore issued by F. P. C. for Project 2141 Site No. 3.

4. The party of the second part shall operate and maintain the Priest Lake Outlet Control Structure for party of first part under the supervision of the State Reclamation Engineer, at its own expense. In consideration of said operation and maintenance, the party of the first part assigns to party of second party the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith for the term of the State Water Right to be issued under the Application and Permit referred to in Section 1, or the term of the F.P.C. license to be issued for Project No. 2141 Site No. 3, whichever is greater, or any extension or renewal of either license. Out of any moneys or revenues so collected and received the party of the second part shall set up an adequate depreciation reserve for the purpose of renewing and replacing any parts of the Priest Lake Outlet Control Structure which may require renewal or replacement at any time, and shall charge the net cost of such renewals and replacements less salvage to said reserve. The depreciation reserve shall comply with the terms of the F.P.C. license.

5. Pending the completion of the new Priest Lake Outlet Control Structure herein agreed upon, the party of the second part shall for a period of not to exceed five years, unless extended by mutual agreement, and beginning operate and maintain the present Priest Lake Outlet Control Structure of party of first part under the supervision of the State Reclamation Engineer. In consideration of said operation and maintenance, the party of the first part assigns to party of the second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith until the completion of the new Priest Lake Outlet Control Structure or for a period of five years, whichever is less. Any renewals or replacements required to maintain said present structure in proper condition to perform its present functions during said period of operation shall be considered as a part of maintenance. The party of the second part shall receive any salvage from any parts required to be renewed or replaced in the maintenance or removal of the present Priest Lake Outlet Control Structure.

6. Sections 1, 5 and 7 of this agreement shall become effective immediately, upon execution by both parties. Sections 2, 3, and 4 shall become effective only upon the issuance of permits, licenses, and approvals as required therein.

7. Neither party to this agreement shall be liable to the other for damages to the other party for any event which is reasonably beyond the control of that party, including but not limited to the failure or breakdown of generating or transmission facilities, floods, fire, strikes, or acts of God or the public enemy. However, that party shall make every reasonable effort to avoid damage to the other party from any cause whatsoever.

3. The new "Priest Lake Outlet Control Structure", when constructed, shall be under the supervision of the State Reclamation Engineer. The parties hereto mutually agree that the supervisory control exercised shall be such as required under Chapter 61 of First Extraordinary Session of 1950 of the Laws of Idaho, and that after fulfilling the purposes of said Chapter 61, such supervision shall be such as will best fulfill the maximum utilization of the waters of Priest Lake and Priest River for power generation as required under Permit issued under application provided for in Section 1, and license theretofore issued by F. P. C. for Project 2141 Site No. 3.

4. The party of the second part shall operate and maintain the Priest Lake Outlet Control Structure for party of first part under the supervision of the State Reclamation Engineer, at its own expense. In consideration of said operation and maintenance, the party of the first part assigns to party of second party the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith for the term of the State Water Right to be issued under the Application and Permit referred to in Section 1, or the term of the F.P.C. license to be issued for Project No. 2141 Site No. 3, whichever is greater, or any extension or renewal of either license. Out of any moneys or revenues so collected and received the party of the second part shall set up an adequate depreciation reserve for the purpose of renewing and replacing any parts of the Priest Lake Outlet Control Structure which may require renewal or replacement at any time, and shall charge the net cost of such renewals and replacements less salvage to said reserve. The depreciation reserve shall comply with the terms of the F.P.C. license.

5. Pending the completion of the new Priest Lake Outlet Control Structure herein agreed upon, the party of the second part shall for a period of not to exceed five years, unless extended by mutual agreement, and beginning _____ operate and maintain the present Priest Lake Outlet Control Structure of party of first part under the supervision of the State Reclamation Engineer. In consideration of said operation and maintenance, the party of the first part assigns to party of the second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith until the completion of the new Priest Lake Outlet Control Structure or for a period of five years, whichever is less. Any renewals or replacements required to maintain said present structure in proper condition to perform its present functions during said period of operation shall be considered as a part of maintenance. The party of the second part shall receive any salvage from any parts required to be renewed or replaced in the maintenance or removal of the present Priest Lake Outlet Control Structure.

6. Sections 1, 5 and 7 of this agreement shall become effective immediately, upon execution by both parties. Sections 2, 3, and 4 shall become effective only upon the issuance of permits, licenses, and approvals as required therein.

7. Neither party to this agreement shall be liable to the other for damages to the other party for any event which is reasonably beyond the control of that party, including but not limited to the failure or breakdown of generating or transmission facilities, floods, fire, strikes, or acts of God or the public enemy. However, that party shall make every reasonable effort to avoid damage to the other party from any cause whatsoever.

IN WITNESS WHEREOF, the parties hereto have executed this agreement
the day and year first above written.

Party of First Part,-

STATE OF IDAHO

(SEAL)

By _____
Mark R. Kulp, State Reclamation Engineer

Party of Second Part,-

NORTHERN LIGHTS, INC.

Attest: _____
Secretary

By _____
President

(SEAL)

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IN WITNESS WHEREOF, the parties hereto have executed this agreement
the day and year first above written.

Party of First Part,-

STATE OF IDAHO

(SEAL)

By _____
Mark R. Kulp, State Reclamation Engineer

Party of Second Part,-

NORTHERN LIGHTS, INC.

Attest: _____
Secretary

By _____
President

(SEAL)

A G R E E M E N T (Preliminary Draft 3-23-56)

THIS AGREEMENT, made this _____ day of _____, 1955, by and between the STATE OF IDAHO, acting through MARK R. KULP, State Reclamation Engineer of the State of Idaho, party of the first part, and NORTHERN LIGHTS, INC., a corporation organized under the laws of the State of Idaho, party of the second part,

WITNESSETH:

WHEREAS, under and by virtue of Idaho Code, volume 11, page 216, the Governor of Idaho, in trust for the people of Idaho, holds License No. 16642 for 800,000 acre feet of the waters of Priest Lake for the preservation of said water in said lake for scenic beauty, health, recreation, transportation and commercial purposes necessary and desirable for all the inhabitants of the State; and

WHEREAS, under and by virtue of Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, party of the first part did cause to be constructed and completed the Priest Lake Outlet Control Structure, located in Priest River, for the purpose of regulating the level of Priest Lake, located in Bonner County, Idaho, at a level which will preserve for the use of the people of the beach, boating and other recreational facilities which were then located on said Lake; and

WHEREAS, under and by virtue of said Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, the Priest Lake Outlet Control Structure, so constructed, is now under the supervision and control of the State Reclamation Engineer; and

WHEREAS, the Federal Power Commission of the United States of America, under the Federal Power Act, on May 21, 1954, issued an order issuing Preliminary Permit to Northern Lights, Inc., for proposed Project No. 2141, to be located on Priest River and Priest Lake, in Bonner County, Idaho; and

WHEREAS, the construction of a dam by Northern Lights, Inc., at Site No. 3 on Priest River about three miles below the outlet of Priest Lake in Section 18, Township 59 North, R. 4 W.B.M., will regulate the surface of Priest Lake through a range of approximately three feet conforming to the present regulation of Priest Lake in every respect, and a powerhouse in connection therewith will contain about 4,400 horsepower of capacity, according to the terms of said Preliminary Permit; and

WHEREAS, the construction of said dam by Northern Lights, Inc., with proper gages and control equipment, will perform all of the functions of the Priest Lake Outlet Control Structure, and will render inoperative and unnecessary the said Priest Lake Outlet Control Structure as it now exists; and

WHEREAS Northern Lights, Inc., has heretofore filed with the Commissioner of Reclamation of the State of Idaho Application No. _____ for the storage of 95,250 acre-feet of the waters of Priest Lake by a dam at Site No. 3 as hereinabove described, and appropriation of water for generation of 4,400 horsepower at said Site No. 3, and the Commissioner of Reclamation has refused to issue Permit for said storage because of its conflict with License No. 16642, but is willing to issue permit for development of generation of 4,400 horsepower at said Site No. 3; and

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A G R E E M E N T (Preliminary Draft 3-23-56)

THIS AGREEMENT, made this _____ day of _____, 1955, by and between the STATE OF IDAHO, acting through MARK R. KULP, State Reclamation Engineer of the State of Idaho, party of the first part, and NORTHERN LIGHTS, INC., a corporation organized under the laws of the State of Idaho, party of the second part,

WITNESSETH:

WHEREAS, under and by virtue of Idaho Code, volume 11, page 216, the Governor of Idaho, in trust for the people of Idaho, holds License No. 16642 for 800,000 acre feet of the waters of Priest Lake for the preservation of said water in said lake for scenic beauty, health, recreation, transportation and commercial purposes necessary and desirable for all the inhabitants of the State; and

WHEREAS, under and by virtue of Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, party of the first part did cause to be constructed and completed the Priest Lake Outlet Control Structure, located in Priest River, for the purpose of regulating the level of Priest Lake, located in Bonner County, Idaho, at a level which will preserve for the use of the people of the beach, boating and other recreational facilities which were then located on said Lake; and

WHEREAS, under and by virtue of said Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, the Priest Lake Outlet Control Structure, so constructed, is now under the supervision and control of the State Reclamation Engineer; and

WHEREAS, the Federal Power Commission of the United States of America, under the Federal Power Act, on May 21, 1954, issued an order issuing Preliminary Permit to Northern Lights, Inc., for proposed Project No. 2141, to be located on Priest River and Priest Lake, in Bonner County, Idaho; and

WHEREAS, the construction of a dam by Northern Lights, Inc., at Site No. 3 on Priest River about three miles below the outlet of Priest Lake in Section 18, Township 59 North, R. 4 W.B.M., will regulate the surface of Priest Lake through a range of approximately three feet conforming to the present regulation of Priest Lake in every respect, and a powerhouse in connection therewith will contain about 4,400 horsepower of capacity, according to the terms of said Preliminary Permit; and

WHEREAS, the construction of said dam by Northern Lights, Inc., with proper gages and control equipment, will perform all of the functions of the Priest Lake Outlet Control Structure, and will render inoperative and unnecessary the said Priest Lake Outlet Control Structure as it now exists; and

WHEREAS Northern Lights, Inc., has heretofore filed with the Commissioner of Reclamation of the State of Idaho Application No. _____ for the storage of 95,250 acre-feet of the waters of Priest Lake by a dam at Site No. 3 as hereinabove described, and appropriation of water for generation of 4,400 horsepower at said Site No. 3, and the Commissioner of Reclamation has refused to issue Permit for said storage because of its conflict with License No. 16642, but is willing to issue permit for development of generation of 4,400 horsepower at said Site No. 3; and

WHEREAS, the construction of said powerhouse is highly desirable for the health, recreation, and commercial purposes of the inhabitants of the State of Idaho, and will bring added taxes to various taxing districts of said state; and

WHEREAS, the construction of said dam at Site No. 3 will make available approximately five miles of additional lake shore for beach, boating and other recreational facilities, and Northern Lights, Inc. is required under said Federal Power Commission Preliminary Permit No. 2141 to provide additional recreational facilities for the citizens of Idaho; and

WHEREAS, preliminary studies by Northern Lights, Inc., made under the terms of Federal Power Commission Preliminary Permit No. 2141, indicate that fishing will be improved in Priest Lake by the addition of an arm of the Lake approximately two and one-half miles long, and that fishing on Priest River will be improved by the outlet structure of the dam as proposed providing more exact control of Priest Lake and Priest River water levels; and

WHEREAS, Northern Lights, Inc., will be able to provide better electrical service at lower rates to approximately 2,000 inhabitants of its service area in northern Idaho, and especially to approximately 750 inhabitants of the shores and vicinity of Priest Lake and Priest River by the proposed generation of 4,400 horsepower of electric energy at said Site No. 3;

NOW, THEREFORE, for and in consideration of the agreements to be performed by the party of the second part, as enumerated herein, and in further consideration of the benefits accruing to its citizens and inhabitants, the party of the first part does mutually agree with the party of the second part as follows:

1. The party of the second part shall withdraw its Application No. _____ for the storage of 95,250 acre-feet and shall substitute an application to appropriate the public waters of the State of Idaho in the amount of 400 cubic feet per second from Priest River at Site No. 3 for the purpose of generating approximately 4,400 horsepower of electric energy, which substituted application shall be considered as an amendment of the Application No. _____ and shall enjoy the same priority as Application No. _____. The party of the first part agrees that such an application will not conflict with License No. 16642, and that, upon compliance with the provisions of the Idaho Code, Permit will be issued in the regular manner.

2. The party of the second part agrees to replace the Priest Lake Outlet Control Structure rendered inoperative by its generation of approximately 4,400 horsepower at Site No. 3 as proposed in Federal Power Commission Preliminary Permit No. 2141, by a more permanent structure built at Site No. 3 under plans and specifications to be prepared by the party of the first. The party of the second part shall render to party of the first part whatever assistance may be required in the preparation of said plans and specifications and when said plans and specifications have been approved by the Board of Examiners of the State of Idaho, and the Commissioner of Reclamation has issued Permit for Application provided for in Section 1, and the Federal Power Commission has issued license for construction at Site No. 3 of Project 2141, said party of second part shall proceed with the construction of said more permanent structure under said plans and specifications. When completed, the new structure shall become the property of the State of Idaho and shall be known as the "Priest Lake Outlet Control Structure" completely replacing the outlet control structure now existing, which shall then be removed by party of second part to extent required by State Reclamation Engineer.

WHEREAS, the construction of said powerhouse is highly desirable for the health, recreation, and commercial purposes of the inhabitants of the State of Idaho, and will bring added taxes to various taxing districts of said state; and

WHEREAS, the construction of said dam at Site No. 3 will make available approximately five miles of additional lake shore for beach, boating and other recreational facilities, and Northern Lights, Inc. is required under said Federal Power Commission Preliminary Permit No. 2141 to provide additional recreational facilities for the citizens of Idaho; and

WHEREAS, preliminary studies by Northern Lights, Inc., made under the terms of Federal Power Commission Preliminary Permit No. 2141, indicate that fishing will be improved in Priest Lake by the addition of an arm of the Lake approximately two and one-half miles long, and that fishing on Priest River will be improved by the outlet structure of the dam as proposed providing more exact control of Priest Lake and Priest River water levels; and

WHEREAS, Northern Lights, Inc., will be able to provide better electrical service at lower rates to approximately 2,000 inhabitants of its service area in northern Idaho, and especially to approximately 750 inhabitants of the shores and vicinity of Priest Lake and Priest River by the proposed generation of 4,400 horsepower of electric energy at said Site No. 3;

NOW, THEREFORE, for and in consideration of the agreements to be performed by the party of the second part, as enumerated herein, and in further consideration of the benefits accruing to its citizens and inhabitants, the party of the first part does mutually agree with the party of the second part as follows:

1. The party of the second part shall withdraw its Application No. _____ for the storage of 95,250 acre-feet and shall substitute an application to appropriate the public waters of the State of Idaho in the amount of 400 cubic feet per second from Priest River at Site No. 3 for the purpose of generating approximately 4,400 horsepower of electric energy, which substituted application shall be considered as an amendment of the Application No. _____ and shall enjoy the same priority as Application No. _____. The party of the first part agrees that such an application will not conflict with License No. 16642, and that, upon compliance with the provisions of the Idaho Code, Permit will be issued in the regular manner.

2. The party of the second part agrees to replace the Priest Lake Outlet Control Structure rendered inoperative by its generation of approximately 4,400 horsepower at Site No. 3 as proposed in Federal Power Commission Preliminary Permit No. 2141, by a more permanent structure built at Site No. 3 under plans and specifications to be prepared by the party of the first. The party of the second part shall render to party of the first part whatever assistance may be required in the preparation of said plans and specifications and when said plans and specifications have been approved by the Board of Examiners of the State of Idaho, and the Commissioner of Reclamation has issued Permit for Application provided for in Section 1, and the Federal Power Commission has issued license for construction at Site No. 3 of Project 2141, said party of second part shall proceed with the construction of said more permanent structure under said plans and specifications. When completed, the new structure shall become the property of the State of Idaho and shall be known as the "Priest Lake Outlet Control Structure" completely replacing the outlet control structure now existing, which shall then be removed by party of second part to extent required by State Reclamation Engineer.

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3. The new "Priest Lake Outlet Control Structure", when constructed, shall be under the supervision of the State Reclamation Engineer. The parties hereto mutually agree that the supervisory control exercised shall be such as required under Chapter 61 of First Extraordinary Session of 1950 of the Laws of Idaho, and that after fulfilling the purposes of said Chapter 61, such supervision shall be such as will best fulfill the maximum utilization of the waters of Priest Lake and Priest River for power generation as required under Permit issued under application provided for in Section 1, and license theretofore issued by F.P.C. for Project 2141 Site No. 3.

4. The party of the second part shall operate and maintain the Priest Lake Outlet Control Structure for party of first part under the supervision of the State Reclamation Engineer, at its own expense. In consideration of said operation and maintenance, the party of the first part assigns to party of second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith for the term of the State Water Right to be issued under the Application and Permit referred to in Section 1, or the term of the F.P.C. license to be issued for Project No. 2141 Site No. 3, whichever is greater, or any extension or renewal of either license. Out of any moneys or revenues so collected and received the party of the second part shall set up an adequate depreciation reserve for the purpose of renewing and replacing any parts of the Priest Lake Outlet Control Structure which may require renewal or replacement at any time, and shall charge the net cost of such renewals and replacements less salvage to said reserve. The depreciation reserve shall comply with the terms of the F.P.C. license.

5. Pending the completion of the new Priest Lake Outlet Control Structure herein agreed upon, the party of the second part shall for a period of not to exceed five years, unless extended by mutual agreement, and beginning _____ operate and maintain the present Priest Lake Outlet Control Structure of party of first part under the supervision of the State Reclamation Engineer. In consideration of said operation and maintenance, the party of the first part assigns to party of the second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith until the completion of the new Priest Lake Outlet Control Structure or for a period of five years, whichever is less. Any renewals or replacements required to maintain said present structure in proper condition to perform its present functions during said period of operation shall be considered as a part of maintenance. The party of the second part shall receive any salvage from any parts required to be renewed or replaced in the maintenance or removal of the present Priest Lake Outlet Control Structure.

6. Sections 1, 5 and 7 of this agreement shall become effective immediately, upon execution by both parties. Sections 2, 3 and 4 shall become effective ~~on~~ only upon the issuance of permits, licenses, and approvals as required herein.

7. Neither party to this agreement shall be liable to the other for damages to the other party for any event which is reasonably beyond the control of that party, including but not limited to the failure or breakdown of generating or transmission facilities, floods, fire, strikes, or acts of God or the public enemy. However, that party shall make every reasonable effort to avoid damage to the other party from any cause whatsoever.

3. The new "Priest Lake Outlet Control Structure", when constructed, shall be under the supervision of the State Reclamation Engineer. The parties hereto mutually agree that the supervisory control exercised shall be such as required under Chapter 61 of First Extraordinary Session of 1950 of the Laws of Idaho, and that after fulfilling the purposes of said Chapter 61, such supervision shall be such as will best fulfill the maximum utilization of the waters of Priest Lake and Priest River for power generation as required under Permit issued under application provided for in Section 1, and license theretofore issued by F.P.C. for Project 2141 Site No. 3.

4. The party of the second part shall operate and maintain the Priest Lake Outlet Control Structure for party of first part under the supervision of the State Reclamation Engineer, at its own expense. In consideration of said operation and maintenance, the party of the first part assigns to party of second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith for the term of the State Water Right to be issued under the Application and Permit referred to in Section 1, or the term of the F.P.C. license to be issued for Project No. 2141 Site No. 3, whichever is greater, or any extension or renewal of either license. Out of any moneys or revenues so collected and received the party of the second part shall set up an adequate depreciation reserve for the purpose of renewing and replacing any parts of the Priest Lake Outlet Control Structure which may require renewal or replacement at any time, and shall charge the net cost of such renewals and replacements less salvage to said reserve. The depreciation reserve shall comply with the terms of the F.P.C. license.

5. Pending the completion of the new Priest Lake Outlet Control Structure herein agreed upon, the party of the second part shall for a period of not to exceed five years, unless extended by mutual agreement, and beginning _____ operate and maintain the present Priest Lake Outlet Control Structure of party of first part under the supervision of the State Reclamation Engineer. In consideration of said operation and maintenance, the party of the first part assigns to party of the second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith until the completion of the new Priest Lake Outlet Control Structure or for a period of five years, whichever is less. Any renewals or replacements required to maintain said present structure in proper condition to perform its present functions during said period of operation shall be considered as a part of maintenance. The party of the second part shall receive any salvage from any parts required to be renewed or replaced in the maintenance or removal of the present Priest Lake Outlet Control Structure.

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IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

Party of First Part,-

(SEAL)

STATE OF IDAHO

BY

Mark R. Kulp, State Reclamation
Engineer

Party of Second Part,-

NORTHERN LIGHTS, INC.

Attest:

Secretary

By

President

(SEAL)

16642

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

Party of First Part,-

(SEAL)

STATE OF IDAHO

BY

Mark R. Kulp, State Reclamation
Engineer

Party of Second Part,-

NORTHERN LIGHTS, INC.

Attest:

Secretary

By

President

(SEAL)

March 22, 1956

RE: License No. 16642

Messrs. Bandelin & Cogswell
News-Bulletin Building
Sandpoint, Idaho

ATTENTION: Mr. Dar Cogswell

Dear Mr. Cogswell:

In answer to your letter of March 8, 1956, addressed to the Bureau of Reclamation, Boise, Idaho, later sent to the State Department of Reclamation in which you request a copy of License No. 16642 appropriating the waters of Priest Lake by the Governor of Idaho.

We can furnish you a certified copy of this License for a fee of \$1.50 or an uncertified copy for \$1.00. Upon the remittance and further request a copy of this License will be mailed you.

Very truly yours,

MARK R. KULP
State Reclamation Engineer
By

Roy W. Thompson
Office Manager

T:cu

16642

*Here - Air Mail
Ack - Robert Kell*

WILBUR F. BROWN
LANDFALL
NORDMAN ROUTE
PRIEST RIVER, IDAHO

Registered Mail

March 21, 1956.

Honorable Robert E. Smylie, Governor of Idaho
Boise, Idaho

Dear Sir:

The undersigned are concerned in the current local activities of Northern Lights, Inc., in their campaign to recruit local support in favor of their application for control of the present Outlet Dam at Priest Lake, water rights to impound water of Priest Lake, and further rights to proposed but indefinite plans to build one or more additional dams on Priest River.

We feel that, by virtue of promises which appear to us to be for illusionary benefits or impossible performance, local civic or other organizations may forward resolutions that will give the impression of wholehearted local support to the application of Northern Lights. As an example, a recent vote of the "Priest Lake Chamber of Commerce" resulted in fourteen (14) votes in support of Northern Lights, thirteen (13) votes in support of Washington Water Power, and one (1) vote "neutral". In addition to the fact that the methods used to qualify voters in this instance were extremely dubious, a majority of one vote in twenty seven in a community that includes about five hundred cabin and business owners on Priest Lake, an unknown but substantial number of property owners along Priest River, plus the entire population of the town of Priest River, can hardly be interpreted as "wholehearted community support".

There can be no doubt that this community is wholeheartedly in support of maintaining this area as a recreational area and that any commercialization of its water rights is a minor matter and to be contemplated only if such commercialization aids and abets the recreational objective.

We are deeply concerned about granting water and other rights in the Priest Lake area to an organization that, to our lay understanding, can not be held legally responsible for failure to comply with the terms of the agreement. We are deeply concerned about granting water and other rights to an organization that is subject to the vagaries of political and co-operative control.

16642

WILBUR F. BROWN
LANDFALL
NORDMAN ROUTE
PRIEST RIVER, IDAHO

Further, we are deeply concerned with the terms of the proposed agreement of Northern Lights dated 8-1-55, a copy of which we have first seen but two days ago, which, stripped to its bare bones, is an application to obtain control of the present Outlet Dam and the water rights to impounded Priest Lake water. This proposed agreement apparently bases the promise to build an additional dam at Dam Site No. 3 upon favorable results of engineering and other studies that are to be made at some future time. There has been ample time for these studies to have been made since the receipt by Northern Lights of a Preliminary Permit from the Federal Power Commission (Project 2141). The only evidence available to us at this time regarding Dam Site No. 3 is that contained in the U.S. Army Corps of Engineers report on the water resources of the Columbia River basin (We believe Report 308) under the heading "Priest Lake Project", pages C-298 and C-300, par. 477 and 478, which states in effect that Dam Site No. 3 is not suitable. Quote, "Seismic surveys revealed all other (than Dam Site No. 1) sites except Priest River No. 4 to be geologically unsuitable".

We are deeply concerned about what the proposed agreement does not say. It is apparently vague concerning the time element involved in bringing the lake to its summer water level. There are no apparent safeguards against lowering the present outlet sill of the lake by dredging, as to what eventual draw down levels the lake will be subjected to, as to how long a period of high water the lake will be subjected to, or as to what continuous minimum water flow the river will be subjected to.

We feel that no useful purpose can be served by our attempt at this time to examine the proposed application of Northern Lights paragraph by paragraph. We are confident that such an examination will be made by competent state officials, that individuals directly concerned with the matter will be consulted before the final decision is made, and that the final decision will be made to the best interests of the recreational resources and the people of the area and the state.

Respectfully

W. F. Brown
W. F. Brown

W. E. Stevens
W. E. Stevens
Granite Creek Resort
Nordman, Idaho.

16642

OPERATING AGREEMENT

WHEREAS, in the fall of 1950, pursuant to Section 70-502, Idaho Code, the State Reclamation Engineer caused to be installed, a permanent Outlet Control Structure, across Priest River, below the natural outlet of Priest Lake, located on Lots 7 and 13, Township 59 North, Range 4 W.B.M. approximately 500 feet east of the North and South center line of Section 6, Township 59 North, Range 4 W.B.M., in Bonner County, Idaho, which structure was built in 1950 by The Washington Water Power Company, and since has been operated under the supervision and control of the State Reclamation Engineer of Idaho, by said Company. The Washington Water Power Company, hereinafter called the "Company," is a public utility corporation, lawfully operating in the State of Idaho and the State of Washington, carrying on its business of developing and distributing electric power in the northern part of Idaho and the eastern part of Washington, and

WHEREAS, said construction and operation is deemed to have resulted in the most advantageous use of the beaches, boating and recreational facilities of Priest Lake with the least possible loss, damage or waste, and

WHEREAS, it is desired that said control works and the operation thereof be continued in the future in the same manner as during the past five years, that is to say, on the receding stage following the run-off of accumulated winter snows as the surface of the lake approaches

elevation 3.0 feet, as shown on the gage of the U. S. Geological Survey located at the outlet, near Coolin, of said lake, the Company will operate said Control Structure to arrest the outflow of the lake and retain, for and during the main recreational season, said lake at elevation 3.0 feet at the same time permitting, as nearly as practicable, the flow of water below said Control Structure to continue with a minimum of fluctuation provided that during those months of the main recreational season said Control Structure will be operated in such manner that said flow of water shall be not less than sixty (60) cubic feet per second as recorded by the U. S. Geological Survey "Dickensheet" gage.

At the close of the main recreational season the Company will operate the Control Structure so as to permit the release of water retained by said Control Structure provided that such release shall be initiated on or before October 31 of each year but shall not be initiated before the first Friday following Labor Day.

NOW, THEREFORE, in contemplation of the beneficial use which incident thereto, may inure to the benefit of the Company in the future as it has in the past five (5) years, the Company is given the right under the supervision and control of the State Reclamation Engineer to operate said Outlet Control Structure as above specified. In consideration thereof, the Company agrees at its own expense to furnish labor, material, supplies, and all incidentals to:

- (a) operate, repair and maintain said Outlet Control Structure as presently constructed;

(b) replace as promptly as reasonably practicable said

Outlet Control Structure, as presently constructed, should same or any substantial portion thereof be damaged or destroyed from any cause so as to render said Outlet Control Structure inoperative;

(c) make additions or improvements to said Outlet Control

Structure provided that the cost of any additions or improvements to be made in any twelve (12) months ending April 30, shall not exceed \$5,000.

Each of the foregoing (a), (b), and (c), shall be performed by the Company as reasonably directed and required by the State Reclamation Engineer.

This pact shall continue in force for a period of ten (10) years effective beginning May 1, 1956, and will continue in effect for an additional ten (10) year period after the expiration of the initial ten (10) year period unless either party hereto shall notify the other in writing not less than one (1) year prior to the expiration of the initial ten (10) year period of its intention to terminate this pact at the close of the initial ten (10) year period, EXCEPT, if before the expiration of the effective term of this pact, above provided, the State Reclamation Engineer determines, from any cause, that said operation is no longer required in order to maintain the seasonal water levels of the lake for recreational purposes, as maintained during the past five (5) years, then thereupon, this arrangement shall terminate on the April 30 following such determination, provided that if during the twelve (12) months period ending said April 30, the Company shall have made additions or improvements to the Outlet Control Structure

as herein provided, then such termination shall be effective one (1) year after said April 30, and further provided that in the event the Company is required to replace said Outlet Control Structure, as above set forth, then, notwithstanding any of the foregoing provisions of this paragraph, this pact shall continue in force and effect for a period of not less than five (5) years following such replacement.

Idaho State Reclamation Engineer

THE WASHINGTON WATER POWER Co.

By _____
President

Attest: _____
Secretary

OPERATING AGREEMENT

WHEREAS, in the fall of 1950, pursuant to Section 70-502, Idaho Code, the State Reclamation Engineer caused to be installed, a permanent Outlet Control Structure, across Priest River, below the natural outlet of Priest Lake, located on Lots 7 and 13, Township 59 North, Range 4 W.B.M. approximately 500 feet east of the North and South center line of Section 6, Township 59 North, Range 4 W.B.M., in Bonner County, Idaho, which structure was built in 1950 by The Washington Water Power Company, and since has been operated under the supervision and control of the State Reclamation Engineer of Idaho, by said Company. The Washington Water Power Company, hereinafter called the "Company, " is a public utility corporation, lawfully operating in the State of Idaho and the State of Washington, carrying on its business of developing and distributing electric power in the northern part of Idaho and the eastern part of Washington, and

WHEREAS, said construction and operation is deemed to have resulted in the most advantageous use of the beaches, boating and recreational facilities of Priest Lake with the least possible loss, damage or waste, and

WHEREAS, it is desirous that said control works and the operation thereof be continued in the future in the same manner as during the past five years, that is to say, on the receding stage following the run-off of accumulated winter snows as the surface of the lake approaches

(b) replace as promptly as reasonably practicable said Outlet Control Structure, as presently constructed, should same or any substantial portion thereof be damaged or destroyed from any cause so as to render said Outlet Control Structure inoperative;

(c) make additions or improvements to said Outlet Control Structure provided that the cost of any additions or improvements to be made in any twelve (12) months ending April 30, shall not exceed \$5,000.

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as herein provided, then such termination shall be effective one (1) year after said April 30, and further provided that in the event the Company is required to replace said Outlet Control Structure, as above set forth, then, notwithstanding any of the foregoing provisions of this paragraph, this pact shall continue in force and effect for a period of not less than five (5) years following such replacement.

Idaho State Reclamation Engineer

THE WASHINGTON WATER POWER Co.

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President

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WHEREAS, it is desirous that said control works and the operation thereof be continued in the future in the same manner as during the past five years, that is to say, on the receding stage following the run-off of accumulated winter snows as the surface of the lake approaches elevation 3.0 feet, as shown on the gage of the U. S. Geological Survey located at the outlet, near Coolin, of said lake, the Company will operate said Control Structure to arrest the

outflow of the lake and retain, for and during the main recreation season, said lake at elevation 3.0 feet at the same time permitting, as nearly as practicable, the flow of water below said Control Structure to continue with a minimum of fluctuation provided that during those months of the main recreational season said Control Structure will be operated in such manner that said flow of water shall be not less than sixty (60) cubic feet per second as recorded by the U. S. Geological Survey "Dickensheet" gage.

At the close of the main recreational season the Company will operate the Control Structure so as to permit the release of water retained by said Control Structure provided that such release shall be initiated on or before October 31 of each year but shall not be initiated before the first Friday following Labor Day.

NOW, THEREFORE, in contemplation of the beneficial use which incident thereto, may inure to the benefit of the Company in the future as it has in the past five years, the Company is given the right under the supervision of the State Reclamation Engineer to operate said Outlet Control Structure as above specified. In consideration thereof, the Company agrees at its own expense to furnish labor, material, supplies, and all incidentals to operate, repair, and maintain said Outlet Control Structure and to make additions or improvements thereto both as reasonably directed and required by the State Reclamation Engineer, provided that the cost of said additions or improvements to be made in any one year shall not exceed \$5,000.

This pact shall continue in force for a period of twenty (20) years effective beginning May 1, 1956, EXCEPT

If before the expiration of twenty (20) years from the

effective date hereof, from any cause, the State Reclamation Engineer determines that said operation is no longer required in order to maintain the seasonal water levels of the lake for recreational purposes, as maintained during the past five (5) years, then thereupon, this arrangement shall terminate on the April 30 following such determination, provided that if during the twelve (12) months period ending said April 30, the Company shall have made additions or improvements to the Outlet Control Structure as herein provided, then such termination shall be effective one (1) year after said April 30.

Idaho State Reclamation Engineer

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President

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16642

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Idaho State Reclamation Engineer

THE WASHINGTON WATER POWER CO.

By
President

Attest:
Secretary

16642

GLENN E. BANDELIN
DAR COGSWELL

LAW OFFICES OF
BANDELIN & COGSWELL
NEWS-BULLETIN BUILDING
SANDPOINT, IDAHO

TELEPHONE 56

8th March, 1956

RECEIVED
MAR 14 1956
Department of Reclamation

Bureau of Reclamation,
Boise,
Idaho

Gentlemen,

I understand that pursuant to Idaho Code Section 67-4304 the governor is authorized to appropriate in trust for the people of the state of Idaho, the unappropriated water of Priest Lake. Pursuant to this Section the governor was issued a license, No. 16642, to appropriate 800,000 acre feet.

Would it be possible for me to secure a copy of this license? Please inform me of the charge involved, and I shall remit to you.

Yours very truly,



Dar Cogswell

DC:awh

16642



THE WASHINGTON WATER POWER COMPANY

P. O. DRAWER 1445

SPOKANE 10, WASHINGTON

August 3, 1955

Mr. Mark R. Kulp
State Reclamation Engineer
Capitol Building
Boise, Idaho

RECEIVED
AUG 4 1955
Department of Reclamation

Re: Priest Lake

Dear Mr. Kulp:

Referring to our earlier discussions relative to continued operation and maintenance of the Outlet Control Structure at Priest Lake, transmitted herewith are two copies of a suggested form of pact providing for such operation, maintenance, and additions and improvements.

Counsel has studied this matter at some length and in consideration of existing law suggested this form of pact as the more practical. We are forwarding this to you at this time with the thought that you would like an opportunity to examine and consider it, following which we can arrange to meet with you either at Boise or at Priest Lake at your convenience to discuss this proposal or such modification which you may consider desirable.

It will be noted that this pact provides for the operation and maintenance, at Company expense, in accordance with the schedule of storage and releases consistent with the arrangement established for this 1955-56 season. Also, it includes a provision for additions or improvements to the structure. While the proposed term is twenty years, provision is made for termination by your office at an earlier date.

Upon advice from you that such a pact is in generally acceptable form, we must then initiate discussions with Bonneville relative to a related agreement, between this Company and their agency, necessary to complete the arrangement.

Very truly yours,

A. H. Wegner
Manager - Rate and Contract
Department

A. H. Wegner:c
enc.

cc: W. F. McNaughton
C. H. Nixon
M. L. Blair-L. Eisele

16642

Mr. Mark R. Kulp

-2-

August 3, 1955

P.S: Also transmitted herewith is a copy of an Intercompany memo dated July 29, 1955, relating to the operation of the Outlet Control Structure during the period of July 8 through July 11, 1955, when we were called upon to install boards at the Control Structure for the purpose of assisting in the search for the body of the minister who had been drowned in Priest River. We thought you would like a copy of this for your files.

A. H. W.

16642

OPERATING AGREEMENT

1 WHEREAS, in the fall of 1950, pursuant to Section 70-502,
2 Idaho Code, the State Reclamation Engineer caused to be installed, a
3 permanent Outlet Control Structure, across Priest River, below the
4 natural outlet of Priest Lake, located on Lots 7 and 13, Township 59 North,
5 Range 4 W.B.M., approximately 500 feet east of the North and South center
6 line of Section 6, Township 59 North, Range 4 W.B.M., in Bonner County,
7 Idaho, which structure was built in 1950 by The Washington Water Power
8 Company, and since has been operated under the supervision and control
9 of the State Reclamation Engineer of Idaho, by said Company. The Wash-
10 ington Water Power Company, hereinafter called the "Company," is a
11 public utility corporation, lawfully operating in the State of Idaho and the
12 State of Washington, carrying on its business of developing and distribut-
13 ing electric power in the northern part of Idaho and the eastern part of
14 Washington, and
15
16

17 WHEREAS, said construction and operation is deemed to have
18 resulted in the most advantageous use of the beaches, boating and
19 recreational facilities of Priest Lake with the least possible loss, damage,
20 or waste, and
21

22 WHEREAS, it is desirable that said control works and the
23 operation thereof be continued in the future in the same manner as during
24 the past five years, that is to say, on the receding stage following the
25 run-off of accumulated winter snows as the surface of the lake approaches
26 elevation 3.0 feet, as shown on the gage of the U. S. Geological Survey
27 located at the outlet, near Coolin, of said lake, the Company will operate
28 said Control Structure to arrest the outflow of the lake and retain, for and
29 during the main recreational season, said lake at elevation 3.0 feet at
30 the same time permitting, as nearly as practicable, the flow of water in
31 the river channel, immediately below said Control Structure, to continue
32 with the least possible reduction provided that during those months of the

with a minimum of delay

16642

1 main recreational season said Control Structure will be operated in such
2 manner that said flow of water shall be not less than sixty (60) cubic feet
3 per second as recorded by the U. S. Geological Survey "Dickensheet" gage.

4 At the close of the main recreational season the Company will
5 ~~initiate the~~ ^{the} release of water, retained by the Control Structure, at such
6 time and in such amount as the Company considers necessary to fully
7 utilize said water for purposes of power production provided that the Company
8 shall initiate such release on or before October 31 of each year but shall
9 not initiate such release before the first Friday following Labor Day.

11 NOW, THEREFORE, in contemplation of the beneficial use which
12 incident thereto, may inure to the benefit of the Company in the future as it
13 has in the past five years, the Company is given the right under the super-
14 vision of the State Reclamation Engineer to operate said Outlet Control
15 Structure as above specified. In consideration thereof, the Company agrees
16 at its own expense to furnish labor, material, supplies, and all incidentals
17 to operate, repair, and maintain said Outlet Control Structure as presently
18 constituted and to make additions or improvements thereto both as reason-
19 ably directed and required by the State Reclamation Engineer, provided
20 that the cost of said additions or improvements to be made in any one year
21 shall not exceed \$7500.

23 This pact shall continue in force for a period of twenty (20) years
24 effective beginning May 1, 1956, EXCEPT

26 If before the expiration of twenty (20) years from the effective
27 date hereof, from any cause, the State Reclamation Engineer determines
28 that said operation is no longer required in order to maintain the seasonal
29 water levels of the lake for recreational purposes, as maintained in the
30 past five (5) years, then thereupon, this arrangement shall terminate
31 on the April 30 following such determination, provided that if during the
32

1 twelve (12) months period ending said April 30, the Company shall have
2 made additions or improvements to the Outlet Control Structure as herein
3 provided, then such termination shall be effective one (1) year after
4 said April 30.
5
6
7

Idaho State Reclamation Engineer

THE WASHINGTON WATER POWER CO.

By _____
President

Attest: _____
Secretary

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16642

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2 made additions or improvements to the Outlet Control Structure as herein
3 provided, then such termination shall be effective one (1) year after
4 said April 30.

5
6
7 Idaho State Reclamation Engineer

8
9 THE WASHINGTON WATER POWER CO.

10
11 By President

12
13 Attest: Secretary

ROBT. E. MCLEAN E. E.
BRANCH OFFICE
507 PAULSEN BLDG.
SPOKANE, WASH.

H. A. SEWELL AND J. A. SEWELL

MEMBER A. S. C. E. ASSOC. M. A. S. C. E.
CONSULTING AND CONTRACTING ENGINEERS

NEWPORT, WASHINGTON

August 1, 1955

RECEIVED
AUG 3 1955
Department of Reclamation

Mr. Mark R. Kulp
State Reclamation Engineer
State Capitol
Boise, Idaho

Subject: Priest Lake Project
F.P.C. No. 2141
Priest Lake Outlet Control Structure

Dear Sir:

Following our conferences in the Governor's office and in your office, we have prepared a preliminary draft of proposed agreement covering the solution discussed at those conferences. This agreement has not as yet been checked by our attorney or approved by our Board. However it has been approved by our management in principle as the basis upon which our project can be built. It is based on the existing situation whereby you are charged with the duty of regulating the levels of Priest Lake, and it is also based on the maximum utilization required by the Federal Power Commission, as well as the desires of the people in the territory.

Undoubtedly there will be a great many changes to be made before the final draft. We are sending a copy of the proposed agreement and a copy of this letter to the Governor, and are sending you an additional copy for transmittal to the Attorney General. We did not have the number of our State of Idaho application so you will have to fill the number in for Site No. 3 which was to store 95,250 acre feet and which we agree to withdraw under this proposed agreement. You will note that certain sections of the agreement are to take effect immediately upon signature, and other sections which are dependent on the approval of the Rural Electrification Administration or private financing or the Federal Power Commission, are to take effect when we have received our state permit and our F.P.C. license. We may have to go to private financing if REA objects to your ownership of the proposed new outlet control structure as REA takes a mortgage on the property, whereas private financing generally only requires revenue bonds. It goes without saying that we will not receive any license from the F.P.C. until our financing is worked out satisfactorily to F.P.C.

Undoubtedly the writer may have overlooked some items which should go into the contract and will be pleased to have your cooperation in checking it over. However, as stated at the conference with the Governor, we believe that anything can be done contractually which can be done by actual ownership, and that is the theory on which we are proceeding. Your comments are awaited with interest.

Yours truly,
NORTHERN LIGHTS, INC.

H. A. Sewell
H. A. Sewell, Project Engineer

HAS:vw
enc.

cc: Governor, State of Idaho
Ora Beasley - Mike Hilton
Walter Humaker

16642

August 1, 1955

Mr. Mark R. Kulp
State Reclamation Engineer
State Capitol
Boise, Idaho

Subject: Priest Lake Project
F.P.C. No. 2141
Priest Lake Outlet Control Structure

Dear Sir:

Following our conferences in the Governor's office and in your office, we have prepared a preliminary draft of proposed agreement covering the solution discussed at those conferences. This agreement has not as yet been checked by our attorney or approved by our Board. However it has been approved by our management in principle as the basis upon which our project can be built. It is based on the existing situation whereby you are charged with the duty of regulating the levels of Priest Lake, and it is also based on the maximum utilization required by the Federal Power Commission, as well as the desires of the people in the territory.

Undoubtedly there will be a great many changes to be made before the final draft. We are sending a copy of the proposed agreement and a copy of this letter to the Governor, and are sending you an additional copy for transmittal to the Attorney General. We did not have the number of our State of Idaho application so you will have to fill the number in for Site No. 3 which was to store 95,250 acre feet and which we agree to withdraw under this proposed agreement. You will note that certain sections of the agreement are to take effect immediately upon signature, and other sections which are dependent on the approval of the Rural Electrification Administration or private financing or the Federal Power Commission, are to take effect when we have received our state permit and our F.P.C. license. We may have to go to private financing if REA objects to your ownership of the proposed new outlet control structure as REA takes a mortgage on the property, whereas private financing generally only requires revenue bonds. It goes without saying that we will not receive any license from the F.P.C. until our financing is worked out satisfactorily to F.P.C.

Undoubtedly the writer may have overlooked some items which should go into the contract and will be pleased to have your cooperation in checking it over. However, as stated at the conference with the Governor, we believe that anything can be done contractually which can be done by actual ownership, and that is the theory on which we are proceeding. Your comments are awaited with interest.

Yours truly,
NORTHERN LIGHTS, INC.

HAS:vw
enc.

cc: Governor, State of Idaho
Ora Beasley - Mike Hilton
Walter Humliker

H. A. Sewell, Project Engineer

16642

A G R E E M E N T (Preliminary Draft 8-1-55)

THIS AGREEMENT, made this _____ day of _____, 1955, by and between the STATE OF IDAHO, acting through MARK R. KULP, State Reclamation Engineer of the State of Idaho, party of the first part, and NORTHERN LIGHTS, INC., a corporation organized under the laws of the State of Idaho, party of the second part,

WITNESSETH:

WHEREAS, under and by virtue of Idaho Code, volume 11, page 216, the Governor of Idaho, in trust for the people of Idaho, holds License No. 16642 for 800,000 acre feet of the waters of Priest Lake for the preservation of said water in said lake for scenic beauty, health, recreation, transportation and commercial purposes necessary and desirable for all the inhabitants of the State; and

WHEREAS, under and by virtue of Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, party of the first part did cause to be constructed and completed the Priest Lake Outlet Control Structure, located in Priest River, for the purpose of regulating the level of Priest Lake, located in Bonner County, Idaho, at a level which will preserve for the use of the people of the beach, boating and other recreational facilities which were then located on said Lake; and

WHEREAS, under and by virtue of said Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, the Priest Lake Outlet Control Structure, so constructed, is now under the supervision and control of the State Reclamation Engineer; and

WHEREAS, the Federal Power Commission of the United States of America, under the Federal Power Act, on May 21, 1954, issued an order issuing Preliminary Permit to Northern Lights, Inc., for proposed Project No. 2141, to be located on Priest River and Priest Lake, in Bonner County, Idaho; and

WHEREAS, the construction of a dam by Northern Lights, Inc., at Site No. 3 on Priest River about three miles below the outlet of Priest Lake in Section 18, Township 59 North, R. 4 W. B. M., will regulate the surface of Priest Lake through a range of approximately three feet conforming to the present regulation of Priest Lake in every respect, and a powerhouse in connection therewith will contain about 4,400 horsepower of capacity, according to the terms of said Preliminary Permit; and

WHEREAS, the construction of said dam by Northern Lights, Inc., with proper gates and control equipment, will perform all of the functions of the Priest Lake Outlet Control Structure, and will render inoperative and unnecessary the said Priest Lake Outlet Control Structure as it now exists; and

WHEREAS, Northern Lights, Inc., has heretofore filed with the Commissioner of Reclamation of the State of Idaho Application No. _____ for the storage of 95,250 acre feet of the waters of Priest Lake by a dam at Site No. 3 as hereinabove described, and appropriation of water for generation of 4,400 horsepower at said Site No. 3, and the Commissioner of Reclamation has refused to issue Permit for said storage because of its conflict with License No. 16642, but is willing to issue permit for development of generation of 4,400 horsepower at said Site No. 3; and

16642

WHEREAS, the construction of said powerhouse is highly desirable for the health, recreation, and commercial purposes of the inhabitants of the State of Idaho, and will bring added taxes to various taxing districts of said state; and

WHEREAS the construction of said dam at Site No. 3 will make available approximately five miles of additional lake shore for beach, boating and other recreational facilities, and Northern Lights, Inc. is required under said Federal Power Commission Preliminary Permit No. 2141 to provide additional recreational facilities for the citizens of Idaho; and

WHEREAS, preliminary studies by Northern Lights, Inc., made under the terms of Federal Power Commission Preliminary Permit No. 2141, indicate that fishing will be improved on Priest Lake by the addition of an arm of the Lake approximately two and one-half miles long, and that fishing on Priest River will be improved by the outlet structure of the dam as proposed providing more exact control of Priest Lake and Priest River water levels; and

WHEREAS, Northern Lights, Inc., will be able to provide better electrical service at lower rates to approximately 2,000 inhabitants of its service area in northern Idaho, and especially to approximately 750 inhabitants of the shores and vicinity of Priest Lake and Priest River, for the proposed generation of 4,400 horsepower of electric energy at said Site No. 3;

Now, THEREFORE, for and in consideration of the agreements to be performed by the party of the second part, as enumerated herein, and in further consideration of the benefits accruing to its citizens and inhabitants, the party of the first part does mutually agree with the party of the second part as follows:-

1. The party of the second part shall withdraw its Application No. _____ for the storage of 95,250 acre-feet and shall substitute an application to appropriate the public waters of the State of Idaho in the amount of 400 cubic feet per second from Priest River at Site No. 3 for the purpose of generating approximately 4,400 horsepower of electric energy, which substituted application shall be considered as an amendment of the Application No. _____ and shall enjoy the same priority as Application No. _____. The party of the first part agrees that such an application will not conflict with License No. 16642, and that, upon compliance with the provisions of the Idaho Code, Permit will be issued in the regular manner.

2. The party of the second part agrees to replace the Priest Lake Outlet Control Structure rendered inoperative by its generation of approximately 4,400 horsepower at Site No. 3 as proposed in Federal Power Commission Preliminary Permit No. 2141, by a more permanent structure built at Site No. 3 under plans and specifications to be prepared by the party of first part. The party of the second part shall render to party of the first part whatever assistance may be required in the preparation of said plans and specifications and when said plans and specifications have been approved by the Board of Examiners of the State of Idaho, and the Commissioner of Reclamation has issued Permit for Application provided for in Section 1, and the Federal Power Commission has issued license for construction at Site No. 3 of Project 2141, said party of second part shall proceed with the construction of said more permanent structure under said plans and specifications. When completed, the new structure shall become the property of the State of Idaho and shall be known as the "Priest Lake Outlet Control Structure" completely replacing the outlet control structure now existing, which shall then be removed by party of second part to extent required by State Reclamation Engineer.

16642

3. The new "Priest Lake Outlet Control Structure", when constructed, shall be under the supervision of the State Reclamation Engineer. The parties hereto mutually agree that the supervisory control exercised shall be such as required under Chapter 61 of First Extraordinary Session of 1950 of the Laws of Idaho, and that after fulfilling the purposes of said Chapter 61, such supervision shall be such as will best fulfill the maximum utilization of the waters of Priest Lake and Priest River for power generation as required under Permit issued under application provided for in Section 1, license theretofore issued by F. P. C. for Project 2141 Site No. 3.

4. The party of the second part shall operate and maintain the Priest Lake Outlet Control Structure for party of first part under the supervision of the State Reclamation Engineer, at its own expense. In consideration of said operation and maintenance, the party of the first part assigns to party of second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith for the term of the State Water Right to be issued under the Application and Permit referred to in Section 1, or the term of the F.P.C. license to be issued for Project No. 2141 Site No. 3, whichever is greater, or any extension or renewal of either license. Out of any moneys or revenues so collected and received the party of the second part shall set up an adequate depreciation reserve for the purpose of renewing and replacing any parts of the Priest Lake Outlet Control Structure which may require renewal or replacement at any time, and shall charge the net cost of such renewals and replacements less salvage to said reserve. The depreciation reserve shall comply with the terms of the F.P.C. license.

5. Pending the completion of the new Priest Lake Outlet Control Structure herein agreed upon, the party of the second part shall beginning operate and maintain the present Priest Lake Outlet Control Structure of party of first part under the supervision of the State Reclamation Engineer. In consideration of said operation and maintenance, the party of the first part assigns to party of the second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith until the completion of the new Priest Lake Outlet Control Structure. Any renewals or replacements required during said period of operation shall be considered as a part of maintenance. The party of the second part shall receive any salvage from any parts required to be renewed or replaced in the maintenance or removal of the present Priest Lake Outlet Control Structure.

6. Sections 1 and 5 of this agreement shall become effective immediately, upon execution by both parties. Sections 2, 3, and 4 shall become effective only upon the issuance of permits, licenses, and approvals as required therein.

16642

IN WITNESS WHEREOF, the parties hereto have executed this agreement
the day and year first above written.

Party of First Part,-

STATE OF IDAHO

(Seal)

By _____
Mark R. Kulp, State Reclamation Engineer

Party of Second Part,-

NORTHERN LIGHTS, INC.

Attest: _____
Secretary

By _____
President

(Seal)

16642

A G R E E M E N T (Preliminary Draft 8-1-55)

THIS AGREEMENT, made this _____ day of _____, 1955, by and between the STATE OF IDAHO, acting through MARK R. KULP, State Reclamation Engineer of the State of Idaho, party of the first part, and NORTHERN LIGHTS, INC., a corporation organized under the laws of the State of Idaho, party of the second part,

WITNESSETH:

WHEREAS, under and by virtue of Idaho Code, volume 11, page 216, the Governor of Idaho, in trust for the people of Idaho, holds License No. 16642 for 800,000 acre feet of the waters of Priest Lake for the preservation of said water in said Lake for scenic beauty, health, recreation, transportation and commercial purposes necessary and desirable for all the inhabitants of the State; and

WHEREAS, under and by virtue of Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, party of the first part did cause to be constructed and completed the Priest Lake Outlet Control Structure, located in Priest River, for the purpose of regulating the level of Priest Lake, located in Bonner County, Idaho, at a level which will preserve for the use of the people of the beach, boating and other recreational facilities which were then located on said Lake; and

WHEREAS, under and by virtue of said Chapter 61 of the First Extraordinary Session of 1950 of the Laws of Idaho, the Priest Lake Outlet Control Structure, so constructed, is now under the supervision and control of the State Reclamation Engineer; and

WHEREAS, the Federal Power Commission of the United States of America, under the Federal Power Act, on May 21, 1954, issued an order issuing Preliminary Permit to Northern Lights, Inc., for proposed Project No. 2141, to be located on Priest River and Priest Lake, in Bonner County, Idaho; and

WHEREAS, the construction of a dam by Northern Lights, Inc., at Site No. 3 on Priest River about three miles below the outlet of Priest Lake in Section 18, Township 59 North, R. 4 W. B. M., will regulate the surface of Priest Lake through a range of approximately three feet conforming to the present regulation of Priest Lake in every respect, and a powerhouse in connection therewith will contain about 4,400 horsepower of capacity, according to the terms of said Preliminary Permit; and

WHEREAS, the construction of said dam by Northern Lights, Inc., with proper gates and control equipment, will perform all of the functions of the Priest Lake Outlet Control Structure, and will render inoperative and unnecessary the said Priest Lake Outlet Control Structure as it now exists; and

WHEREAS, Northern Lights, Inc., has heretofore filed with the Commissioner of Reclamation of the State of Idaho Application No. _____ for the storage of 95,250 acre feet of the waters of Priest Lake by a dam at Site No. 3 as hereinabove described, and appropriation of water for generation of 4,400 horsepower at said Site No. 3, and the Commissioner of Reclamation has refused to issue Permit for said storage because of its conflict with License No. 16642, but is willing to issue permit for development of generation of 4,400 horsepower at said Site No. 3; and

16642

WHEREAS, the construction of said powerhouse is highly desirable for the health, recreation, and commercial purposes of the inhabitants of the State of Idaho, and will bring added taxes to various taxing districts of said state; and

WHEREAS the construction of said dam at Site No. 3 will make available approximately five miles of additional lake shore for beach, boating and other recreational facilities, and Northern Lights, Inc. is required under said Federal Power Commission Preliminary Permit No. 2141 to provide additional recreational facilities for the citizens of Idaho; and

WHEREAS, preliminary studies by Northern Lights, Inc., made under the terms of Federal Power Commission Preliminary Permit No. 2141, indicate that fishing will be improved on Priest Lake by the addition of an arm of the Lake approximately two and one-half miles long, and that fishing on Priest River will be improved by the outlet structure of the dam as proposed providing more exact control of Priest Lake and Priest River water levels; and

WHEREAS, Northern Lights, Inc., will be able to provide better electrical service at lower rates to approximately 2,000 inhabitants of its service area in northern Idaho, and especially to approximately 750 inhabitants of the shores and vicinity of Priest Lake and Priest River, for the proposed generation of 4,400 horsepower of electric energy at said Site No. 3; and

Now, THEREFORE, for and in consideration of the agreements to be performed by the party of the second part, as enumerated herein, and in further consideration of the benefits accruing to its citizens and inhabitants, the party of the first part does mutually agree with the party of the second part as follows:-

1. The party of the second part shall withdraw its Application No. _____ for the storage of 95,250 acre-feet and shall substitute an application to appropriate the public waters of the State of Idaho in the amount of 400 cubic feet per second from Priest River at Site No. 3 for the purpose of generating approximately 4,400 horsepower of electric energy, which substituted application shall be considered as an amendment of the Application No. _____ and shall enjoy the same priority as Application No. _____. The party of the first part agrees that such an application will not conflict with License No. 16642, and that, upon compliance with the provisions of the Idaho Code, Permit will be issued in the regular manner.

2. The party of the second part agrees to replace the Priest Lake Outlet Control Structure rendered inoperative by its generation of approximately 4,400 horsepower at Site No. 3 as proposed in Federal Power Commission Preliminary Permit No. 2141, by a more permanent structure built at Site No. 3 under plans and specifications to be prepared by the party of first part. The party of the second part shall render to party of the first part whatever assistance may be required in the preparation of said plans and specifications and when said plans and specifications have been approved by the Board of Examiners of the State of Idaho, and the Commissioner of Reclamation has issued Permit for Application provided for in Section 1, and the Federal Power Commission has issued license for construction at Site No. 3 of Project 2141, said party of second part shall proceed with the construction of said more permanent structure under said plans and specifications. When completed, the new structure shall become the property of the State of Idaho and shall be known as the "Priest Lake Outlet Control Structure" completely replacing the outlet control structure now existing, which shall then be removed by party of second part to extent required by State Reclamation Engineer.

3. The new "Priest Lake Outlet Control Structure", when constructed, shall be under the supervision of the State Reclamation Engineer. The parties hereto mutually agree that the supervisory control exercised shall be such as required under Chapter 61 of First Extraordinary Session of 1950 of the Laws of Idaho, and that after fulfilling the purposes of said Chapter 61, such supervision shall be such as will best fulfill the maximum utilization of the waters of Priest Lake and Priest River for power generation, as required under Permit issued under application provided for in Section 1, license theretofore issued by F. P. C. for Project 2141 Site No. 3.

4. The party of the second part shall operate and maintain the Priest Lake Outlet Control Structure for party of first part under the supervision of the State Reclamation Engineer, at its own expense. In consideration of said operation and maintenance, the party of the first part assigns to party of second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith for the term of the State Water Right to be issued under the Application and Permit referred to in Section 1, or the term of the F.P.C. license to be issued for Project No. 2141 Site No. 3, whichever is greater, or any extension or renewal of either license. Out of any moneys or revenues so collected and received the party of the second part shall set up an adequate depreciation reserve for the purpose of renewing and replacing any parts of the Priest Lake Outlet Control Structure which may require renewal or replacement at any time, and shall charge the net cost of such renewals and replacements less salvage to said reserve. The depreciation reserve shall comply with the terms of the F.P.C. license.

5. Pending the completion of the new Priest Lake Outlet Control Structure herein agreed upon, the party of the second part shall beginning operate and maintain the present Priest Lake Outlet Control Structure of party of first part under the supervision of the State Reclamation Engineer. In consideration of said operation and maintenance, the party of the first part assigns to party of the second part the right to collect all moneys and revenues collectable for the use and operation of said Priest Lake Outlet Control Structure and for the electric power and energy generated in connection therewith until the completion of the new Priest Lake Outlet Control Structure. Any renewals or replacements required during said period of operation shall be considered as a part of maintenance. The party of the second part shall receive any salvage from any parts required to be renewed or replaced in the maintenance or removal of the present Priest Lake Outlet Control Structure.

6. Sections 1 and 5 of this agreement shall become effective immediately, upon execution by both parties. Sections 2, 3, and 4 shall become effective only upon the issuance of permits, licenses, and approvals as required therein.

16642

IN WITNESS WHEREOF, the parties hereto have executed this agreement
the day and year first above written.

Party of First Part,-

STATE OF IDAHO

(Seal)

By _____
Mark R. Kulp, State Reclamation Engineer

Party of Second Part,-

NORTHERN LIGHTS, INC.

Attest: _____
Secretary

By _____
President

(Seal)

16642

elevation 3.0 feet, as shown on the gage of the U. S. Geological Survey located at the outlet, near Coolin, of said lake, the Company will operate said Control Structure to arrest the outflow of the lake and retain, for and during the main recreational season, said lake at elevation 3.0 feet at the same time permitting, as nearly as practicable, the flow of water below said Control Structure to continue with a minimum of fluctuation provided that during those months of the main recreational season said Control Structure will be operated in such manner that said flow of water shall be not less than sixty (60) cubic feet per second as recorded by the U. S. Geological Survey "Dickensheet" gage.

At the close of the main recreational season the Company will operate the Control Structure so as to permit the release of water retained by said Control Structure provided that such release shall be initiated on or before October 31 of each year but shall not be initiated before the first Friday following Labor Day.

NOW, THEREFORE, in contemplation of the beneficial use which incident thereto, may inure to the benefit of the Company in the future as it has in the past five (5) years, the Company is given the right under the supervision and control of the State Reclamation Engineer to operate said Outlet Control Structure as above specified. In consideration thereof, the Company agrees at its own expense to furnish labor, material, supplies, and all incidentals to:

- (a) operate, repair and maintain said Outlet Control Structure as presently constructed;

July 29, 1955

**Priest Lake Dam Operations
To Assist in Search of a Body Near Priest River**

On Friday morning, July 8, 1955, we received a request from Mr. Don Van Fleet, Chief of Police at Priest River, Idaho, to shut off the flow of Priest River to aid them in the search of the body of the Priest River Minister. The Minister had been shooting the rapids in a kayak, in the lower reach of the river near Priest River when the fatal accident occurred.

About 8:30 P.M. Mr. L. A. Eisele received a telephone call from Mr. Van Fleet stating that Mr. Bishop of Coolin, Idaho, had contacted Mr. Mark Kulp, State Engineer of Idaho, and that Mr. Kulp had authorized us to place the boards in the dam under the following conditions.

1. Do not cause lake to raise above the 4 foot mark.
2. Shut down should not continue more than 36 hours.

Mr. Kulp dispatched a Mr. Lyle of the Idaho Fish and Game Department to field inspect the operation.

Saturday, July 9, 1955

Leaving Spokane about 7:00 A.M., the following men accompanied me to Priest Lake Dam to install flashboards: C. Shearer, R. Short, F. Edmonds, and Vic Baxter. Shortly after our arrival a volunteer group from Priest River arrived and assisted us, in this group were:

Mr. Van Fleet, Chief of Police, Priest River.
Brother of Minister from Wisconsin
Mr. Rogers, farmer and logging contractor, Priest River.
(a diligent worker)
Elderly man with chain saw (Name Unknown)
Young man (Name Unknown)

There is a total of twenty bays in the dam. Eight bays from the left bank (looking downstream) were closed, then six bays from the right bank were closed. During this operation I talked with Mr. Elliott, who is Mr. Kulp's deputy, and with Mr. Lyle of the Fish and Game Dept. we took time out for lunch and during this period the flow at the Dickensheet gaging station located about 4 miles downstream stabilized. The flow dropped from 4,000 c.f.s. to 2,830 c.f.s.

16642

July 18, 1955

In the afternoon the remaining 6 bays were closed using all the available flashboard material. Three bays developed large leaks, which were diminished by placing 1" x 6" cross-wise to the flashboards. A total of eleven boards were placed in each bay.

Mr. Lyle and I estimated the flow to be between 200 and 300 c.f.s. and we felt that additional work was not warranted. I informed Mr. Lyle that we would start removing boards early Monday morning, which he approved.

Sunday, July 10, 1955

Mr. John Leuer, our observer at Priest Lake phoned this reading to me (6:00 P.M. lake = 3.8+).

The Dickensheet flow was constant from 8:30 A.M. to Midnight. Gage height of 2.30 = 253 c.f.s.

Monday, July 11, 1955

Messrs. C. Shearer and G. Johnson accompanied me to Priest Lake to remove boards. V. Baxter followed us in the flatbed which is equipped with a power winch. Before lunch we removed twenty topboards by hand, this operation increased the flow from 264 c.f.s. to 1,440 c.f.s. During this time, I visited with Mr. Elliott.

Mr. Leuer read the lake gage at noon, it read 4.0.

Mr. Baxter arrived at the dam at the close of our lunch period, as did Mr. Braun who lives near Dickensheet.

Mr. Braun informed me he had called our Mr. Wegner and made some suggestions on our operations. Mr. Wegner suggested he contact Mr. Elliott. Mr. Braun then suggested I put in some boards and close the leaks. I then accompanied him to the Dickensheet gage and informed him we hoped to remove enough boards to double the flow, in order to decrease the lake levels. Using the power winch and tongs, we removed about 20 boards in the afternoon. Two large boom sticks (45' and 60') were then removed from the upstream face of the dam by using the winch to clear the entrance.

I instructed Mr. Leuer to phone the noon readings to the System Operator starting Tuesday, July 12, through Sunday, July 17, 1955.

Enroute to Spokane, we stopped at Dickensheet again and found the flow to be 2,360 c.f.s. We then decided to shelf the flatbed and return in the morning to pull additional boards.

16642

July 18, 1955

Tuesday, July 12, 1955

Working under difficult conditions, 2 boards were removed from each bay, this increased the flow from 2,360 c.f.s. to 3,520 c.f.s. After lunch six or seven more boards were removed and the outflow was estimated to be 3,920 c.f.s. An inventory was then taken to determine the number of boards remaining in the dam. Results are shown below:

	<u>Left Bank</u>	<u>Right Bank</u>
Bay	1-2-3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20	
No. of Boards	5-5-5-5-5-4-7-4-5-5-5-5-5-5-4-5-4-4-5-5	

Enroute to Spokane, we stopped at Priest River and talked to Mr. Van Fleet. He told us they made an exhaustive search by boat, wadding, and walking along the banks, and that they found his jacket turned inside out. He is confident that the body is in the river. He thanked us for the work we did in aiding their search.

Attached is a copy of the Dickensheet hydrograph for July 9, 10 and 11 to 4:55 P.M.

Data below was secured from the hydrograph and flows were taken from the 1954 U.S.G.S. records.

<u>Day</u>	<u>Time</u>	<u>Equivalent Discharge</u>	
		<u>Gage Height</u>	<u>C.F.S.</u>
July 11	10:00 A.M.	5.85	4,000
July 11	1:15 P.M.	5.09	2,330
July 10	8:30 A.M. to Mid.	2.30	253
July 11	12:00 Noon	2.33	264
July 11	1:30 P.M.	3.99	1,440
July 11	4:55 P.M.	4.75	2,360
July 12	After lunch	5.55	3,520
July 12	Estimated	5.80	3,920

Record of lake heights covering the period of the operation are as follows:

Friday	July 8	10:00 A.M.	= 3.6)	
Saturday	July 9	12:00 Noon	= 3.5)	
Sunday	July 10	6:00 P.M.	= 3.8)	by John Leuer
Monday	July 11	12:00 Noon	= 4.0)	
Tuesday	July 12	2:00 P.M.	= 3.97)	by Johnson
Wednesday	July 13	12:00 Noon	= 3.9)	
Thursday	July 14	12:00 Noon	= 3.8)	by John Leuer

If the lake continues to drop a tenth of a foot per day, we will reach 3.2 on Wednesday, July 20. At this point, Mr. Eisele wants to de-accelerate the lake drop in order to stabilize the lake at 3.0

Yours truly,

16642
Walter E. Johnson
Hydrologist

WEJ:ejr

16642

June 24, 1952

Mr. H. A. Sewall
Newport
Washington

Dear Mr. Sewall:

We have no record of any water rights held by the Priest Lake Improvement Club on the waters of Priest Lake.

The Governor of Idaho, in trust for the people of Idaho, holds License No. 16642 for 800,000 acre feet of the waters of Priest Lake for the preservation of said water in said lake for scenic beauty, health, recreation, transportation and commercial purposes necessary and desirable for all the inhabitants of the state, as directed in Section 67-4305, Idaho Code.

There is an advisory committee of interests around the lake which cooperates with the state in determining the most desirable level of the lake for the recreation season, but we do not know a Priest Lake Improvement Club.

Very truly yours,

MARK R. KULP
State Reclamation Engineer

K:fg
cc: Mr. Art Moore

16642

ROBT. E. MCLEAN E. E.
BRANCH OFFICE
514 PAULSEN BLDG.
SPOKANE, WASH.

H. A. SEWELL AND J. A. SEWELL
MEMBER A. S. C. E. ASSOC. M. A. S. C. E.
CONSULTING AND CONTRACTING ENGINEERS
NEWPORT, WASHINGTON

June 21, 1952

RECEIVED
JUN 23 1952
Department of Reclamation

Mr. Mark Kulp
Commissioner of Reclamation
Boise, Idaho

Subject: Priest Lake Improvement Club
Water Rights

Dear Sir:

Mr. Hunziker has suggested that we write you
for copies of the water right or water rights of the
Priest Lake Improvement Club on Priest Lake.

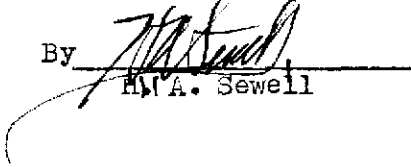
We presume that these will have to be photo-
statted, and if so, please let us know the cost of same and
we will send our check.

With kindest personal regards

Yours truly,

H. A. SEWELL & J. A. SEWELL
Consulting and Contracting Engineers

By


H.A. Sewell

HAS/b

16642

April 16, 1928.

Re: Permits 16640-16641-16642.

Hon. H. C. Baldrige,
Governor of Idaho,
Capitol Building.

Dear Governor Baldrige:

We are mailing you herewith Water Licenses
covering the above numbered permits on Pend O'Reille,
Coeur d'Alene, and Priest Lakes.

Very truly yours,

GEO. H. CARTER,
Commissioner of Reclamation,

By

Chief Clerk.

Enc.

16642

AFFIDAVIT OF PUBLICATION

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

J. G. Parsons being first duly sworn on oath deposes and says, that he is publisher of the Pend d'Oreille Review, a weekly newspaper printed and published at Sandpoint, Bonner County, Idaho; that the said Pend d'Oreille Review has been continuously and uninterruptedly published in said Bonner county during a period of 18 months or 78 weeks prior to the first publication of the hereto attached notice for publication in the case of Notice for Publication. Notice of proof of application of water to Beneficial use.

as it was published in the regular and entire issue of the said paper for a period of 16 days, consecutive weeks, commencing on the 16th day of June, 1927, and ending on the 7th day of July, 1927, and that said notice was published in said newspaper proper, and not in supplement form.

Subscribed and sworn to before me this 14th day of July, 1927.

J. G. Parsons
Vivian E. Shoemaker

Notary Public for Idaho.
Residing at Sandpoint, Idaho

NOTICE FOR PUBLICATION NOTICE OF PROOF OF APPLICATION OF WATER TO BENEFICIAL USE

Notice is hereby given that at 10:30 a. m., on the 27th day of July, 1927, at Boise, County of Ada, State of Idaho, before George N. Carter, commissioner of reclamation, at his office in the state capitol building, of the State of Idaho, proof will be submitted of the application to beneficial use of 800,000 acre-feet of the waters of Priest Lake in accordance with the terms and conditions of permit No. 16642, heretofore issued by the commissioner of reclamation of the State of Idaho.

The name and postoffice address of the person holding said permit is H. C. Baldridge, governor of Idaho, Boise, Idaho.

The beneficial use to which said water has been applied is the preservation of said Priest Lake for scenic beauty, health, recreation, transportation, and commercial purposes necessary and desirable for all the inhabitants of the State of Idaho.

The amount applied to beneficial use is 800,000 acre-feet.

The place where said water is used is at its natural location in Bonner County, State of Idaho, without diversion.

The source of supply of such water is Priest Lake.

The date of the priority which said user is prepared to establish is January 24, 1927.

This proof will be made in accordance with and under the authority and for the purposes set forth and authorized by Chapter 2, Idaho Session Laws of 1927.

GEORGE N. CARTER,
Commissioner of Reclamation.
June 16-23-30, July 7.

16642

July 27, 1927.

Re: Permit No. 16642-16640.

Publisher The Pend Oreille Review,
Sandpoint, Idaho.

Dear Sir:

We are mailing you herewith voucher forms in duplicate for fees for publication of notices of proof of beneficial use of water under the above numbered permits.

Please send affidavits of publication with the vouchers. A State warrant for fees will be returned to you as soon as the voucher has had time to go through the regular course in the auditor's office.

Very truly yours,

GEO. N. CARTER,
Commissioner of Reclamation,

By

Chief Clerk.

B:P

Enc.

16642

16642

Permit No. 16642

Examination for BEN. USE

County BONNER

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 a 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.

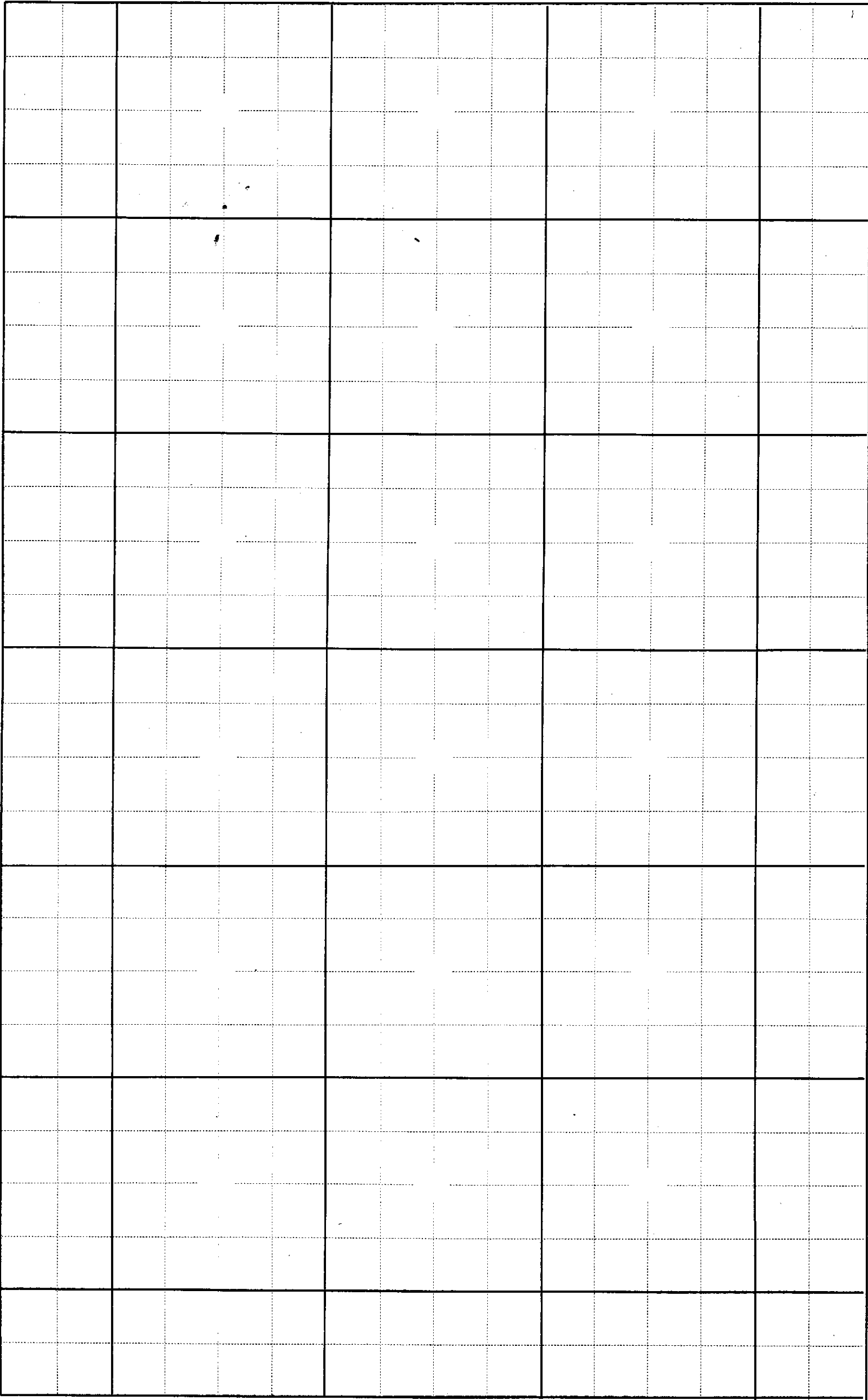
STATE OF IDAHO
DEPARTMENT OF RECLAMATION
OFFICE OF THE ENGINEER
BOISE, IDAHO

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
BOISE

REPORT OF ENGINEER

PERMIT NO. 16642

REPORT ON PROOF OF PROOF OF BENEFICIAL USE OF WATER



SCALE: 2 INCHES EQUALS 1 MILE. DRAW MAP IN INK.

STATE OF IDAHO
Department of Reclamation
Boise-Idaho

PERMIT No. 16642

PROOF OF APPLICATION OF WATER TO BENEFICIAL USE

Deposition of Holder

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

Answer: H. C. BALDRIDGE

age, over twenty-one years

residence and postoffice address, Boise-Idaho

occupation, Governor of Idaho

Question 2: If acting on behalf of a corporation, state its name, your position with reference to same and your authority for appearing in its behalf

Answer: Acting as Governor and Trustee for the people of the State of Idaho under the authority of Chapter 2, Session Laws of 1927

Question 3: State number and date of permit and date of priority you propose to establish under the permit.

Answer: Permit No. 16642

issued and approved, January 27, 1927

date of priority, January 27, 1927

Question 4: State source of water supply and give exact location of point of diversion

Answer: Source of water supply, Priest Lake

Water not to be diverted at any point

16642

Question 5: Describe your works of diversion, etc.

Answer: No works of diversion required or contemplated under appropriation.

Question 6: State for what purpose water is used and describe place of use

Answer: Purpose of use is preservation of said waters in said lake in its present condition for scenic beauty, health and recreation purposes necessary and desirable for all the inhabitants of the state.

Question 7: What is the minimum amount of water required for the purpose specified above?

Answer: All the waters of Priest Lake and its tributaries which remained unappropriated at the date of priority claimed for this permit, to-wit: the 27th day of January, 1927, to the extent of 800,000 acre-feet annually

Question 8: State when, how and what amount and to what extent the waters under the above mentioned permit have been used.

Answer: Since the date of application for this permit and long prior thereto the water has been used to the full extent of this appropriation for the beneficial use above recited.

H. C. Baldridge

I HEREBY CERTIFY That the foregoing testimony was
subscribed to before me at my office in Boise,
County of Ada, State of Idaho, on this 27th day
of July, 1927.

G. H. Carter
Commissioner of Reclamation.

STATE OF IDAHO

Department of Reclamation

Boise-Idaho

PERMIT No. 16642

PROOF OF APPLICATION OF WATER TO BENEFICIAL USE

DEPOSITION OF WITNESS

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

Answer: R. E. THOMAS

age, over twenty-one years

occupation, State Game Warden

residence and postoffice address, Boise-Idaho

Question 2: Are you familiar with the provisions and conditions of Permit No. 16642?

Answer: Yes

QUESTION 3: State source of water supply, place of diversion and describe works for conveying water.

Answer: Source of water supply, PRIEST LAKE and its tributaries

No diversion point nor diversion works

Question 4: State for what purpose water is used and at what place

Answer: Water is used at Priest Lake

Purpose of use is the preservation of said lake in its present condition for scenic beauty, health and recreation purposes

Question 5: Have you any interest in the works, water or lands above mentioned?

Answer: No, except as a citizen of the State of Idaho

16642

Question 6: State when, how, what amount and to what extent you have witnessed the application for beneficial use of water claimed under this permit.

Answer: For the past several years, have noticed its application to the full extent of the appropriation under this permit.

R. E. Thomas.

SUBSCRIBED and SWORN to before me this 27th
day of July, 1927.

Geo. H. Carter
Commissioner of Reclamation

STATE OF IDAHO
Department of Reclamation
Boise-Idaho

PERMIT No. 16642

PROOF OF APPLICATION OF WATER TO BENEFICIAL USE

DEPOSITION OF WITNESS

Question 1: State your name, age, residence, occupation and postoffice address

Answer: I. H. NASH

Age, over twenty-one years

occupation, State Land Commissioner

residence and postoffice address, Boise-Idaho

Question 2: Are you familiar with the provisions and conditions of Permit No. 16642?

Answer: Yes

Question 3: State source of water supply, place of diversion and describe works for conveying water.

Answer: Source of water supply, PRIEST LAKE and its tributaries

No diversion point nor diversion works

Question 4: State for what purpose water is used and at what place

Answer: Water is used at Priest Lake

Purpose of use is the preservation of said lake in its present condition for scenic beauty, health and recreation purposes

Question 5: Have you any interest in the works, water or lands above mentioned?

Answer: No, except as a citizen of the State of Idaho

16642

Question 6: State when, how, what amount and to what extent you have witnessed the application for beneficial use of water claimed under this permit.

Answer: For the past several years, have noticed its application to the full extent of the appropriation under this permit.

J. H. Nash

SUBSCRIBED and SWORN to before me this 27th
day of July, 1927.

G. M. Carter
Commissioner of Reclamation.

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
BOISE, IDAHO

Date June 11, 1927

**Publisher The Pend Oreille Review,
Sandpoint, Idaho.**

DEAR SIR:

Enclosed you will find notice for publication once a week for four consecutive weeks prior to July 27, 1927, the date set for proof, the expense of the publication to be paid by the applicant, H. C. Baldrige, Governor, Boise, Idaho to whom you should furnish proof of publication on or prior to the date set for proof.

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

Very truly yours,

GEO. N. CARTER,

Commissioner of Reclamation.

16640
16641
16642

16642

NOTICE TO ACCOMPANY THIS LETTER MUST BE MADE IN DUPLICATE

(Date) Boise, Idaho

(P. O.) April 30, 1927

TO THE COMMISSIONER OF RECLAMATION:

Boise, Idaho.

Dear Sir:

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

H. C. Baldridge

(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 compe-
tent engineer.)

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

G. M. Carter
Engineer.

16642

NOTICE FOR PUBLICATION.

NOTICE OF PROOF OF APPLICATION OF WATER TO BENEFICIAL USE.

1
Notice is hereby given that at 10:30 A. M., on the 27th day of July, 1927, at Boise, County of Ada, State of Idaho, before George N. Carter, Commissioner of Reclamation, at his office in the State Capitol Building, of the State of Idaho, proof will be submitted of the application to beneficial use of 800,000 acre-feet of the waters of Priest Lake in accordance with the terms and conditions of permit No. 16642, heretofore issued by the Commissioner of Reclamation of the State of Idaho.

The name and postoffice address of the person holding said permit is H. C. Baldrige, Governor of Idaho, Boise, Idaho.

The beneficial use to which said water has been applied is the preservation of said Lake Priest for scenic beauty, health, recreation, transportation, and commercial purposes necessary and desirable for all the inhabitants of the State of Idaho.

The amount applied to beneficial use is 800,000 acre-feet.

The place where said water is used is at its' natural location in Bonner County, State of Idaho, without diversion.

The source of supply of such water is Priest Lake.

The date of the priority which said user is prepared to establish is January 24, 1927.

16642

This proof will be made in accordance with and under the authority and for the purposes set forth and authorized by Chapter 2, Idaho Session Laws of 1927.

Geo. N. Carter,
Commissioner of Reclamation.

April 30, 1927

Re: Permits Nos. 16640, 16641
and 16642

HONORABLE H. C. BALDRIDGE
Governor, State of Idaho
Capitol Building

My dear Sir:

Further reference is made to the matter of initiating the procedure looking toward proof of application of water to beneficial use of Pond Oreille, Coeur d'Alene and Priest lakes, all as set out in House Bill No. 43 of the Laws of 1927.

Enclosures are: Prepared notice for publication of intention to make proof and authorization to this department to publish such notice in the paper designated in each case.

The authorization for this department to publish notice should bear your signature, above mine, in each of the three cases or for each of the three permits.

I know of no reason why these publications should not be completed and the way cleared to preparing the depositions on or before the date set for the proofs, which is July 27, 1927.

Respectfully yours,

Commissioner of Reclamation

CHE:G
Enclosures

16642

State of Idaho
DEPARTMENT OF RECLAMATION
BOISE

Gov. H. C. Baldrige,
Capitol Building,
Boise, Idaho.

April 5, 1927.

Dear Sir:

I enclose herewith blank notice of proof of Application of Water to Beneficial Use under your Permit No. **16642**....., which kindly fill out and return to me at least 60 days before the date upon which you wish to submit proof. The date of the proof is set out in your permit, and if proof is submitted subsequent to that your priority will be advanced a time equal to the difference of the time between the date proof should have been submitted and date it is submitted.

Yours truly,

GEO. H. CARTER.

Commissioner of Reclamation.

PRIEST LAKE.

16642

State of Idaho

DEPARTMENT OF RECLAMATION

BOISE

Permit No. 16642.

**Gov. H. C. Baldrige,
State House,
Boise, Idaho.**

Boise, Idaho,

March 11, 1927.

Dear Sir:

I enclose herewith above numbered permit. BE SURE AND NOTE
LIMITATIONS AND CONDITIONS OF SAME as given under approval of
the Commissioner of Reclamation on the third page.

GEO. N. CARTER.

Commissioner of Reclamation.

16642

APPLICATION FOR PERMIT 97-2020 TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF IDAHO

Application No. 23539.
Permit No. 16642.
District No.

1. Name of Applicant: **H. C. Baldrige, Governor of Idaho.**

Postoffice address: **The Capitol, Boise;** County: **Ada;**

State: **Idaho.**

I. If applicant is a corporation, give:

- (a) Date and place of incorporation:
- (b) Amount of capital stock:
- (c) Amount paid in:
- (d) Names and addresses of directors:

II. The financial resources of the applicant are:

- (a) Cash on hand:
- (c) Bonds to be issued:

- (b) Treasury stock:
- (d) Other resources:

2. Quantity of water claimed: **800,000 acre-feet** / (See **remarks paragraph a)**
cubic feet per second. 2

3. Source of water supply: **Priest Lake.** which is a tributary of
Lake.

4. Location of point of diversion **at present outlet to the** /feet distant from the
corner of Section , T. , R. , B. M., and is in the
of Section , T. , R. , B. M., County of **Bonner.**

5. Water is to be used for: **recreational, resort, transportation and commercial purposes.**

6. If for mining, milling, power or manufacturing purposes, give:

(a) Point of use of water: feet distant from corner of Section
T. , R. , B. M., in the of Section , T. , R. , B. M.

(b) Amount of power generated: H. P., under feet head.

(c) Water is to be returned to at a point feet
distant from the corner of Section , T. , R. , B. M., in the
of Section , T. , R. , B. M.

7. Estimated cost of works: \$

8. Kind of works:

9. Height of dam feet; length of dam at top feet; length of dam at bottom
feet; material used in dam:

10. Size of headgate: Width feet; height feet.

11. Ditch: Width at bottom feet; width at water line feet; depth of water
feet; dimensions of flume
Diameter of pipe inches; length of conduit miles.
Average grade per mile feet.

12. The time required for the completion of such work is years.

13. The time required for the complete application of the water to the proposed use is **six months.** ~~seventeen years~~

14. The land to be irrigated is described in the following tabulation: See remarks.

15. (a) Is reservoir to be used? If so, fill in (b) and (c) below.
 (b) Name of Reservoir and number of Storage Permit:
 (c) Date of filing of Application for Storage Permit and Name of Applicant:

BE IT KNOWN THAT The undersigned hereby makes application for permit to appropriate the public waters of the State of Idaho as herein set forth.

H. C. Baldrige,
Governor of Idaho.

Applicant.

By

Agent.

Date of first receipt at Department of Reclamation: 9.00 a. m., January 24, 1927.

Returned to applicant for correction:

Corrected application received:

APPROVAL OF COMMISSIONER OF RECLAMATION

The number of this permit is **16642.**

Recorded in Book 60; Page 16642. Approved January 27, 1927.

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

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

The whole of said work to be completed on or before

Beneficial use of water appropriated in accordance herewith, to be made on or before **July 27, 1927.**

Witness my hand this 27th day of January, 1927.

GEO. N. CARTER,
Commissioner of Reclamation.

Remarks:

14.

Twp.	Range	Sec.	NE¼				NW¼				SW¼				SE¼				Totals
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
			(a) Quantity of water claimed under this application is 800,000 acre-feet annually, the quantity necessary to protect and preserve Priest Lake for recreational purposes and that quantity necessary to provide for maintaining the lake water surface elevation at a point not higher than the natural high water level of the Lake and at a point not lower in any season, than the lower water level of the said Lake, the appropriation thus covering all of the water in the Lake below the natural low water elevation, and sufficient of the water flowing into the said Lake to maintain it at its natural level. General Remarks: This application for permit is made pursuant to the provisions of House Bill No. 43 enacted by the Nineteenth Session of the Idaho Legislature and is made for the purpose of complying with and carrying out the provisions of the said bill. Chap 2. 19th Session 1927																
			Ac. LICENSE ISSUED FOR 800,000 AC. FT. P. 3508																

S T A T E O F I D A H O

LICENSE AND CERTIFICATE OF WATER RIGHT

Water License No..16642.... Priority 1-24-1927 Amount 800,000 ac.ft.

THIS IS TO CERTIFY That H. C. BALDRIDGE, Governor of Idaho and Trustee for the people of the State of Idaho, of Boise, Idaho, made application for a permit to appropriate the public waters of the State of Idaho, dated January 24, 1927;

THAT Permit No. 16642 was issued under said application;

THAT requirement of proof of completion of works, as provided by Chapter 218, Section 5574, Idaho Compiled Statutes, is hereby waived by authority granted in Chapter 2, Section 1, Laws of 1927;

THAT, on the 27th day of July, 1927, under the terms and provisions of said Permit No. 16642, H. C. Baldrige, Governor of Idaho and Trustee for the people of the State of Idaho, made proof to the satisfaction of the Commissioner of Reclamation of Idaho, of a right to the use of the water of PRIEST LAKE, situate in Bonner County, Idaho, for the preservation of said water in said lake for scenic beauty, health and recreation purposes necessary and desirable for all the inhabitants of the State; and,

THAT said right to the use of said water has been perfected in accordance Chapter 2, Laws of 1927, and other Laws of Idaho, and is hereby confirmed by the Commissioner of Reclamation of Idaho and entered of record in Volume 6 of Licenses, at page 3508, on the 12th day of April, 1928;

The right hereby confirmed dates from January 24, 1927;

The amount of water to which such right is entitled and hereby confirmed, for the purposes aforesaid, is 800,000 acre-feet annually, the amount necessary to maintain the level of Priest Lake not higher than normal high water stage and not lower than the natural low water stage at any season of the year.

The right to the use of the water aforesaid, hereby confirmed, is restricted to the place of use herein described, as provided by the laws of Idaho.

WITNESS, The seal and signature of the Commissioner of Reclamation affixed at Boise, Idaho, this 12th day of April, 1928.

(SEAL)

GEO. N. CARTER,
Commissioner of Reclamation.

16642

S T A T E O F I D A H O

LICENSE AND CERTIFICATE OF WATER RIGHT

Water License No. 16642 Amount - 800,000 ac. ft. Priority 1-24-1927.

THIS IS TO CERTIFY That H. C. Baldridge, Governor of Idaho and Trustee for the people of the State of Idaho, of Boise, Idaho, made application for a permit to appropriate the public waters of the State of Idaho, dated January 24, 1927;

THAT Permit No. 16642 was issued under said application;

THAT requirement of proof of completion of works, as provided by Chapter 218, Section 5574, Idaho Compiled Statutes, is hereby waived by authority granted in Chapter 2, Section 1, Laws of 1927;

THAT, on the 27th day of July, 1927, under the terms and provisions of said Permit No. 16642, H. C. Baldridge, Governor of Idaho and Trustee for the people of the State of Idaho, made proof to the satisfaction of the Commissioner of Reclamation of Idaho, of a right to the use of the water of PRIEST LAKE, situate in Bonner County, Idaho, for the preservation of said water in said lake for scenic beauty, health and recreation purposes necessary and desirable for all the inhabitants of the State; and,

THAT said right to the use of said water has been perfected in accordance with Chapter 2, Laws of 1927, and other laws of Idaho, and is hereby confirmed by the Commissioner of Reclamation of Idaho and entered of record in Volume 6 of Licenses, at page 3508, on the 12th day of April, 1928;

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The right to the use of the water aforesaid, hereby confirmed, is restricted to the place of use herein described, as provided by the laws of Idaho.

WITNESS, The seal and signature of the Commissioner of Reclamation affixed at Boise, Idaho, this 12th day of April, 1928.

GEO. N. CARTER,
Commissioner of Reclamation.

(SEAL)

WRR100
97-2020

IDAHO DEPARTMENT OF WATER RESOURCES
WATER RIGHTS PROOF READING REPORT

PAGE 2
4-FEB-1986 21:16:02

----- D A T E S ----- F L A G S -----

53	VERIFIED	-	61	DATE-1	-
54	LAST UPDATE	-	62	DATE-2	-

4-FEB-1986

W-YR	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	CFS-MONTHS
30	698	723	355	211	373	384	1457	1273	1635	304	163	57	7632
31	650	840	207	375	399	570	987	2355	1449	385	85	113	8414
32	650	840	425	375	437	945	2168	5000	4673	860	255	156	16785
33	761	1227	800	755	488	545	1100	3370	5305	1210	302	252	16116
34	1000	1298	1511	1579	900	1187	3732	3215	1556	307	158	45	16489
35	733	1300	724	761	546	686	1100	3468	3559	1103	288	131	14400
36	650	840	254	375	242	283	1563	3183	1428	320	96	136	9371
37	650	673	237	257	295	194	634	1908	2667	698	247	229	8688
38	768	1300	944	1026	636	920	1800	4388	3539	729	189	136	16374
39	714	840	386	398	400	507	1571	2820	1971	615	146	104	10473
40	650	840	523	490	490	948	1620	3170	1457	289	104	215	10796
41	794	840	490	475	411	1100	1600	2787	1887	532	275	590	11779
42	1020	1729	2091	947	576	582	1170	2561	3022	1140	406	238	15482
43	698	872	490	409	400	491	2096	3171	3563	1236	376	145	13946
44	774	840	443	375	289	223	950	1221	1628	343	137	131	7354
45	650	840	393	408	412	570	609	4202	3580	773	198	213	12849
46	724	1005	490	544	490	636	1800	5178	4941	1140	384	252	17583
47	803	992	618	584	652	1100	1626	4381	2990	665	311	318	15039
48	1573	1632	800	607	490	570	1100	5000	4718	1169	460	313	18432
49	867	840	490	371	400	411	1600	4399	2170	452	213	183	12396
50	738	1239	779	563	490	675	1067	3360	5324	1545	460	252	16491
51	1000	1849	1436	1221	1215	960	1472	4289	2986	790	239	252	17710
52	1010	1403	1166	800	490	570	1655	4635	3082	831	182	118	15942
53	650	799	332	490	489	564	950	3514	4506	1155	406	197	14052
54	685	840	490	490	490	568	950	4573	5045	1968	605	400	17103
55	852	1300	617	503	468	442	790	2236	5600	2390	460	316	15975
56	1000	1486	901	859	548	647	1800	5372	4800	1046	307	190	18955
57	816	840	490	375	431	570	1075	4843	2667	499	231	124	12962
58	781	840	454	375	597	1100	1332	4404	2294	423	99	111	12809
59	672	973	546	807	506	577	1210	3519	4761	877	257	623	15328
60	1145	1568	911	794	490	848	1662	4227	4353	945	304	252	17497
61	960	1139	490	541	898	1100	1495	5000	5600	1062	215	156	18657
62	927	840	490	375	362	350	1368	3200	3342	594	247	252	12346
63	968	1300	942	829	735	841	1124	3200	2849	829	244	166	14028
64	650	1041	490	520	400	429	719	2996	4758	977	343	252	13575
65	830	1086	563	551	490	570	1478	3802	3652	816	376	230	14443
66	650	895	490	492	400	570	1251	3266	3196	707	181	134	12232
67	650	953	870	938	711	829	950	3200	5536	917	163	70	15789
68	883	1017	490	490	548	1169	1100	3112	3530	666	395	400	13800
69	1000	1808	1134	800	533	572	1961	5076	4292	1247	285	252	18961
70	927	992	490	504	481	546	687	2895	3143	480	143	155	11442
71	720	840	508	582	695	657	1227	4911	3889	1153	280	252	15714
72	803	926	490	490	490	1227	1264	4736	4292	1300	406	252	16676
AVG	817	1076	657	598	518	680	1369	3661	3517	872	270	218	14253

Data compiled by
Bill Ondrechen June 20, '84

Monthly flows (cfs)

W-YR	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	CFS-MONTHS
30	242	67	371	146	373	400	2398	1843	1282	288	132	72	7614
31	205	237	179	320	387	629	1548	3249	1096	369	52	129	8401
32	192	324	374	345	469	1026	3428	5845	3632	746	239	156	16777
33	322	807	929	545	398	447	1813	4323	4885	1145	237	314	16165
34	594	781	1641	1449	956	1364	4674	3459	1035	291	125	62	16432
35	294	985	623	680	636	605	1625	4424	3139	989	272	131	14402
36	192	227	249	324	228	299	2504	3752	1076	304	63	153	9370
37	120	111	254	192	295	210	986	3046	2314	681	231	229	8670
38	329	1087	873	896	636	839	2921	4767	3119	615	172	136	16390
39	275	250	338	447	290	509	2512	3389	1618	598	114	121	10463
40	195	247	706	366	487	994	2712	3414	1104	273	72	232	10801
41	355	341	428	450	411	1288	2353	3253	1534	516	259	758	11944
42	922	1040	1978	816	576	501	1926	3131	2669	1163	394	193	15308
43	259	452	403	333	360	429	3541	3253	3311	1171	311	145	13967
44	335	282	413	301	247	239	1331	2332	1276	327	104	148	7335
45	205	376	278	408	412	529	904	5503	3159	659	182	213	12830
46	285	585	488	465	425	694	2963	6200	3815	1073	320	289	17602
47	329	571	618	503	742	1036	2701	4788	2469	649	294	385	15084
48	1573	943	571	511	495	410	1788	6125	4121	1104	506	266	18411
49	363	378	369	255	411	418	2558	5115	1649	436	197	183	12331
50	299	818	779	481	506	660	1487	4417	4904	1561	413	151	16478
51	1057	1160	1322	1091	1341	764	2228	5020	2465	774	223	292	17746
52	1036	714	1052	638	461	460	2838	5042	2561	815	166	118	15900
53	151	205	348	553	474	467	1420	4702	4085	1090	384	153	14031
54	246	405	416	473	429	468	1407	5773	4625	1984	589	370	17185
55	312	884	613	421	378	345	1143	3375	5552	2209	423	271	15925
56	886	914	787	729	548	566	3003	6354	3674	932	291	190	18874
57	377	351	421	319	463	553	1597	5900	2146	483	215	124	12949
58	342	311	397	359	794	1062	2044	5136	1773	407	67	128	12818
59	233	553	546	807	506	496	1966	4251	4341	763	241	792	15494
60	1047	879	797	582	487	851	2754	4633	3932	831	288	276	17357
61	498	719	424	525	989	1064	2205	6164	4984	706	198	156	18632
62	488	329	423	288	324	366	2309	3851	2904	577	231	269	12359
63	512	918	1036	699	735	759	1881	3856	2407	813	228	166	14010
64	194	639	460	468	289	355	1072	4134	4506	864	327	304	13610
65	340	665	563	470	438	452	2405	4534	3232	703	359	230	14391
66	164	523	444	457	295	605	2069	3997	2675	691	164	134	12220
67	143	603	1000	808	711	748	1281	4342	5117	803	137	81	15775
68	444	597	416	420	702	1397	1348	3864	3196	631	379	524	13918
69	862	1205	1020	590	621	491	3222	6003	3166	1182	220	289	18871
70	452	571	481	431	391	449	1040	4033	2790	464	111	171	11384
71	281	380	546	501	785	576	1983	5643	3469	1088	215	279	15746
72	338	506	444	437	464	1578	1701	5468	3872	1267	363	207	16644
AVG	425	580	624	519	520	660	2130	4458	3039	815	244	232	14247

Monthly Avg Net Inflow to Priest Lake

PEND OREILLE RIVER BASIN

12394000 PRIEST RIVER NEAR COOLIN, ID

LOCATION.--Lat 48°27'07", long 116°53'58", in SE&SW&NE& sec.19, T.59 N., R.4 W., Bonner County, Hydrologic Unit 17010215, in Dickensheet campground, on left bank 190 ft (57.9 m) downstream from Dickensheet Bridge, 2.5 mi (4 km) downstream from Binarch Creek, 3 mi (4.8 km) southwest of Coolin, 5.2 mi (8.4 km) downstream from outlet of Priest Lake, and at mile 38.8 (62.4 km).

DRAINAGE AREA.--611 mi² (1,582 km²).

PERIOD OF RECORD.--October 1948 to current year.

GAGE.--Water-stage recorder. Datum of gage is 2,338.24 ft (712.70 m) National Geodetic Vertical Datum of 1929. Prior to Feb. 23, 1949, nonrecording gage at same site and datum.

REMARKS.--Records good except those for Feb. and Mar., which are fair. No diversion above station. Flow partly regulated by Priest Lake (see sta 12393000).

AVERAGE DISCHARGE.--34 years, 1,306 ft³/s (37.0 m³/s), 29.03 in./yr (737 mm/yr), 946,200 acre-ft/yr (1,167 hm³/yr).

EXTREMES FOR PERIOD OF RECORD.--Maximum discharge, 8,900 ft³/s (252 m³/s) June 18, 1974, gage height, 8.44 ft (2.573 m); minimum observed, 26 ft³/s (0.736 m³/s) Sept. 25, 1958, gage height, 1.16 ft (0.354 m), but may have been less Sept. 11, 1953, Sept. 24, 1958, when stage was below intake.

EXTREMES OUTSIDE PERIOD OF RECORD.--Flood of May 29, 1948, reached a stage of 8.40 ft (2.560 m) present site and datum, discharge, 8,670 ft³/s (246 m³/s).

EXTREMES FOR CURRENT YEAR.--Maximum discharge, 6,230 ft³/s (176 m³/s) May 27, gage height, 6.91 ft (2.106 m); minimum, 88 ft³/s (2.49 m³/s) Sept. 18, 19, gage height, 1.65 ft (0.503 m).

Rating table (gage height, in feet, and discharge, in cubic feet per second)
(Stage-discharge relation affected by ice Jan. 20-22; shifting-control method used May 2 to July 12)

1.6	76	4.0	1400
2.0	152	5.0	2690
2.5	315	6.0	4190
3.0	570	7.0	5890
3.5	930	8.0	7930

DISCHARGE, IN CUBIC FEET PER SECOND, WATER YEAR OCTOBER 1981 TO SEPTEMBER 1982

DAY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
	MEAN VALUES											
1	145	1000	763	680	573	2000	1310	2370	5530	2650	614	276
2	145	973	786	680	555	1960	1320	2460	5550	2510	609	276
3	241	949	786	680	544	1920	1310	2550	5660	2720	608	276
4	455	925	763	674	402	1910	1290	2680	5620	2880	608	277
5	809	902	786	668	320	1890	1280	2720	5640	2910	549	391
6	1270	879	818	668	320	1870	1260	2760	5590	2900	517	494
7	1720	857	810	668	320	1810	1230	2820	5550	2880	392	494
8	2090	831	802	668	320	1810	1210	2880	5440	2850	328	494
9	2360	808	786	668	320	1820	1180	2930	5300	2820	514	495
10	2570	786	818	661	325	1860	1160	2940	5200	2780	736	494
11	2650	763	826	661	340	1880	1260	3000	5110	2750	670	493
12	2720	763	818	661	400	1900	1360	3080	5110	2310	608	491
13	2610	770	802	654	530	1900	1540	3200	5140	827	608	417
14	2430	810	802	570	760	1900	1680	3320	5270	472	493	293
15	2270	826	794	546	930	1880	1710	3480	5350	505	337	238
16	2120	826	794	546	1040	1830	1720	3720	5460	804	284	158
17	1980	858	778	540	1200	1790	1720	3990	5480	1180	282	91
18	1850	858	763	350	1400	1750	1720	4320	5440	1310	280	89
19	1740	858	763	291	1730	1700	1710	4660	5320	1160	281	153
20	1630	850	763	280	1910	1690	1680	4890	5210	1090	450	183
21	1530	866	756	285	1910	1660	1670	5010	5090	1080	548	155
22	1420	858	749	300	1910	1610	1670	5210	5010	957	553	243
23	1340	858	735	396	1950	1570	1680	5440	4900	882	498	311
24	1270	850	728	546	1950	1520	1750	5600	4740	882	316	313
25	1210	834	721	570	1930	1500	1780	5770	4560	789	219	315
26	1150	818	707	569	1920	1480	1850	6000	4320	751	217	319
27	1100	802	707	590	1960	1470	1900	6150	4280	751	215	566
28	1080	786	700	591	1980	1450	2040	6130	4060	614	215	781
29	1070	770	694	582	---	1420	2200	6020	3740	553	157	1340
30	1040	756	694	575	---	1380	2280	5810	3380	589	107	1500
31	1030	---	687	573	---	1360	---	5620	---	609	207	---
TOTAL	47045	25290	23699	17391	29749	53490	47470	127530	152050	48765	13020	12416
MEAN	1518	843	764	561	1062	1725	1582	4114	5068	1573	420	414
MAX	2720	1000	826	680	1980	2000	2280	6150	5660	2910	736	1500
MIN	145	756	687	280	320	1360	1160	2370	3380	472	107	89
AC-FT	93310	50160	47010	34500	59010	106100	94160	253000	301600	96730	25830	24630
CAL YR 1981	TOTAL	540401	MEAN	1481	MAX	4670	MIN	145	AC-FT	1072000		
WTR YR 1982	TOTAL	597915	MEAN	1638	MAX	6150	MIN	89	AC-FT	1186000		

PEND OREILLE RIVER BASIN

12393000 PRIEST LAKE AT OUTLET, NEAR COOLIN, ID

LOCATION.--Lat 48°29'36", long 116°52'58", in NE¼NE¼SW¼ sec.5, T.59 N., R.4 W., Bonner County, Hydrologic Unit 17010215, 0.5 mi (0.8 km) east of outlet, 1.8 mi (2.9 km) northwest of Coolin, and 44 mi (70.8 km) upstream from mouth of Priest River.

DRAINAGE AREA.--572 mi² (1,480 km²).

PERIOD OF RECORD.--June 1911 to September 1913 (fragmentary gage-height records at Coolin, published as part of records for "Priest River at outlet of Priest Lake, at Coolin"), April 1928 to July 1950 (gage-height record only), August 1950 to current year.

GAGE.--Water-stage recorder. Datum of gage is 2,434.64 ft (742.078 m) National Geodetic Vertical Datum of 1929. June 18, 1911, to Sept. 30, 1913, nonrecording gages at Coolin at different datums. Apr. 21, 1928, to Oct. 18, 1939, nonrecording gage at site 400 ft (122 m) north of lake outlet at present datum.

REMARKS.--Flow from Priest Lake is regulated to hold lake at heights desirable for recreation interests during summer months and storage is released for power use downstream during winter months. Storage began Aug. 9, 1950. Prior to Aug. 9, 1950, some regulation resulted from logging operations in the outlet channel. Figures given herein represent contents above gage height of about -2 ft (-0.61 m). Capacity table is based on area measured from Priest Lake quadrangle (scale 1:250,000) and reconnaissance survey of marginal areas and is only approximate. New dam completed Nov. 27, 1978.

EXTREMES FOR PERIOD OF RECORD.--Maximum gage height, 6.68 ft (2.036 m) June 20, 1974, contents, 207,500 acre-ft (256 hm³); minimum, -0.46 ft (-0.140 m) Jan. 5, 6, 1977, contents, 37,500 acre-ft (46.53 hm³).

EXTREMES FOR CURRENT YEAR.--Maximum gage height, 4.66 ft (1.420 m) May 27, contents, 158,900 acre-ft (196 hm³); minimum, 0.09 ft (0.027 m) Feb. 8, 9, contents, 50,400 acre-ft (62.1 hm³).

Capacity table (gage height, in feet, and contents, in acre-feet)

0.0	48,000
3.0	119,300
4.0	143,100
4.7	159,900

GAGE HEIGHT (FEET ABOVE DATUM), WATER YEAR OCTOBER 1981 TO SEPTEMBER 1982

INSTANTANEOUS OBSERVATIONS AT 2400												
DAY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
1	3.04	.69	.42	.23	.17	1.27	.94	1.90	4.17	3.10	3.05	3.06
2	3.11	.66	.44	.21	.15	1.26	.93	1.99	4.15	3.19	3.06	3.06
3	3.13	.63	.43	.22	.13	1.25	.93	2.12	4.14	3.26	3.03	3.06
4	3.11	.60	.39	.21	.11	1.22	.91	2.14	4.13	3.26	3.02	3.08
5	3.08	.57	.44	.19	.10	1.19	.90	2.19	4.11	3.27	3.02	3.09
6	3.03	.53	.46	.16	.10	1.17	.88	2.24	4.10	3.26	3.02	3.07
7	2.99	.49	.45	.16	.10	1.16	.86	2.30	4.03	3.22	3.04	3.06
8	2.89	.46	.43	.17	.09	1.16	.84	2.35	3.95	3.16	3.06	3.05
9	2.82	.45	.45	.16	.09	1.18	.81	2.41	3.87	3.10	3.12	3.04
10	2.66	.43	.47	.17	.13	1.20	.80	2.50	3.81	3.06	3.04	3.04
11	2.50	.40	.48	.16	.17	1.21	.91	2.60	3.77	2.88	3.04	3.03
12	2.33	.41	.46	.15	.30	1.22	.98	2.71	3.83	2.89	3.05	3.02
13	2.15	.42	.44	.13	.35	1.22	1.12	2.81	3.88	2.92	3.05	3.02
14	2.00	.45	.45	.11	.48	1.23	1.22	2.92	3.94	3.00	3.02	3.02
15	1.87	.48	.44	.10	.57	1.21	1.26	3.02	4.00	3.08	3.03	3.01
16	1.72	.48	.43	.10	.67	1.19	1.27	3.12	4.05	3.13	3.04	3.01
17	1.61	.50	.41	.17	.78	1.15	1.29	3.27	4.05	3.12	3.05	3.01
18	1.50	.51	.38	.17	.87	1.13	1.29	3.40	3.98	3.11	3.06	3.04
19	1.39	.51	.41	.21	1.12	1.10	1.28	3.55	3.90	3.10	3.10	3.03
20	1.30	.52	.40	.21	1.22	1.07	1.28	3.69	3.83	3.09	3.08	3.03
21	1.20	.50	.38	.19	1.23	1.04	1.27	3.85	3.80	3.05	3.06	3.07
22	1.13	.52	.36	.14	1.24	1.02	1.27	4.00	3.73	3.06	3.05	3.09
23	1.04	.50	.35	.18	1.23	.99	1.29	4.15	3.63	3.06	3.01	3.07
24	.98	.50	.35	.23	1.23	.97	1.35	4.30	3.53	3.05	3.02	3.07
25	.90	.48	.33	.23	1.22	.96	1.39	4.45	3.40	3.06	3.03	3.08
26	.85	.46	.34	.23	1.21	.94	1.45	4.60	3.37	3.05	3.04	3.13
27	.80	.43	.32	.22	1.23	.94	1.52	4.60	3.35	3.05	3.02	3.14
28	.79	.41	.30	.21	1.26	.94	1.64	4.50	3.28	3.06	3.00	3.19
29	.76	.39	.28	.20	---	.92	1.75	4.40	3.22	3.06	3.01	3.18
30	.73	.39	.26	.18	---	.95	1.85	4.30	3.08	3.05	3.06	3.12
31	.71	---	.24	.17	---	.94	---	4.21	---	3.06	3.07	---
MEAN	1.87	.49	.39	.18	.63	1.11	1.18	3.24	3.80	3.09	3.04	3.07
MAX	3.13	.69	.48	.23	1.26	1.27	1.85	4.60	4.17	3.27	3.12	3.19
MIN	.71	.39	.24	.10	.09	.92	.80	1.90	3.08	2.88	3.00	3.01
(+)	65000	57500	54000	52300	78000	70500	92000	148100	121200	120700	120900	122100
(-)	-54500	-7500	-3500	-1700	+25700	-7500	+21500	+56100	-26900	-500	+200	+1200

CAL YR 1981.....+21700

WTR YR 1982.....+2600

+Contents, in acre-feet, at end of month.

+Change in contents, in acre-feet.

PEND OREILLE RIVER BASIN

12394000 PRIEST RIVER NEAR COOLIN, ID

LOCATION.--Lat 48°27'07", long 116°53'58", in SE¼SW¼NE¼ sec.19, T.59 N., R.4 W., Bonner County, Hydrologic Unit 17010215, in Dickensheet campground, on left bank 190 ft (57.9 m) downstream from Dickensheet Bridge, 2.5 mi (4 km) downstream from Binarch Creek, 3 mi (4.8 km) southwest of Coolin, 5.2 mi (8.4 km) downstream from outlet of Priest Lake, and at mile 38.8 (62.4 km).

DRAINAGE AREA.--611 mi² (1,582 km²).

PERIOD OF RECORD.--October 1948 to current year.

GAGE.--Water-stage recorder. Datum of gage is 2,338.24 ft (712.70 m) National Geodetic Vertical Datum of 1929. Prior to Feb. 23, 1949, nonrecording gage at same site and datum.

REMARKS.--Records good except those for Feb. and Mar., which are fair. No diversion above station. Flow partly regulated by Priest Lake (see sta 12393000).

AVERAGE DISCHARGE.--34 years, 1,306 ft³/s (37.0 m³/s), 29.03 in./yr (737 mm/yr), 946,200 acre-ft/yr (1,167 hm³/yr).

EXTREMES FOR PERIOD OF RECORD.--Maximum discharge, 8,900 ft³/s (252 m³/s) June 18, 1974, gage height, 8.44 ft (2.573 m); minimum observed, 26 ft³/s (0.736 m³/s) Sept. 25, 1958, gage height, 1.16 ft (0.354 m), but may have been less Sept. 11, 1953, Sept. 24, 1958, when stage was below intake.

EXTREMES OUTSIDE PERIOD OF RECORD.--Flood of May 29, 1948, reached a stage of 8.40 ft (2.560 m) present site and datum, discharge, 8,670 ft³/s (246 m³/s).

EXTREMES FOR CURRENT YEAR.--Maximum discharge, 6,230 ft³/s (176 m³/s) May 27, gage height, 6.91 ft (2.106 m); minimum, 88 ft³/s (2.49 m³/s) Sept. 18, 19, gage height, 1.65 ft (0.503 m).

Rating table (gage height, in feet, and discharge, in cubic feet per second)
(Stage-discharge relation affected by ice Jan. 20-22; shifting-control method used May 2 to July 12)

1.6	76	4.0	1400
2.0	152	5.0	2690
2.5	315	6.0	4190
3.0	570	7.0	5890
3.5	930	8.0	7930

DISCHARGE, IN CUBIC FEET PER SECOND, WATER YEAR OCTOBER 1981 TO SEPTEMBER 1982

DAY	MEAN VALUES											
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
1	145	1000	763	680	573	2000	1310	2370	5530	2650	614	276
2	145	973	786	680	555	1960	1320	2460	5550	2510	609	276
3	241	949	786	680	544	1920	1310	2550	5660	2720	608	276
4	455	925	763	674	402	1910	1290	2680	5620	2880	608	277
5	809	902	786	668	320	1890	1280	2720	5640	2910	549	391
6	1270	879	818	668	320	1870	1260	2760	5590	2900	517	494
7	1720	857	810	668	320	1810	1230	2820	5550	2880	392	494
8	2090	831	802	668	320	1810	1210	2880	5440	2850	328	494
9	2360	808	786	668	320	1820	1180	2930	5300	2820	514	495
10	2570	786	818	661	325	1860	1160	2940	5200	2780	736	494
11	2650	763	826	661	340	1880	1260	3000	5110	2750	670	493
12	2720	763	818	661	400	1900	1360	3080	5110	2310	608	491
13	2610	770	802	654	530	1900	1540	3200	5140	827	608	417
14	2430	810	802	570	760	1900	1680	3320	5270	472	493	293
15	2270	826	794	546	930	1880	1710	3480	5350	505	337	238
16	2120	826	794	546	1040	1830	1720	3720	5460	804	284	158
17	1980	858	778	540	1200	1790	1720	3990	5480	1180	282	91
18	1850	858	763	350	1400	1750	1720	4320	5440	1310	280	89
19	1740	858	763	291	1730	1700	1710	4660	5320	1160	281	153
20	1630	850	763	280	1910	1690	1680	4890	5210	1090	450	183
21	1530	866	756	285	1910	1660	1670	5010	5090	1080	548	155
22	1420	858	749	300	1910	1610	1670	5210	5010	957	553	243
23	1340	858	735	396	1950	1570	1680	5440	4900	882	498	311
24	1270	850	728	546	1950	1520	1750	5600	4740	882	316	313
25	1210	834	721	570	1930	1500	1780	5770	4560	789	219	315
26	1150	818	707	569	1920	1480	1850	6000	4320	751	217	319
27	1100	802	707	590	1960	1470	1900	6150	4280	751	215	566
28	1080	786	700	591	1980	1450	2040	6130	4060	614	215	781
29	1070	770	694	582	---	1420	2200	6020	3740	553	157	1340
30	1040	756	694	575	---	1380	2280	5810	3380	589	107	1500
31	1030	---	687	573	---	1360	---	5620	---	609	207	---
TOTAL	47045	25290	23699	17391	29749	53490	47470	127530	152050	48765	13020	12416
MEAN	1518	843	764	561	1062	1725	1582	4114	5068	1573	420	414
MAX	2720	1000	826	680	1980	2000	2280	6150	5660	2910	736	1500
MIN	145	756	687	280	320	1360	1160	2370	3380	472	107	89
AC-FT	93310	50160	47010	34500	59010	106100	94160	253000	301600	96730	25830	24630
CAL YR 1981	TOTAL	540401	MEAN	1481	MAX	4670	MIN	145	AC-FT	1072000		
WTR YR 1982	TOTAL	597915	MEAN	1638	MAX	6150	MIN	89	AC-FT	1186000		

PEND OREILLE RIVER BASIN

12393000 PRIEST LAKE AT OUTLET, NEAR COOLIN, ID

LOCATION.--Lat 48°29'36", long 116°52'58", in NE¼NE¼SW¼ sec.5, T.59 N., R.4 W., Bonner County, Hydrologic Unit 17010215, 0.5 mi (0.8 km) east of outlet, 1.8 mi (2.9 km) northwest of Coolin, and 44 mi (70.8 km) upstream from mouth of Priest River.

DRAINAGE AREA.--572 mi² (1,480 km²).

PERIOD OF RECORD.--June 1911 to September 1913 (fragmentary gage-height records at Coolin, published as part of records for "Priest River at outlet of Priest Lake, at Coolin"), April 1928 to July 1950 (gage-height record only), August 1950 to current year.

GAGE.--Water-stage recorder. Datum of gage is 2,434.64 ft (742.078 m) National Geodetic Vertical Datum of 1929. June 18, 1911, to Sept. 30, 1913, nonrecording gages at Coolin at different datums. Apr. 21, 1928, to Oct. 18, 1939, nonrecording gage at site 400 ft (122 m) north of lake outlet at present datum.

REMARKS.--Flow from Priest Lake is regulated to hold lake at heights desirable for recreation interests during summer months and storage is released for power use downstream during winter months. Storage began Aug. 9, 1950. Prior to Aug. 9, 1950, some regulation resulted from logging operations in the outlet channel. Figures given herein represent contents above gage height of about -2 ft (-0.61 m). Capacity table is based on area measured from Priest Lake quadrangle (scale 1:250,000) and reconnaissance survey of marginal areas and is only approximate. New dam completed Nov. 27, 1978.

EXTREMES FOR PERIOD OF RECORD.--Maximum gage height, 6.68 ft (2.036 m) June 20, 1974, contents, 207,500 acre-ft (256 hm³); minimum, -0.46 ft (-0.140 m) Jan. 5, 6, 1977, contents, 37,500 acre-ft (46.53 hm³).

EXTREMES FOR CURRENT YEAR.--Maximum gage height, 4.66 ft (1.420 m) May 27, contents, 158,900 acre-ft (196 hm³); minimum, 0.09 ft (0.027 m) Feb. 8, 9, contents, 50,400 acre-ft (62.1 hm³).

Capacity table (gage height, in feet, and contents, in acre-feet)

0.0	48,000
3.0	119,300
4.0	143,100
4.7	159,900

GAGE HEIGHT (FEET ABOVE DATUM), WATER YEAR OCTOBER 1981 TO SEPTEMBER 1982

INSTANTANEOUS OBSERVATIONS AT 2400												
DAY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
1	3.04	.69	.42	.23	.17	1.27	.94	1.90	4.17	3.10	3.05	3.06
2	3.11	.66	.44	.21	.15	1.26	.93	1.99	4.15	3.19	3.06	3.06
3	3.13	.63	.43	.22	.13	1.25	.93	2.12	4.14	3.26	3.03	3.06
4	3.11	.60	.39	.21	.11	1.22	.91	2.14	4.13	3.26	3.02	3.08
5	3.08	.57	.44	.19	.10	1.19	.90	2.19	4.11	3.27	3.02	3.09
6	3.03	.53	.46	.16	.10	1.17	.88	2.24	4.10	3.26	3.02	3.07
7	2.99	.49	.45	.16	.10	1.16	.86	2.30	4.03	3.22	3.04	3.06
8	2.89	.46	.43	.17	.09	1.16	.84	2.35	3.95	3.16	3.06	3.05
9	2.82	.45	.45	.16	.09	1.18	.81	2.41	3.87	3.10	3.12	3.04
10	2.66	.43	.47	.17	.13	1.20	.80	2.50	3.81	3.06	3.04	3.04
11	2.50	.40	.48	.16	.17	1.21	.91	2.60	3.77	2.88	3.04	3.03
12	2.33	.41	.46	.15	.30	1.22	.98	2.71	3.83	2.89	3.05	3.02
13	2.15	.42	.44	.13	.35	1.22	1.12	2.81	3.88	2.92	3.05	3.02
14	2.00	.45	.45	.11	.48	1.23	1.22	2.92	3.94	3.00	3.02	3.02
15	1.87	.48	.44	.10	.57	1.21	1.26	3.02	4.00	3.08	3.03	3.01
16	1.72	.48	.43	.10	.67	1.19	1.27	3.12	4.05	3.13	3.04	3.01
17	1.61	.50	.41	.17	.78	1.15	1.29	3.27	4.05	3.12	3.05	3.01
18	1.50	.51	.38	.17	.87	1.13	1.29	3.40	3.98	3.11	3.06	3.04
19	1.39	.51	.41	.21	1.12	1.10	1.28	3.55	3.90	3.10	3.10	3.03
20	1.30	.52	.40	.21	1.22	1.07	1.28	3.69	3.83	3.09	3.08	3.03
21	1.20	.50	.38	.19	1.23	1.04	1.27	3.85	3.80	3.05	3.06	3.07
22	1.13	.52	.36	.14	1.24	1.02	1.27	4.00	3.73	3.06	3.05	3.09
23	1.04	.50	.35	.18	1.23	.99	1.29	4.15	3.63	3.06	3.01	3.07
24	.98	.50	.35	.23	1.23	.97	1.35	4.30	3.53	3.05	3.02	3.07
25	.90	.48	.33	.23	1.22	.96	1.39	4.45	3.40	3.06	3.03	3.08
26	.85	.46	.34	.23	1.21	.94	1.45	4.60	3.37	3.05	3.04	3.13
27	.80	.43	.32	.22	1.23	.94	1.52	4.60	3.35	3.05	3.02	3.14
28	.79	.41	.30	.21	1.26	.94	1.64	4.50	3.28	3.06	3.00	3.19
29	.76	.39	.28	.20	---	.92	1.75	4.40	3.22	3.06	3.01	3.18
30	.73	.39	.26	.18	---	.95	1.85	4.30	3.08	3.05	3.06	3.12
31	.71	---	.24	.17	---	.94	---	4.21	---	3.06	3.07	---
MEAN	1.87	.49	.39	.18	.63	1.11	1.18	3.24	3.80	3.09	3.04	3.07
MAX	3.13	.69	.48	.23	1.26	1.27	1.85	4.60	4.17	3.27	3.12	3.19
MIN	.71	.39	.24	.10	.09	.92	.80	1.90	3.08	2.88	3.00	3.01
(+)	65000	57500	54000	52300	78000	70500	92000	148100	121200	120700	120900	122100
(+)	-54500	-7500	-3500	-1700	+25700	-7500	+21500	+56100	-26900	-500	+200	+1200

CAL YR 1981.....+21700

WTR YR 1982.....+2600

+Contents, in acre-feet, at end of month.
+Change in contents, in acre-feet.



State of Idaho
DEPARTMENT OF WATER RESOURCES
STATE OFFICE, 450 W. State Street, Boise, Idaho

JOHN V. EVANS
Governor

A. KENNETH DUNN
Director

Mailing address:
Statehouse
Boise, Idaho 83720
(208) 334-4440

MEMORANDUM

TO: Norm Young

FROM: Dave Tuthill **DRT**

DATE: June 19, 1984

RE: Water Rights Comments on the Huckleberry Project, Priest Lake

The attached volumes describe the Huckleberry Master Plan for a proposed recreational development near Priest Lake. The purpose of this memorandum is to provide a preliminary water right analysis for the proposed development.

The Preliminary Engineering Report discusses a number of water supply alternatives for the Huckleberry Project, and concludes that Priest Lake is the optimum supply source for all but the proposed ski area, for which the proposed source could be Two Mouth Creek. The Summary report, on pages 32 and 70, echos the recommendation to use Priest Lake as the primary supply source but does not appear to mention the source for the ski area.

Regarding rate of flow, the needs of the project are multiple and varied due to the extensive nature of proposed development. However, a preliminary estimate for the maximum predicted requirement for the entire project has been computed, shown on page 3 of the Preliminary Engineering Report to be 2110 gallons per minute, or 4.71 cubic feet per second. To maintain the pristine quality of Priest Lake, the proposed wastewater treatment system will use land application as tertiary treatment, so there will be no return flows. Therefore, the entire diverted rate can be considered to be consumptively used.

Priest Lake is a highly controlled reservoir. As shown on the attached copies of U.S.G.S. data from water year 1982, the flow from Priest Lake is regulated to hold the lake at heights desirable for recreation interests during summer months, and storage is released for power use downstream during winter months. This is consistent with the provisions of Section 70-507, Idaho Code, which requires that after recession of the annual flood stage, the lake stage shall be held at a 3.0 foot gauge height until a period between September 10 and October 31 of each year during which period the drawdown of the lake shall commence, with total drawdown to be completed by November 20. The water right which establishes the authority to store in Priest Lake for recreational purposes is License No. 97-2020 in the name of H.C. Baldridge, Governor of Idaho,

TO: Norm Young
DATE: June 19, 1984
PAGE: 2

In the amount of 800,000 acre feet with a date of priority of January 24, 1927.

The Department has thorough and accurate records of the outflows from Priest Lake. As shown in the attached matrix of monthly outflow averages for the period 1930 through 1972, the minimum such flow was 45 cfs during September of 1934. The all-time low recorded outflow of 26 cfs was probably made while repairs were being made to the dam, according to Bill Ondrechen.

These recorded discharges can be compared with the recorded water rights in the drainage. The summation of rates of flow of all water rights from sources tributary to Priest Lake is 5.53 cfs (excluding a 25 cfs log transporting non-consumptive use license). The summation of rates of flow of all water rights diverted from Priest Lake and Priest River is 15.13 cfs. This indicates that if Priest River is allowed to be severely depleted at times, there is sufficient direct flow available to satisfy the predicted needs of the Huckleberry Project.

One concern that is documented in the file of the licensed water right for storage in Priest Lake regards adequate flows for protection of the fishery downstream from Priest Lake. In a letter dated August 27, 1971, a local resident indicated that a flow of 60 cfs is not adequate to maintain a trout population in Priest River. Although the minimum instream flow has not been formally protected with a water right, there is a possibility that the local public interest criterion established in Section 42-203, Idaho Code, can be interpreted to protect the flows in Priest River from the potential adverse impact of development of the Huckleberry Project.

Because direct flow supplies in the Priest River drainage appear to be adequate to satisfy the predicted total water requirements of the Huckleberry Project, and because no water rights are currently recorded on Two Mouth Creek, no impediments to development of the project are foreseen with respect to water rights, with the possible exception of the local public interest issue.

tions, by him deemed qualified, to operate and maintain, at their sole expense, said outlet control structure or any other control structure erected as a replacement thereof: provided, however, that under no circumstances shall the water surface level of Priest Lake be maintained or regulated by said director of the department of water administration above 3.0 feet on the present United States Geological Survey Priest Lake outlet gage with gage datum of 2434.64 feet above mean sea level, datum of 1929, supplementary adjustment of 1947, or released below 0.1 feet on said gage; provided further, that the water surface level of Priest Lake shall be maintained at 3.0 feet on the United States Geological Survey Priest Lake outlet gage, from and after the time each year following the run-off of accumulated winter snows, when the surface level of the waters of Priest Lake has receded to such elevation, until the time after the close of the main recreational season, as determined by said director of the department of water administration, that said lake waters may be released and the surface level permitted to recede below said elevation 3.0. [1950 (E. S.), ch. 61, § 7, p. 87; am. 1957, ch. 128, § 1, p. 216; am. 1961, ch. 177, § 1, p. 271.]

Compiler's notes. Section 8 of S. L. 1950 (E. S.), ch. 61 declared an emergency. Approved March 7, 1950.

Section 2 of S. L. 1957, ch. 128 declared an emergency. Approved March 4, 1957.

Section 2 of S. L. 1961, ch. 177 declared an emergency. Approved March 11, 1961.

The words "director of the department of water administration" were substituted for the words "state reclamation engineer" on the authority of S. L. 1970, ch. 12, § 2, p. 21, compiled herein as § 42-1801a.

CHAPTERS 6-10

[RESERVED]

CHAPTER 11

PORT DISTRICTS—FORMATION AND ANNEXATION

SECTION.		SECTION.	
70-1101.	Port districts authorized — Objects and purposes.	70-1108.	District formation.
70-1102.	Formation of district—General.	70-1109.	Annexation of land to district — Petitions.
70-1103.	Petition and election—District of less than entire county.	70-1110.	Annexation — Certification of petition.
70-1104.	Petition—Filing and certification.	70-1111.	Annexation—Election.
70-1105.	Petition — Transmission to county commissioners.	70-1112.	Annexation — Canvass and declaration of election results.
70-1106.	Election—Notice.	70-1113.	Annexation—Entry of order—Liabilities for outstanding indebtedness.
70-1107.	Election—Form of ballot.		

70-1101. Port districts authorized—Objects and purposes.—Port districts are hereby authorized for the acquirement, construction, maintenance, operation, development and regulation of harbor improvements, land and water transfer and terminal facilities, industrial development, and other development, facilities, and services, reasonably incident to a modern, efficient and competitive port, and may be established under this act in any county bordering upon any continuous waterway system,

limited to the vehicles to pass [1969, ch. 55,

Compiler's notes refer to S. L. herein as chapter. Cross ref. En seq.

Fishing, navigation streams are public or fishing, §§ 30 Navigation no migration district.

70-1102. F or at any special board of county filed under section the qualified electors of the county in the voters of such boundaries county commission creating a port their own resolution in section 70-1 include lands in

70-1103. Pet Any petition for of less area than event the county petition and port successive weeks within such county increase or diminish shall thereafter port district. followed as is boundaries co-election shall be that whenever district shall be greater area shall held thereon, a limits, in whole

The boundary so that such district ch. 55, § 3, p. 14

70-1104. Pet filed with the court formed, who shall thereon and certify such purpose the in the possession

70-502. Construction commenced on approval of plans and specifications.—Upon approval by the board of examiners of the plans and specifications authorized to be prepared by section 72-501, the state reclamation engineer is hereby authorized and directed to commence construction of such outlet control structure. The provisions of section 67-2304, Idaho Code, as amended, shall have no application to the provisions of this act. [1950 (E. S.), ch. 61, § 2, p. 87.]

Compiler's notes. The words "this act" refer to S. L. 1950 (E. S.), ch. 61, which is compiled herein as §§ 70-501—70-507.

Section 67-2304 referred to herein is concerned with the construction, alteration and repair of public buildings and

works, supervision being under the control of the commissioner of public works.

The reference to "state reclamation engineer" in this section would refer to the "director of the department of water administration." See § 42-1801a.

70-503. Acceptance of contributions — Priest Lake outlet control structure construction fund created.—The board of examiners is hereby authorized to accept contributions from any person, partnership, corporation or association for the purpose of defraying the cost of construction of such outlet control structure. Such contributions, when accepted, shall be deposited in the Priest Lake outlet control structure construction fund, which is hereby created. [1950 (E. S.), ch. 61, § 3, p. 87.]

70-504. Appropriation to fund.—There is hereby appropriated to the Priest Lake outlet control structure construction fund out of any moneys in the treasury not otherwise appropriated the sum of three thousand five hundred dollars (\$3,500), or so much thereof as may be necessary. [1950 (E. S.), ch. 61, § 4, p. 87.]

70-505. Moneys in fund appropriated to purposes of act. — Any moneys now, or which may hereafter be, in the Priest Lake outlet control structure construction fund are hereby appropriated to the state reclamation engineer for the purposes of this act. [1950 (E. S.), ch. 61, § 5, p. 87.]

Compiler's notes. For words "this act" see compiler's note under § 70-502.

The reference to the "state reclamation engineer" in this section would re-

fer to the "director of the department of water administration." See § 42-1801a.

70-506. Exemptions—Reversion of fund.—The appropriation herein made is expressly exempt from the provisions of section 67-3509, and chapter 36, title 67, Idaho Code, and shall be immediately available; provided however that upon final completion of construction of said structure all moneys in the said Priest Lake outlet control structure construction fund shall revert to the general fund. [1950 (E. S.), ch. 61, § 6, p. 87.]

Compiler's note. Section 67-3509 referred to herein covers the time when an appropriation shall be available. Chap-

ter 36 of title 67 also referred to herein is the Standard Appropriations Act of 1945.

70-507. Director of the department of water administration to have supervision and control.—The Priest Lake outlet control structure shall, when constructed, be under the supervision and control of the director of the department of water administration, who may enter into contracts for a period of one (1) year or more with persons or corpora-

1 THIS AGREEMENT entered into this 12 day of August
2 1960, by and between Northern Lights, Incorporated, hereinafter called
3 the "Cooperative," and George N. Carter, State Reclamation Engineer,
4 Department of Reclamation, State of Idaho, hereinafter called "State
5 Reclamation Engineer," WITNESSETH:

6 WHEREAS, the State of Idaho owns an Outlet Control Structure
7 for the purpose of regulating the waters of Priest Lake, Bonner County,
8 Idaho, and

9 WHEREAS, said Outlet Control Structure is to be operated
10 under the direction of the State Reclamation Engineer in accordance with
11 State Water License No. 16642 held by the Governor of the State in trust
12 for all the people of Idaho and in accordance with Section 70-507, Idaho
13 Code, as amended by Chapter 128 of the Session Laws of 1957, and

14 WHEREAS, the State Reclamation Engineer desires to arrange
15 with a person or corporation with necessary organization, equipment and
16 experience and who can benefit from the operation of said Outlet Control
17 Structure, for the operation, maintenance and repair of said Outlet
18 Control Structure, and

19 WHEREAS, the Cooperative is a Cooperative Association,
20 lawfully qualified to do business in and operating in the State of Idaho, and
21 is carrying on its business of operating electric power facilities in Idaho
22 for the purpose of distributing and furnishing electric power and energy
23 in Idaho, and

24 WHEREAS, the Cooperative has the organization, personnel,
25 and equipment necessary to operate, maintain and repair said Outlet
26 Control Structure as provided by Section 70-507, Idaho Code, as amended
27 by Chapter 128 of the Session Laws of 1957, and

28 WHEREAS, the waters retained in Priest Lake when released
29
30
31
32

16642

1 at the close of the recreational season may contribute to the generation
2 of some additional electric power and energy on the Pend Oreille River
3 and other rivers of the area.

4 NOW, THEREFORE, in contemplation of the beneficial use
5 which, incident thereto, may inure to the benefit of the Cooperative, it is
6 agreed between the parties hereto as follows:

7 (1) The Cooperative, at its expense and as directed by the
8 State Engineer;

9 (a) on the receding stage following the run-off of
10 accumulated winter snows as the surface of the Lake
11 approaches elevation 3.0 feet, as shown on the gage of the
12 U. S. Geological Survey located at the outlet, near Coolin,
13 of said Lake, will operate said Control Structure to arrest
14 the outflow of the Lake and retain, for and during the main
15 recreational season, said Lake at elevation 3.0 feet at the
16 same time permitting, as nearly as practicable, the flow
17 of water below said Control Structure to continue with a
18 minimum of fluctuation provided that during those months
19 of the main recreational season said Control Structure
20 will be operated in such manner that said flow of water shall
21 be not less than sixty (60) cubic feet per second as recorded
22 by the U. S. Geological Survey "Dickensheet" gage;

23 (b) at the close of the main recreational season
24 will operate the Control Structure so as to permit the
25 release of water retained by said Control Structure
26 provided that such release shall be initiated on or before
27 October 31 of each year but shall not be initiated before
28 the first Friday following Labor Day.
29
30
31
32

7

(2) The Cooperative, at its expense, will maintain and repair said Outlet Control Structure at or to its present condition of stability and utility throughout the term of this agreement. The Cooperative, at its expense, will replace as promptly as reasonably practicable said Outlet Control Structure, as presently constructed should same or any portion thereof be damaged or destroyed, during the term of this agreement, from any cause so as to render said Outlet Control Structure inoperative. The provisions of this Section 2 will be performed by the Cooperative as reasonably directed and required by the State Reclamation Engineer.

(3) Unless terminated as hereinafter provided, this agreement shall be in full force and effect beginning June 1, 1961, and shall continue in full force and effect until May 31, 1971, and thereafter shall continue in full force and effect from year to year unless terminated by either party effective May 31, of any year by written notice given to the other party not less than one year prior to said May 31.

The Cooperative or its assignee proposes to make use of the stored water by releasing it in such a manner as to coordinate with downstream power facilities owned by the United States Government and operated by Bonneville Power Administration and/or others, so as to increase the firm power production of said downstream facilities; and in return to receive as compensation money, power, or the right to purchase power from said downstream facilities, in such manner as may be established by law or agreement. In the event that the Cooperative or its assignee on or before May 1, 1961, is unable to enter into such agreement or is unable to receive guarantees of compensation which it, or after assignment the assignee, shall consider adequate, the Cooperative or the assignee, at its option, may terminate this agreement effective May 31, 1961, by written notice given to the State Reclamation Engineer on or before May 10, 1961, and thereafter

1 this agreement shall be of no further force and effect.

2 (4) On or before July 1 of each year during the term hereof
3 the Cooperative will pay to the Department of Reclamation, State of Idaho,
4 the sum of One Thousand (\$1000) dollars.

5 Should the Cooperative, during the term of this agreement,
6 construct a dam and power generating plant downstream from the Priest
7 Lake Outlet Control Structure, which will render inoperative said
8 structure, the Cooperative will continue nevertheless to make the annual
9 payments provided hereunder, provided that in the event a kilowatt-hour
10 tax is imposed by the State of Idaho upon the net output of said power
11 generating plant, any amount so paid in any contract year shall be
12 credited against the annual payment due hereunder for that year.

13 (5) This agreement contains all the terms and conditions
14 bearing upon the subject matter and will not be modified or varied
15 except by written agreement executed by each of the parties hereto
16 through authorized representatives. If at any time the terms hereof are
17 not strictly adhered to or enforced, they will not thereby be deemed
18 waived or modified but will at all subsequent times and dates be deemed
19 in full force and effect.

20 (6) This agreement and the obligations assumed by the
21 Cooperative may be assigned by the Cooperative to any other responsible
22 individual or corporation only with the prior written consent and
23 approval of the State Reclamation Engineer.

1 IN WITNESS WHEREOF the parties to this instrument have
2 caused the same to be executed the day and year first above written.

3 NORTHERN LIGHTS, INC.

4
5 By W. E. Baughman
6 President

7
8 Attest Carl Wommack
9 Secretary

10 DEPARTMENT OF RECLAMATION
11 STATE OF IDAHO

12 By Geo. N. Carter
13 State Reclamation Engineer

14
15
16 ASSIGNMENT

17 For and in consideration of \$1.00 and other valuable consider-
18 ation, Northern Lights, Incorporated, (The Cooperative) hereby assigns,
19 transfers and sets over to The Washington Water Power Company or its
20 successors (the Company), all of its rights and obligations under the
21 above agreement dated August 12, 1960, between the
22 Northern Lights, Inc., and George N. Carter, State Reclamation Engineer,
23 Department of Reclamation, State of Idaho, (the Agreement) subject to the
24 following conditions and provisions:

25
26 1. The Company agrees to perform all services provided
27 under the Agreement and assume all obligations of the Cooperative under
28 the Agreement, including any monies due to be paid pursuant to its terms.

29
30 2. The Company understands that the Cooperative may
31 commence construction at some time subsequent to June 1, 1961, of a
32 dam and power generating plant located below Priest Lake Outlet Control

1 Structure which will render inoperative said structure, and the Company
2 agrees that it will coordinate its operation of said Outlet Control Structure
3 in any reasonable schedule of the Cooperative which will aid in the con-
4 struction of said dam and power plant, provided such operation is not
5 inconsistent with the Agreement.

6
7 3. Upon completion and placing in operation of said dam and
8 power plant, this assignment shall be terminated provided that the
9 Cooperative shall give to the Company the first refusal of the right to
10 purchase the total power output resulting from the operation of the dam
11 and power plant for a period of twenty (20) years provided that during
12 each year of the last ten (10) years of the twenty-year period the
13 Cooperative shall have the right, on one years prior written notice to
14 the Company, to withdraw for its own uses up to one-tenth (1/10) of said
15 total power output.
16

17 Payment for such power shall be in accordance with an agree-
18 ment to be executed between the parties and shall be based on the
19 Cooperative's net cost of power production. In the event the Cooperative
20 withdraws any part of the power production for its own use, it will
21 assume and pay for that part of the cost of power production which is
22 the same proportion of said cost as the amount of power so withdrawn
23 is to the total power produced. Cost of power production shall include
24 all fixed charges, costs of operation and maintenance, taxes and
25 reasonable depreciation. Storage or headwater benefits and the power
26 or the right to purchase power resulting from the operation of the dam
27
28
29
30
31
32

1 shall be allocated between the parties in the same proportion as the
2 power produced at the power generating plant.

3
4 THIS ASSIGNMENT entered into by the respective parties
5 hereto this 20th day of March 1960.

6
7 NORTHERN LIGHTS, INC.

8 By *W. F. Laughery*
9 President

10 Attest *Carl Wommack*
11 Secretary

12
13 THE WASHINGTON WATER POWER CO

14 By *M. L. Blair* *MB*
15 Vice President

16 Attest *R. D. Hester*
17 Secretary

18
19
20 The State Reclamation Engineer of the State of Idaho, hereby
21 consents to and approves of the execution of the foregoing assignment.

22
23 Date MAR 20 1961

24 By *Geo. H. Carter*
25 State Reclamation Engineer

see following
for amendments
dated April 14, 1961
and May 30, 1962

RECEIVED AUG 8 1960

Office Copy

97-2020

October 15, 1971

Honorable Cecil D. Andrus
Governor
State of Idaho
Statehouse
Boise, Idaho

Attention: Larry Meierotto

Dear Larry:

Thank you for the opportunity to comment on the enclosed letter from Mr. Wilber F. Brown.

The Department of Water Administration's files show a licensed water right for the water of Priest Lake in the amount of 800,000 acre feet, issued in the name of H. C. Baldrige, Governor of Idaho and Trustee for the people of the State of Idaho. The date of priority is January 24, 1927.

Subsequently during the 1950's, the Idaho Legislature provided legislation authorizing the then State Reclamation Engineer to construct the outlet structure and instructed the State Reclamation Engineer on how the level of Priest Lake shall be regulated. Briefly, the regulation of the lake level (70-507, Idaho Code) requires that after recession of the annual flood stage, the lake stage shall be held at a 3.0 foot gauge height until a period between September 10 and October 31 of each year during which period the drawdown of the lake shall commence with total drawdown to be completed by November 20. Drawdown is accomplished by removing stop logs in the dam structure.

The outlet structure was build in 1950 by the Washington Water Power Company. The contract agreement providing for construction of the dam stated that when completed "full right, title and interest in the outlet control structure shall thereupon rest in the State of Idaho."

Apparently Washington Water Power operated the structure, regulating it without cost on remuneration to the State until 1957. The State Reclamation Engineer in April 1957 invited bids for operation, maintenance and repair for a two-year period. Bids were received from Washington Water Power for \$7500 per year and Northern Lights, Inc., for \$1.00 per year. Washington Water Power's bid was accepted for the two-year period. At the end of this contract period bids were again invited, but none were received. Washington Water Power voluntarily operated the outlet structure during 1959 and 1960 without agreement and without cost to the State.

In March 1971, the State Reclamation Engineer entered into a ten-year agreement with Washington Water Power to operate the outlet structure. The contract provides that Washington Water Power will incur all operation, maintenance and repair expense and pay the Department one thousand dollars per year. The ten-year term has run on the agreement and we have entered a period of year-to-year extensions of the agreement as provided therein. We have notified Washington Water Power of our desire to renegotiate the arrangement with a view toward entering into a new contract.

The Idaho Fish and Game Department has been contacted and will be requested to provide an input on the fisheries prior to our negotiations with Washington Water Power.

In the attached letter to Mr. Broun from this Department, he was informed of our pending negotiations with Washington Water Power and that his comment would be considered in arriving at a new agreement.

Idaho water law, which is based upon the appropriation doctrine, requires that to establish a water right, among other things, the appropriator must divert the water and put it to beneficial use. The outlet structure meets this diversion requirement. The legislature, in authorizing the outlet structure, did so for the purpose of maintaining levels in Priest Lake and not for the purpose of maintaining flows of Priest River. Mr. Broun's contention that downstream property owner rights must be protected appear to be based on the riparian right concept which is not a valid right in consideration under Idaho water law.

I will, in our future negotiations, make every effort to comply with legislative intent and provide for maximum benefits to all Idaho citizens.

Very truly yours,

R. KEITH HIGGINSON
Director

RKH:pk

Enclosure

September 13, 1971

Re: 97-2020, Priest Lake

Mr. Wilbur F. Broun
Landfall
Coolin, Idaho 83821

Dear Mr. Broun:

Thank you for your August 27, 1971 letter expressing concern over the flows from Priest Lake during August and September.

Section 70-507 Idaho Code provides for the method of operation of Priest Lake. This section requires that the lake be maintained at 3.0 feet on the outlet gage with gage datum of 2434.64 feet until after the close of the main recreational season, as determined by the Department. The agreement between Washington Water Power Company and the Department provides that releases must be initiated before October 31 of each year, but not before the first Friday following Labor Day.

In administering Priest Lake within the above constraints, the Department has the responsibility for controlling the lake levels to the nearest possible satisfaction of the residents and owners of shore property. Several years ago, the Department conducted a survey of resort and cottage owners and a date of September 30 was established. The Priest Lake Chamber of Commerce is on record as requesting an October 15 date for commencing releases. Based on this information, it would appear at this time that releases in August or September would not be in keeping with the purpose of the structure. The department will be negotiating a new contract with Washington Water Power Company during the coming year, and we will at that time re-evaluate operating procedures currently being used to control lake levels.

Thank you for your letter. Your suggestions will certainly be considered.

Sincerely,

A. KENNETH DUNN
Assistant Director

AKD:mjl

97-2020
RKH
Wilbur F. Broun

Landfall

Coolin, Idaho 83821

August 27, 1971

Mr. R. Keith Higginson
State Reclamation Engineer
State of Idaho--Department of Reclamation
Statehouse--Annex 2
Boise, Idaho 83707

Dear Mr. Higginson:

This is a long over-due letter regarding the water flow in Priest River during the latter parts of August and September, up to the varying times of the fall rains, from the 15th to the last days of the month.

I am aware of the agreement between the State of Idaho and Washington Water Power allowing the river a minimum flow of 60 c.f./s. This minimum flow is exactly 1/2 of the natural minimum flow (Geological Survey records) in the great drought years prior to the days of the present Impound Dam at the Outlet of Priest Lake.

At 120 f.s. the river does not have enough water to sustain fish life (trout--not squaw fish). Not only does this flow cause great damage to the fish habitat, it deprives the property owners bordering the river of the rights to a proper water flow.

With these greatly reduced water flows and because of the long shallow approach to the impound dam, of nearly stagnant water, the river water is subject to a marked thermal pollution far beyond the temperatures allowed by the Federal authorities at Richland.

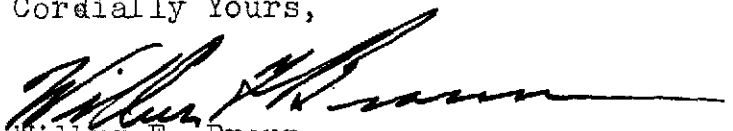
There are 88 miles of river shores affected.

This situation cannot be remedied by a turn of the wrist. It will require due adjudication between the interested people, representatives of the Lake, River, Washington Water Power, State authorities, etc.

In the meantime, the water flow in the river at this moment is in a deplorable condition. It is requested that you take such action as will relieve this condition by causing additional boards to be removed at the Outlet Dam to give at least 100 s.f. additional flow in the river. The boards to be removed are miniscule. One hundred seconds-feet drawn from Priest Lake for ten days would reduce the lake level by but one inch.

Your reply to this letter would be appreciated.

Cordially Yours,


Wilbur F. Broun

Wilbur F. Broun

Landfall

Coolin, Idaho 83821

September 25, 1971

Dear Mr. Higginson:

Department of the Interior

I recently wrote to you regarding the inadequate water flow in Priest River during the water crisis period which annually occurs on or about August 15th to on or about the end of September.

Mr. A. Kenneth Dunn replied to my letter but he confined himself to Idaho Code Sect. 70-507 and the varying dates of final draw down of the Lake. These are interesting subjects and most certainly should be explored thoroughly but they are not the present difficulty.

Between mid-August and or mid-September the river water is at its maximum temperature and the natural run off at its minimum. It is at this time that the dam operation should be given very careful attention. It is either not getting such attention now or the dam operators are unskilled and require intelligent supervision.

Let me state what has happened this year, with a new and inexperienced dam operator.

On August 11 the Geological Survey people took the monthly readings of lake outlet flow and river flow at the Dickensheet station. My Isely of Washington Water Power told me that these Geological people told him that there was a "more than usual" river flow for this time of the year and that the boards should be left alone. While I do not wish to start a name calling match, I do wish to say that the Geological people deny giving and advice but did say that there was a more than usual river flow.

Immediately after August 11, the flow in the river became alarmingly low, indicating board manipulation. There has been some rain since August 11, but no great downpour. On or about this time, I wrote to you requesting correction of the allowed flow. Without any great amount of rain, the river flow became much better, again indication that boards were manipulated (taken out).

Yesterday the Geological people took their Sept readings. They indicated 280 s.f., ample water. They must have passed this information to the dam operators, because as of now, 24 hours after the readings, the river is very close to being shut off.

Wilbur F. Broun

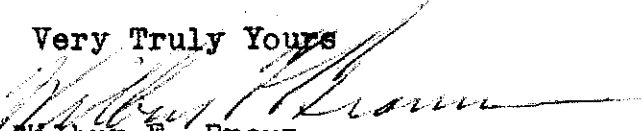
Landfall

Coolin, Idaho 83821

It is earnestly requested that we have your full co-operation in maintaining an adequate water flow in Priest River.

I would greatly appreciate your reply.

Very Truly Yours


Wilbur F. Broun

TRANSMITTAL SLIP

OCT-6-1977

TO: R. KIEHN HIGGINSON

FROM: LARRY E. MEIERHO

ACTION

- | | |
|---|---|
| ☐ NOTE AND FILE | ☐ PER OUR CONVERSATION |
| ☐ NOTE AND RETURN TO ME | ☐ PER YOUR REQUEST |
| ☐ RETURN CORRESPONDENCE | ☐ FOR YOUR APPROVAL |
| ☐ NOTE AND SEE ME ABOUT THIS | ☐ FOR YOUR INFORMATION |
| ☐ PLEASE ANSWER | ☐ FOR YOUR COMMENTS |
| ☐ PREPARE REPLY FOR MY SIGNATURE | ☐ SIGNATURE |
| ☐ TAKE APPROPRIATE ACTION | ☐ INVESTIGATE AND REPORT |

COMMENTS:

MAY I HAVE
YOUR COMMENTS
ON THIS —

Thank You

LARRY

Wilbur F. Brown

Landfall

Coolin, Idaho 83821

October 3, 1971

RECEIVED

OCT 5 1971
OFFICE OF GOVERNOR

RECEIVED
OCT 6 1971
Department of Water Administration

The Honorable Cecil Andrus
Governor of Idaho
State Capitol Building
Boise, Idaho

Dear Sir:

I would like to bring to your attention an unnecessary hurtful situation in north Idaho.

To introduce myself, I am a property owner on Priest River and an Idaho resident of about 22 years. I am a dedicated conservationist and have an abiding interest in the wilderness and the wildlife of this unique section of Idaho.

The State of Idaho owns the Impound Dam at Priest Lake. This dam was built by Washington Water Power, at their expense, on or about 1949. Every so often WWP submits a bid for the operation of this dam in order that they may collect downstream benefits occasioned by the annual release of the impounded water in Priest Lake. The last information I have had on the bid was \$7,500 per annum; downstream benefits are a matter of public record. The operating instructions for the dam are a matter of agreement by Washington Water Power and the Idaho Water Rights Administration. I understand that this agreement states that the minimum flow allowed Priest River is 60 cubic feet per second (s.f.). Idaho Code Section 70-507 provides that the lake be maintained at 3.0 feet on the outlet gage datum of 2434.64 "until after the close of the main recreational season as determined by the Department (Water Rights Administration)."

The U.S. Geological Survey has records of lake level and river flow for a long period of time starting long before the Impound Dam was built. These records show that the minimum flow in the river prior to the dam was about 120 s.f. Such a low flow did not occur annually but only once as of record.

The present allowed minimum river flow of 60 s.f. is inadequate and will not maintain cold water fishery habitat conditions as once existed in this then-famous cutthroat fishery. However, the agreed-to minimum does not become critical until weather conditions restrict the watershed runoff and increase the lake evaporation. This occurs annually on or about mid-August and lasts from two to three weeks, until the fall rains.

The instructions for dam operation remain rigid, reduced runoff or no, and the river flow can and is throttled to alarmingly little water--at times much less than 60 s.f.

This sets up an annual cold water river fishery kill from which the river habitat cannot recover before it happens again. This has been going on since the Impound Dam has been in operation.

Such rigid compliance with an arbitrary set of rules, based on circumstances that have long ceased to exist, can only be described as archaic stupidity and the very worst kind of pioneer exploitation.

Wilbur F. Broun

Landfall

Coolin, Idaho 83821

If a very small area of boards were to be removed from the dam when the river flow drops to 180 s.f., the river flow could be increased by 100 s.f. This increase might be continued for 10 days which would draw down the lake level by only one inch. By proper observation of lake levels and river flow and adequate flow and an acceptable lake level could easily be maintained until the arrival of the annual rains, at which time the crisis ends.

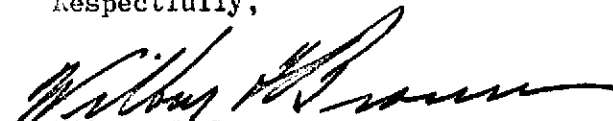
It is also worth noting that Section 70-507 states, "until after the close of the main recreation season." The main recreation season closes immediately after Labor Day. At this time the large majority of cabin owners at the lake return to their town houses, the resorts let most of their staffs go, and everybody at or near the lake settle down for a long winter's nap. The Super Markets drastically reduce the quantities of their food orders. The road traffic flood drops to a trickle. At a later date some winter sports people may return to snow-mobile about the mountains, but they are relatively few in numbers and not interested in lake levels.

Despite this very apparent fact, the Department of Water Administration, by interviewing only lake resort operators and cabin owners and totally ignoring river property owners and the ecological environment, have stretched the lake drawdown to October 15.

It should be noted that the very important kokanee of the lake fishery are fall spawners, on lakeshore and in tributary streams. If allowed to spawn at high water and then the water is drawn down leaving their spawn high and dry, the fishery suffers.

I sincerely trust that you will do whatever you can to insure that the present operation rules of the Impound Dam at Priest Lake are modified in the interest of area improvement and common sense, in order that the 88 miles of river-shore front may be returned to its once great fame as an outstanding cutthroat fishery.

Respectfully,



Wilbur F. Broun

WATER RIGHT NUMBER 97-2020

WATER RIGHTS EDIT REPORT

07/18/79

PAGE 200

ACT
ION

N OWNER LAST NAME - BALDRIDGE
N ADDRESS LINE 1 - STATEHOUSE

N SOURCE - PRIEST LAKE
N STAGE - LICENSE

N TOTAL DIV. VOLUME - 800000.00 AFA
N USE - RECREATION STORAGE
N USE - **JS**

FIRST NAME - H. C.

CITY - BOISE

STATE - ID

PRIORITY - 01-24-1927 COUNTY - BONNER

USE DIV. VOLUME - 800000.00 AFA
USE DIV. VOLUME - 800000.00 AFA

** R ** WATER USE CODE INVALID
** R ** NO INPUT DATA FROM PRECEEDING RECORD

P/D IN:

SWSE

Sec 6

59N

4W

IDENT. NO. 97-2020

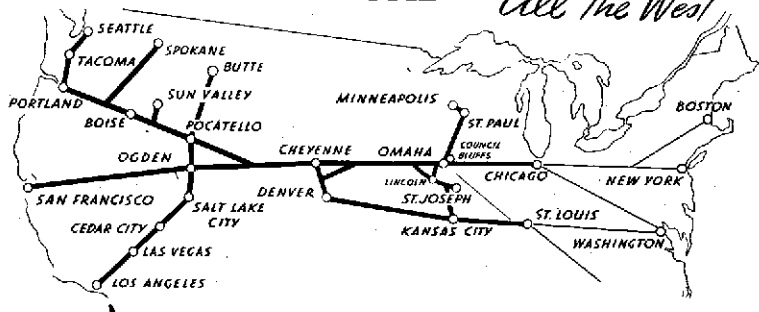
IDAHO DEPARTMENT OF WATER RESOURCES

WATER RIGHT
DATA ENTRY LOG

[illegible]

UNION PACIFIC RAILROAD

*Serves
All the West*



	<u>Feb</u>	DATE	<u>Prior</u>	<u>February</u>	<u>Current</u>
Albion Falls	25				
Box Canyon			40		
Boundary				270	
Waneta					208
Coulee	320				
Ch Joseph	175				
Wells				63	
Rocky Reach				90	
Rock Island			3		
Wanapum				75	
Prent Rapids				78	
Stanford				40	
One Day	76				
John Day				99	
The Dalles	85				
Bonerville	58				
	<u>739</u>	40+		<u>715</u>	208
					16642

47-2020

RESERVOIR REPORT

Name of Reservoir Covey Valley Reservoir

Maximum storage capacity: 14,911 A. Ft.

Now in reservoir: 3,000 A. Ft.

Gage height: 57 Ft.

Water surface below spillway: _____ Ft.

Outflow from reservoir: 1 Sec. Ft. Inflow to reservoir: 14.20 Sec. Ft.

Condition of outlet and gate hoisting mechanism: Good

Condition of spillway: Good

Seepage conditions: Good

Remarks: _____

By Joe L. Bush

Date Dec 2 1973 Title See



DEPARTMENT OF RECLAMATION

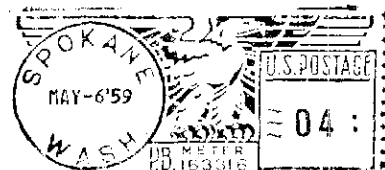
107 State House

Boise, Idaho 83702

Q8000-46

FORM 332 REV. 11-52

THE WASHINGTON WATER POWER COMPANY
P. O. DRAWER 1448
SPOKANE 10, WASHINGTON



Department of Reclamation
State of Idaho
Rm. 107 - Capitol Building
Boise, Idaho

Proposal for Operating Agreement
of Priest Lake Outlet Control Structure

16642

AFTER 5 DAYS RETURN TO
Northern Lights, Inc.
BOX 712
SANDPOINT, IDAHO



VIA AIR MAIL

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

16642

Wash Water Power
HU 9-0500
Contact Mr. Hatch

November 7, 1969

Mr. M. L. Blair
Vice-President
Washington Water Power Co.
P. O. Drawer 1445
Spokane, Washington

Dear Mr. Blair:

On August 12, 1960, an agreement was entered into between the Northern Lights, Inc., and the Idaho State Reclamation Engineer and for which assignment was made on March 20, 1961, to the Washington Water Power Company with the approval of the State Reclamation Engineer. The agreement provides that water retained in Priest Lake when released at the close of the recreational season may contribute to the generation of some additional electrical power and energy on the Pend Oreille River and other rivers in the area.

For this beneficial use, Washington Water Power Company has agreed under Item 4, to pay on or before July 1 of each year during the term of the agreement to the Idaho Department of Reclamation, the sum of \$1,000.00. Our records indicate that we have not received the July 1969 payment. If this is an oversight on the part of the Washington Water Power Company, please forward the stipulated amount at your earliest convenience.

Sincerely,

A. KENNETH DUNN, Assistant
State Reclamation Engineer

AKD:mjl

16642
97-2020

RECEIVED

Department of Reclamation

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Priest Lake Dam

16642

97-2020

Since the resolution directing this study calls for a completion date of December 1, 1969, we would appreciate receiving your reply by July 1 of this year.

Thank you.

Sincerely yours.

A handwritten signature in dark ink, appearing to read "Myran H. Schlechte", with a long horizontal flourish extending to the right.

Myran H. Schlechte
Director

MHS/raj

16642
97-2020

November 23, 1965

Walter P. Hunsiker
Rt 5
Priest Lake
Priest River, Idaho

Dear Mr. Hunsiker:

Referring to your letter, undated, which reached us November 22, 1965, the question of leaving two or three boards was again brought before us by Mr. John Leurer last September. Our reply to him was to the effect that some expression from property owners along the lake and below the outlet of Priest Lake be obtained. We assume your letter is that expression.

There are several "ifs" that should be resolved.

May 19, 1965 Washington Water Power Company conducted a field test intended to show the effect of leaving additional boards on the dam. As I study their report there could be no effect to property along the lake at Hunsiker Dock, but there appears to be considerable doubt about what will happen.

I suggest that, if there is doubt as to whether or not this study is conclusive, a thorough and independent engineering study be made of the problem. Any licensed engineer could determine elevations, cross sections, distances and locations of those properties which might be effected by leaving two or three boards in the dam. A determination could be made on how many boards might be permanently left in the dam.

16642

Walter P. Hunziker - continued - page 2

I appreciate the invitation to visit and inspect this problem, but my schedule will not allow me time to do this within the next two weeks. I can state that a thorough study as suggested above would greatly aid any inspection on the ground. I have been wanting to go up your way and I shall do so before long, I hope.

Please advise me of any progress toward solving this problem.

Sincerely,

CARL E. TAPPAN
State Reclamation Engineer

CET:mr

cc: Al Elkins, Nordman, Idaho
Earl Davis, Rt 5, Priest Lake, Idaho
Loren Kisele, Washington Water Power Company
Spokane, Washington

16642

Room \$5
PRIEST LAKE
Priest River, Idaho

Mr. Carl E. Tappan
State Reclamation Engineer
107 State House
Boise, Idaho

RECEIVED
NOV 22 1934
Department of Reclamation

Dear Mr. Tappan:

We, as residence and property owners, between the Lake and the dam of the River, are definitely interested in the protection of our property.

The proposal of leaving several boards in the dam permanently has been brought up several times in the period that the dam has been in operation and has had objection from up the Lake.

If leaving these boards in permanently would raise the water at flood stage to a point where it would cause damage to our property, naturally we would object. However, if we could be assured that it not cause any property damage, we would approve it. We, the property owners on the River, feel that we are more involved than persons on the Lake.

We have a problem more important than boards in the dam, that should definitely involve the State Dept. of Reclamation and would justify your personal inspection to visualize, and to acquaint you with the situation.

Several years back the Diamont Match Co., due to using the River for transportation of logs to their mill in Newport, caused a log jam which diverted the river flow to the North shore, creating an erosion problem. At that time they bulldozed a rock reef in the center of the River, creating a navigational hazard, causing a threat to the public safety on this waterway.

If you could find it possible to make a personal inspection and do not wish to drive this long distance, we would be glad to pick you up at the Spokane Airport to transport you to and from there if you could call us as to your time of arrival.

Here are listed several 'phone numbers to call in case one or more should not be here at the time.

R.E. Buchanan	HI 32449
Walter Hunziker	HI 32443
Earl Farris	HI 32446

All above are at the Priest Lake exchange.

This condition can best be visualized a short time in the early winter and a short time in the early spring.

We advise that the next two weeks would be the limit of time this winter if a heavy snowfall should occur, it would be difficult to traverse the involved area.

We would greatly appreciate your assistance in this

16642

Page #2
Carl E. Tappan
Boise, Idaho

vital matter.

Yours very truly



W ALTER P. HUNZIKER, Secy.

WPH:rh

cc: Loren A. Eisele, Manager
of Systems operation
Washington Water Power Co.
Spokane, Washington

R.E. Buchanan
Ned Bennett
Earl Farris
Curt Paulson
Karl Duncan
Katherine Carey
Eric H. Tobert
John Leuer

16642

PRIEST LAKE CHAMBER OF COMMERCE

NORDMAN, IDAHO

20 November 1965

RECEIVED
NOV 22 1965

Department of Reclamation

Mr. Carl Tappan,
State Reclamation Engineer
107 State House
Boise, Idaho. 83701

Dear Mr. Tappan:

At our Chamber of Commerce meeting this past week, a motion was made that we write you on behalf of property owners along the Priest River near the dam at the outlet of Priest Lake. The rocks in the river are a navigational hazard and we believe an engineering clean-up is warranted.

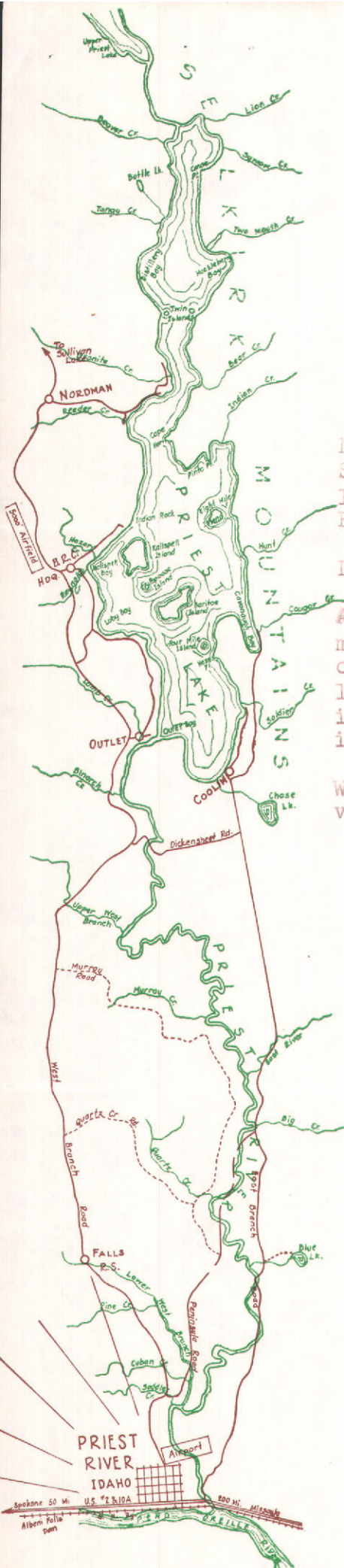
We do hope you can work a visit to Priest Lake into your schedule very soon to correct this situation.

Sincerely,
PRIEST LAKE CHAMBER OF COMMERCE

De Elkins

President

16642



Priest Lake, Route #5
Priest River, Idaho 83856
November 19, 1965

Mr. Carl E. Tappan
State Reclamation Engineer
State House
Boise, Idaho

RECEIVED
NOV 23 1965

Department of Reclamation

Dear Mr. Tappan:

We, the Outlet Water Association, have a River problem that we feel merits your personal attention. It involves the Priest River dam operation and a problem of navigation hazards.

We would appreciate it if you could come up here and analyze the situation and give us your expert opinion on what can be done about it.

Yours very truly

Earl B. Farris

OUTLET WATER ASSOCIATION
Earl B. Farris - Pres.

W PH:rh

16642

Sept. 29, 1965

Mr. John Leuer
Route #5
Priest River, Ida.

Dear Mr. Leuer:

Referring to your letter dated August 23, 1965, suggesting that two or three boards be left permanently in the dam. Our study of conditions, revealed by a test conducted in 1955 by Washington Water Power Company, indicates that at least two boards left permanently in the dam would not increase the elevation of the lake level or affect the discharge from the lake at peak run-off.

Perhaps it would be well to obtain some expression of the proposal from the property owners living below the outlet of Priest Lake. I am sure that property owners along the lake will watch this operation and express doubt as to whether this additional board will affect the lake level. At any rate, if a hazard to human life can be eliminated, it would be worth a try.

Sincerely,

CARL E. TAPPAN
State Reclamation Engineer

CET:ew

x

cc: Loran A. Eisele, Manager
of Systems Operation
Washington Water Power Co.
Spokane, Wash.

16642



M. L. BLAIR
VICE PRESIDENT
POWER SUPPLY

THE WASHINGTON WATER POWER COMPANY

Electric and Natural Gas Service

POST OFFICE DRAWER 1445

SPOKANE, WASHINGTON 99210

September 21, 1965

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

RECEIVED
SEP 24 1965

Department of Reclamation

Dear Mr. Tappan:

In your letter of September 9, 1965 you asked for comments regarding Mr. Leuer's request that boards be left in the Priest Lake control structure.

In 1955 we received a similar request from the property owners living on the river between the outlet of the lake and the dam. We met with these people at the home of a Mr. Buchanan on the river about one-third of a mile below the outlet from the lake. After discussing the request with your office, we decided to try placing the bottom two boards in the dam to see how far the water would be backed up in the channel. We determined the gradient between the outlet and the dam with all of the boards removed and again with the two boards in place. A copy of the memorandum describing the operation and a print showing the results graphically are enclosed. Also shown on the print is the gradient near the time of maximum lake elevation during the 1955 runoff season. During the high runoff Mr. Thompson of Linger Longer Lodge informed us that the boards in the dam were causing additional flooding on his property and that he was going to sue the company for damages. I informed him that we had run profiles on the channel and were prepared to show that the peak elevation on the lake was the same as would have occurred without the boards. He left the office and we heard nothing further from him or his attorney.

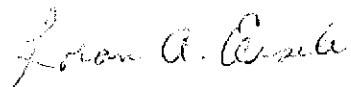
We have felt for some time that our operation would be much easier if the bottom one or two boards were attached permanently to the structure. This would not affect the discharge or increase the elevation of the lake during peak runoff. However, it is quite evident from the enclosed print that the elevation of the water in the river channel is not materially increased with two boards in the dam.

16642



All of the boards would have to be removed at the time we release the storage this fall, but we would be most happy to install the bottom two boards permanently in the dam during low water.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Loran A. Eisele".

Loran A. Eisele
Manager of System Operations

LAE:im

Enc.

16642

THE WASHINGTON WATER POWER COMPANY
INTERDEPARTMENTAL CORRESPONDENCE

May 20, 1955

RECEIVED
SEP 24 1985

Department of Reclamation

MEMORANDUMPriest Lake Operation

On May 19, 1955 two rows of 12" boards were placed in the dam.

Prior to the dam operation, I drove four survey stakes along the river's edge for reference marks in securing a gradient between the outlet and the dam. The distance from the top of each stake to the water surface was noted before and after the dam operation, see tabulation below:

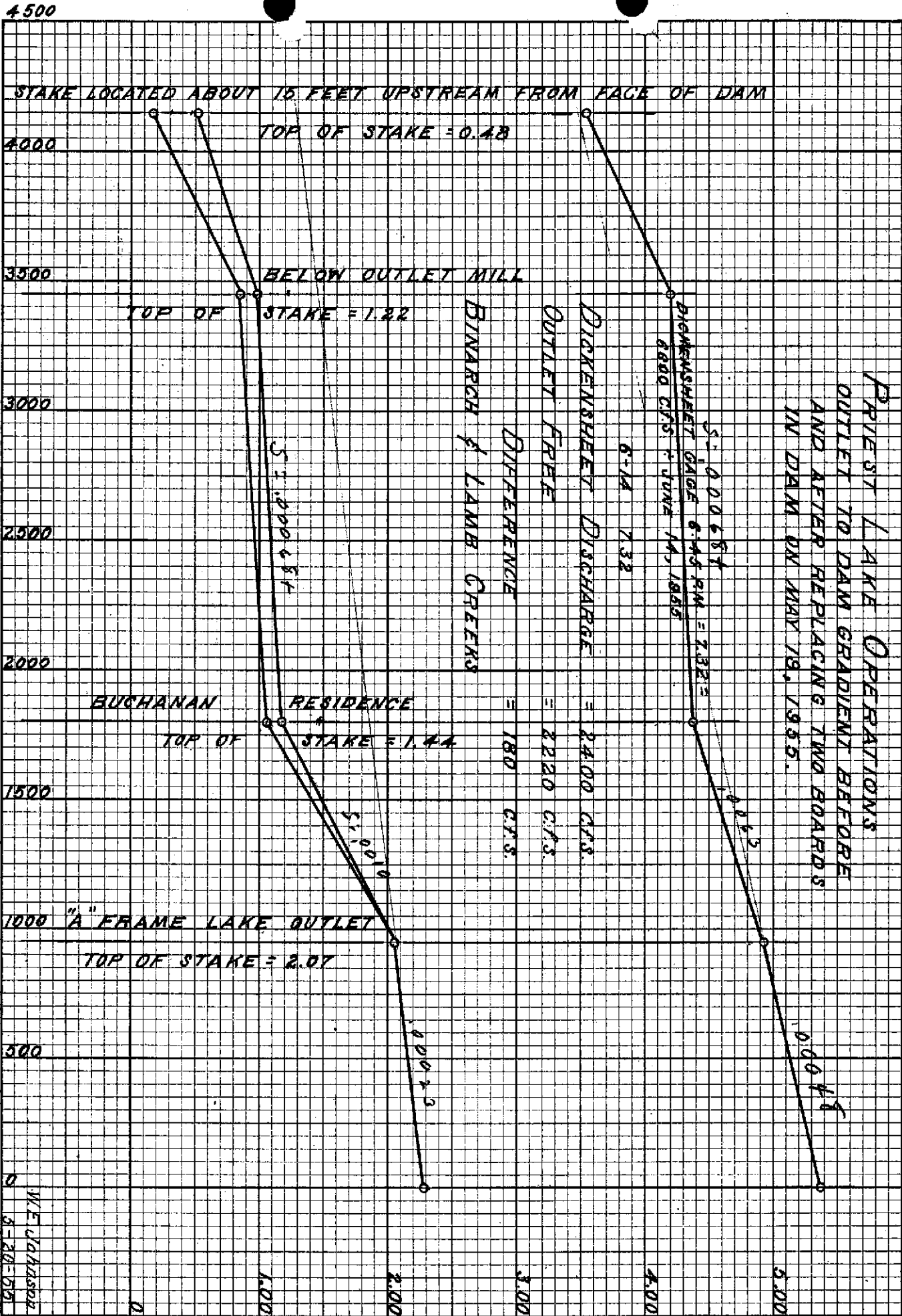
<u>*Distance in Feet</u>	<u>Location</u>	<u>Time</u>	<u>Before</u>	<u>Time</u>	<u>After</u>	<u>Rise</u>
0	Staff gage	10:55am	2.30'	2:45pm	2.30'	0.00'
950	Stake at "A"					
	frame outlet	10:55am	0.00'	3:00pm	-0.01'	0.01'
1810	Stake, Buch-	10:47am	0.37'	3:50pm	0.25'	0.12'
	anan Residence					
3460	Stake, below					
	outlet mill	10:40am	0.35'	4:15pm	0.23'	0.12'
4160	Stake, located					
	about 15 feet					
	above face of					
	dam	10:30am	0.33'	4:50pm	-0.05'	0.38'

*Distance from staff gage on Hunziker's dock to dam (approximate).

A level line was run from the staff gage to the stakes to determine their elevation, so a river gradient could be made. Results secured are shown graphically on the attached print.

Walter E. Johnson
Walter E. Johnson
Hydrologist

16642



APPROXIMATE DISTANCE IN FEET FROM STAFF GAGE ON HUNZIKER'S DOCK

16642

STAFF GAGE SET TO SAME DATUM U.S.G.S. LAKE GAGE

Sept. 9, 1965

Washington Water Power Co.
Post Office Drawer 1445
Spokane, Washington

Attn: Loran A. Elsele, Mgr.
Systems Operation

Dear Mr. Elsele:

A couple of weeks ago Mr. John Lenner forwarded to this office a letter, and copy to you, in which he suggests that two or three boards be left permanently in the dam at Priest Lake Outlet would benefit a number of property owners living below the outlet of Priest Lake.

I would appreciate, very much, receiving your comments about this suggestion.

Very truly yours,

CARL E. TAPPAN
State Reclamation Engineer

CET:ew

16642

RECEIVED
AUG 26 1965

Department of Reclamation

Route # 5
Priest River, Idaho
August 23, 1965 83856

State Reclamation Engineer
Boise, Idaho

Dear Sir:

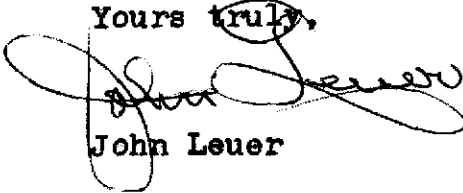
There are quite a number of property owners living below the Outlet of Priest Lake and above the dam who would benefit if two or three boards could be left permanently in the dam.

As it is at present, the river above the dam is shallow, swift and quite hazardous in the early spring and fall. This year several boats have been partially wrecked and a near drowning because of the rocks and swift current.

We understand that if this were done, it would not effect the level of the lake or cause any undue high water for the lake people as these two or three feet held would still leave the water level lower than the Outlet Channel.

We would very much appreciate your giving this suggestion your consideration.

Yours truly,


John Leuer

cc; R. Bishop
L. Easley
Washington Water Power.

16642

June 14, 1963

MEMORANDUM

TO: JOE R. WILLIAMS, State Auditor
FROM: Carl E. Tappen, Acting State Reclamation Engineer
SUBJECT: Re: Outlet Control Structure, Priest Lake

Idaho Code, 70-506, provides that upon completion of construction of said structure all moneys in said Priest Lake outlet control structure construction fund shall revert to the general fund.

It appears that under present operations this structure is adequate and original construction is completed. This is not to say an emergency is improbable, but this department hereby releases the monies in said construction fund to the general fund.

Transfer hereby authorized.

cc: Governor Robert E. Smylie
Don I. Walker

16642

October 23, 1962

Mr. A. H. Wegner
Ass't. Vice President
The Washington Water Power Co.
Spokane 10, Washington

Dear Mr. Wegner:

We acknowledge receipt of copy of the news item relating to lowering of Priest Lake Water Level. Glad to note that favorable weather was the element of consideration for determining the time of this operation.

Very truly yours,

CARL E. TAPPAN, Assistant
State Reclamation Engineer

CET:ew

16642

The Spokesman-Review, Thursday, Oct. 18, 1962.

Priest Lake Water Level to Go Down

Release of water from Priest Lake this year will start Oct. 27, the Idaho Department of Reclamation announced Wednesday.

State engineers said it would require about one week for the lake level to drop about 12 inches. After that control will be discontinued and the lake will be permitted to recede to level with the natural outlet and stream inflows.

later ~~earlier~~ The release is about two weeks ~~earlier~~ than usual this year because of a favorable water supply in the Pacific Northwest. Only possible changes in the release dates, officials said, would be caused by substantial rains in the watershed supplying the lake.

The Priest Lake water control structure is owned by the state of Idaho and operated by Washington Water Power Co. under direction of the state reclamation engineer.

16642

RECEIVED
OCT 22 1962

Department of Reclamation

The Spokesman-Review, Thursday, Oct. 18, 1962.

Priest Lake Water Level to Go Down

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The release is about two weeks earlier than usual this year because of a favorable water supply in the Pacific Northwest. Only possible changes in the release dates, officials said, would be caused by substantial rains in the watershed supplying the lake.

The Priest Lake water control structure is owned by the state of Idaho and operated by Washington Water Power Co. under direction of the state reclamation engineer.

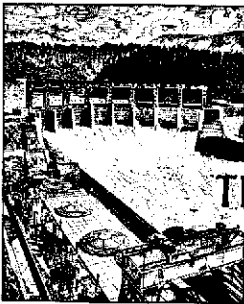
Note:

→ use of word "earlier",
rather than "later" as
appearing in copy
furnished to papers

Don't know who quoted

AKW

16642



A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

RECEIVED
OCT 12 1962
Department of Reclamation

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

October 11, 1962

Mr. Carl Tappan
Deputy to State Reclamation Engineer
Department of Reclamation
State Capitol Building
Boise, Idaho

Dear Mr. Tappan:

Supplementing our letter of September 27, 1962, to you, herewith is copy of news story, re Priest Lake, which we plan to release to the listed papers on October 18.

Following our phone call to Mr. Thomas on October 8, our Mr. Eisele conferred with your special deputy at Priest Lake on October 9, and it was found satisfactory to initiate the release on Friday, October 26. However, availability of manpower makes it advisable to do the work on Saturday, October 27, and that is the date indicated.

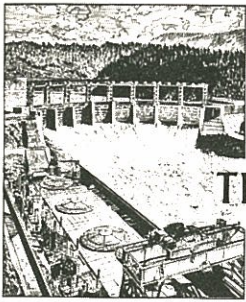
In event your office has any questions relative to the release as programmed, please advise.

Very truly yours,


Assistant Vice President

A. H. Wegner:c

16642



A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

RECEIVED
SEP 28 1962
Department of Reclamation

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

September 27, 1962

HD9-0500

m Hoke

Air Mail

(1) Mr. Carl Tappan
Deputy to State Reclamation Engineer
Department of Reclamation
State Capitol Building
Boise, Idaho

Dear Carl:

With respect to Priest Lake and the release of waters held by the outlet control structure, I am enclosing print copies of news items of last year's operation.

Our Power Supply Department will shortly appraise the matter of the water release date for this season. It is our thought that when a target date is indicated we will discuss this matter with you by telephone as well as with E. J. Elliott, your special deputy at Priest Lake. Thereafter, with your approval, we will make a news release, appropriate to the current conditions, with the hope that such release will appear in the Priest River Times as well as the Spokane papers.

Our present thinking is that a somewhat later release date may be possible this year, although such is not definite at the moment. We are enclosing the attached copies for your review so that when we do phone you, you will be familiar with how the arrangements were handled last year.

Sincerely yours,

A. H. Wegner
Assistant Vice President

16642

A. H. Wegner:vs
Encls.

10-16-62

Mr Wegner called and we discussed this operation. We agreed that his plan of operation was O.K. CEF

(1) Is this correct.?

(2) Father-in-law of Russ Bishop of Bishop's Marina, @ Cochin

NEWS RELEASE - Oct 19, 1962

(to Spokane Chronicle and)
(Spokesman Review)
(Priest River Times)

The Idaho Department of Reclamation announced today that the release of water from Priest Lake this year is planned to start Saturday, October 27.

The Priest Lake water control structure, owned by the State, is operated by The Washington Water Power Company under direction of the state reclamation engineer.

The state engineer said that it would require about one week for the lake level to lower approximately 12 inches. Thereafter, control will be discontinued and the lake permitted to recede to such level as the natural outlet and stream inflows to the lake permit.

A favorable water supply situation in the Pacific Northwest region makes it practical to initiate this year's release about two weeks later than last year.

Substantial rains in the watershed area supplying Priest Lake of course could necessitate a change in the planned release of water.

cc: A.H. Wegner
L.A. Eisele
Ken McCord

bc: Geo. N. Carter ✓
State Reclamation Engineer
Capitol Bldg
Boise, Idaho

16642

NEWS RELEASE - 10/18/62

(to Spokane Chronicle and)
(Spokesman Review)
(Priest River Times)

The Idaho Department of Reclamation announced today that the release of water from Priest Lake this year is planned to start Saturday, October 27.

The Priest Lake water control structure, owned by the State, is operated by The Washington Water Power Company under direction of the state reclamation engineer.

The state engineer said that it would require about one week for the lake level to lower approximately 12 inches. Thereafter, control will be discontinued and the lake permitted to recede to such level as the natural outlet and stream inflows to the lake permit.

A favorable water supply situation in the Pacific Northwest region makes it practical to initiate this year's release about two weeks later than last year.

Substantial rains in the watershed area supplying Priest Lake of course could necessitate a change in the planned release of water.

cc: A. H. Wegner
L. A. Eisele
Ken McCord

16642

NEWS RELEASE - September 29, 1961

(to Spokane Chronicle and)
(Spokesman Review)

RECEIVED
SEP 28 1962

Department of Reclamation

The Idaho Department of Reclamation announced today that the release of water from Priest Lake this year is to start Monday, October 9.

The Priest Lake water level control structure, owned by the State, is operated by Washington Water Power with lease arrangement under direction of the state reclamation engineer.

The state engineer said that it would require about one week for the lake level to lower approximately 12 inches. Thereafter, the control will be discontinued and the lake permitted to recede to such level as the natural outlet and stream inflows permit.

Substantial rains in the watershed area supplying Priest Lake may require a change in the planned release of water.

Copy -Geo. N. Carter
State Reclamation Engineer
Capitol Bldg
Boise, Idaho

16642

the viewer moves around it.

Level of Lake to Be Dropped

Priest Lake water level will be lowered about a foot in the week beginning Monday, Oct. 9, the Idaho Department of Reclamation announced today.

Thereafter control will be discontinued and the lake permitted to recede to such level as the natural outlet and stream flows determine.

The water-level control structure is owned by the state and operated by Washington Water Power Co. under a lease arrangement under direction of the state reclamation engineer.

The Reclamation Department said any substantial rains in the Priest Lake watershed could require a change in the planned water release.

16642



AUG 1961



AUG 1961

July 2, 1962

Re: 2800

Forest Supervisor
Kamileu National Forest
Sandpoint, Idaho

Attn: Richard E. Baldwin

Dear Mr. Baldwin:

In reply to your inquiry of June 28th, the best information we have about the elevation of Priest Lake is found on a Sandpoint quadrangle, surveyed in 1898 and 1899, elevation thereon shown to be 2439.00

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

By:

CARL E. TAPPAN, Assistant
State Reclamation Engineer

CET:ew

16642

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE

KANIKSU NATIONAL FOREST
SANDPOINT, IDAHO

ADDRESS REPLY TO
FOREST SUPERVISOR
AND REFER TO

2800

June 28, 1962

RECEIVED
JUL 2 1962

Department of Reclamation

Reclamation Engineer
Idaho Department of Reclamation
Boise, Idaho

Dear Sir:

We would like to know the elevation of Priest Lake in north Idaho at the time Idaho became a state in 1890, or at the earliest date subsequent to 1890 for which you have a record. The lake is located in Townships 59, 60, 61, and 62 North, Range 4 West, Boise Meridian.

This information will be of use to us in determining the demarcation point between state and federal jurisdiction over the adjacent national forest land.

We will appreciate any information you are able to furnish us.

Sincerely yours,

JOHN D. BEEBE
Forest Supervisor

By *Richard E. Baldwin*

16642



Priest Lake Dam

Idaho Code 70-501 to 507, as amended, outlines the authorization to prepare plans for and construct the Priest Lake Outlet Control Structure. Also Acceptance of Contributions "from any person, partnership, corporation or association for defraying the cost of construction of such outlet control structure." Such contributions, when accepted, shall be deposited in the Priest Lake outlet control structure construction fund.

George N. Carter says in a History Memorandum 1-18-61 that it from files in this office that "the outlet structure was built in 1950 with funds furnished by Washington Water Power Co." Also stated that when completed "full right, title and interest in the outlet control structure shall thereupon vest in the State of Idaho."

After completion of construction all moneys in the said Priest Lake outlet control construction fund shall revert to the general fund.

1664²

STATE OF IDAHO

RECEIPTS TRANSMITTAL REPORT

DATE 6/7, 19 62DEPARTMENTAL
REPORT NO. Special Deposit

AUDITOR'S CERTIFICATE NO.

7516

TREASURER'S CERTIFICATE NO.

7516REPORT FOR
COLLECTING
AGENCYDepartment of Reclamation

FUNCTION

Conservation & RecreationNO. 6

SUBDIVISION

Priest Lake Outlet Control
Structure FundNO. 17RECEIPT NUMBERS: FROM ----- TO -----PAGE OF PAGES

ACCOUNT CODE			SOURCE OF RECEIPTS		TOTAL RECEIPTS	
FUND	APPROP.	CLASS	DESCRIPTION—SOURCE			
63	---	3502	Annual payment under contract agreement for right to operate and maintain the Priest Lake Outlet Control Structure as per agreement dated March 20, 1961, and amended April 18, 1961. Contract between State of Idaho Department of Reclamation, Northern Lights, Inc. (REA), and The Washington Water Power Company, assignee. Warrant No. 10961 issued by The Washington Water Power Company, Spokane, Washington		\$1,000	00
REFUNDS OF ERRONEOUS PAYMENTS (INDICATE OBJECT CODE NUMBER OF ACCOUNT TO BE CREDITED)						
			TOTAL		-	\$1,000 00

Special
Deposit

One Thousand & No/100 - - - - -


 IDAHO STATE TREASURER

JUN 8 1962

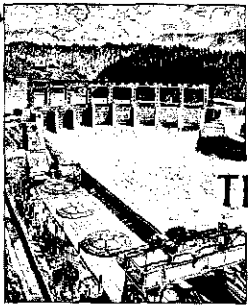
16642

THE WASHINGTON WATER POWER COMPANY

DATE	INVOICE NUMBER	DESCRIPTION	AMOUNT	DISCOUNT OR DEDUCTION	NET AMOUNT
5 31 62		Payment as per contract dated March 20, 1961 (paragraph 4, page 4) between the Department of Reclamation, State of Idaho, Northern Lights, Inc. (REA), and The Washington Water Power Company, assignee. Said contract relates to the storage and release of water in Priest Lake.	\$1,000.00		

16642

PLEASE DETACH BEFORE DEPOSITING CHECK



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

June 5, 1962

RECEIVED
JUN 7 1962

Department of Reclamation

Department of Reclamation
State of Idaho
Boise, Idaho

Attention: George N. Carter,
State Reclamation Engineer

Gentlemen:

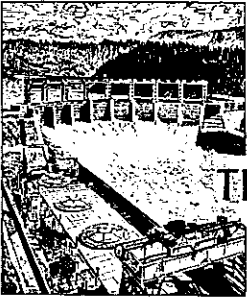
In accordance with the terms of the contract between your office, Northern Lights, Inc., and this Company, as assignee, dated March 20, 1961, as last amended March 30, 1962, herewith is our check payable to your office in the amount of \$1,000. This payment is for the period July 1, 1962 to June 30, 1963.

Very truly yours,

A. H. Wegner
Assistant Vice President

A. H. Wegner:c

16642



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

March 29, 1962

A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

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

Re: Priest Lake Agreement

Dear Mr. Carter:

Reference is made to the Agreement of August 12, 1960, entered into by your office and Northern Lights, Inc., and the assignment thereof by Northern Lights to this Company, said assignment approved by your office March 20, 1961. Reference is also made to the letter of agreement dated April 14, 1961, amending said agreement so that the date prior to which this Company (the assignee) may terminate said agreement was extended to May 31, 1962.

By the terms of the second paragraph of section 3 (page 3), it is contemplated that the assignee will enter into an Agreement with Bonneville providing for reimbursement to the assignee for use of waters released from Priest Lake. At this writing it does not appear practical to enter into a suitable arrangement by May 1, 1962, due to the current negotiations for a coordination Agreement among all northwest generating utilities and other matters. Under these circumstances we cannot take the risk involved in allowing the Agreement to become fixed until 1971, and would have to give notice of termination at this time. However, if the right to terminate could be extended for two years we would be willing to allow the contract to remain in effect and to comply with all terms of the Agreement during the period of the extension. Therefore, it is respectfully suggested that the Agreement be modified to defer the termination arrangement two years; i.e., to May 1, 1964.

esek
K.O. Strenge

16642

Mr. George N. Carter

-2-

March 29, 1962

Accordingly, it is proposed that the sentence beginning on line 26, page 3, of said Agreement of August 12, 1960, as assigned March 20, 1961, and amended April 14, 1961, shall be and the same is hereby amended to read:

"In the event that the Cooperative or its assignee on or before May 1, 1964, is unable to enter into such Agreement or is unable to receive guarantees of compensation which it, or after assignment the assignee, shall consider adequate, the Cooperative or the assignee, at its option, may terminate this Agreement May 31, 1964, by written notice given to the State Reclamation Engineer on or before May 10, 1964, and thereafter this Agreement shall be of no further force and effect."

In all other respects said Agreement, as assigned, shall remain in full force and effect.

If you are in accord with the foregoing, it is suggested that two copies hereof be approved, on behalf of your office, in the space provided and return to us. On receipt thereof we shall forward a copy to Northern Lights, Inc., with whom we have discussed this arrangement and who concur in the extension as here proposed.

Very truly yours,

The Washington Water Power Co.

By

A. H. Wegner
Assistant Vice President

A. H. Wegner:c

Approved - Date March 30, 1962

Department of Reclamation

By *Geo. N. Carter*
State Reclamation Engineer

16642

cc: Glenn Bandelin, Atty. for
Northern Lights, Inc.

In the House of Representatives

H. B. No. 273

By STATE AFFAIRS COMMITTEE

AN ACT

AMENDING SECTION 70-507, IDAHO CODE, AS AMENDED, RELATING TO CONTROL AND SUPERVISION OF THE PRIEST LAKE OUTLET CONTROL STRUCTURE BY AUTHORIZING THE STATE RECLAMATION ENGINEER TO CONTRACT FOR THE OPERATION AND MAINTENANCE OF THE PRIEST LAKE OUTLET CONTROL STRUCTURE AND CONDITIONS THEREOF, AND BY DELETING THE SPECIFICATION OF PERIODS DURING WHICH THE DRAWDOWN OF WATERS SHALL BE COMMENCED AND COMPLETED, AND AUTHORIZING THE STATE RECLAMATION ENGINEER TO MAKE DETERMINATIONS CONCERNING THE AMOUNT AND TIME OF THE DRAWDOWN, AFTER THE CLOSE OF THE MAIN RECREATIONAL SEASON; AND DECLARING AN EMERGENCY.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 70-507, Idaho Code, as amended, be,
2 and the same is hereby amended to read as follows:

3 70-507. STATE RECLAMATION ENGINEER TO HAVE
4 SUPERVISION AND CONTROL.—The Priest Lake outlet control
5 structure shall, when constructed, be under the supervision and control
6 of the State Reclamation Engineer*, who may enter into contracts for
7 a period of one (1) year or more with persons or corporations, by
8 him deemed qualified, to operate and maintain, at their sole expense,
9 said outlet control structure or any other control structure erected as
10 a replacement thereof; provided, however, that under no circum-
11 stances shall the water surface level of Priest Lake be maintained or

16642

12 regulated by said State Reclamation Engineer above 3.0 feet on the
13 present United States Geological Survey Priest Lake outlet gage with
14 gage datum of 2434.64 feet above mean sea level, datum of 1929, sup-
15 plementary adjustment of 1947, or released below - 0.1 feet * on said
16 gage; provided further, that the water surface level of Priest Lake
17 shall be maintained at 3.0 feet on the United States Geological Survey
18 Priest Lake outlet gage, from and after the time * * * each year fol-
19 lowing the run-off of accumulated winter snows, when the surface
20 level of the waters of Priest Lake has receded to such elevation, until
21 * * * the time after the close of the main recreational season, as
22 determined by said State Reclamation Engineer, that said lake waters
23 may be released and the surface level permitted to recede below said
24 elevation 3.0.

SECTION 2. An emergency existing therefor, which emergency
2 is hereby declared to exist, this act shall be in full force and effect
3 from and after its passage and approval.

Passed by House of Representatives - February 17, 1961
Unanimous; i. e., no "nay" votes.

Passed by Senate - February 27, 1961
Unanimous; i. e., no "nay" votes.

Approved by Governor - March 11, 1961.

16642

ROBERT E. SMYLYE
Governor



GEO. N. CARTER
State Reclamation Engineer

STATE OF IDAHO

DEPARTMENT OF RECLAMATION
107 STATE HOUSE
BOISE

February 14, 1962

Re: Priest Lake

Mr. Geo. N. Carter
702 Ranch Road
Boise, Idaho

Dear Mr. Carter:

Mr. A. H. Wegner, Assistant Vice-President, Washington Water Power Company, was in the office this morning in regard to the agreement with the state of the control of the water level in Priest Lake.

The Company has not been able to enter into an agreement with Bonneville Power in regard to purchase of firm power in payment for the water released.

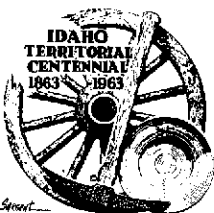
Mr. Wegner suggested that they may request an extension of time to complete the agreement for firm power from May 1, 1962 to May 1, 1964, or that they may terminate the agreement with the state by May 10, 1962. I told him that I thought that the extension of time could be allowed.

Mr. Wegner requested that I should extend his regards to you and hopes for your complete recovery.

2-17-62
Sincerely yours,

Ralph
RALPH W. THOMAS

RT:ew



It is important to maintain this agreement in any way it can be done, otherwise the state is obligated to operate the dam. We should be most cooperative in this matter.
Geo. N. Carter

16642

February 14, 1962

Re: Priest Lake

Mr. Geo. N. Carter
702 Ranch Road
Boise, Idaho

Dear Mr. Carter:

Mr. A. H. Wegner, Assistant Vice-President, Washington Water Power Company, was in the office this morning in regard to the agreement with the state of the control of the water level in Priest Lake.

The Company has not been able to enter into an agreement with Bonneville Power in regard to purchase of firm power in payment for the water released.

Mr. Wegner suggested that they may request an extension of time to complete the agreement for firm power from May 1, 1962 to May 1, 1964, or that they may terminate the agreement with the state by May 10, 1962. I told him that I thought that the extension of time could be allowed.

Mr. Wegner requested that I should extend his regards to you and hopes for your complete recovery.

Sincerely yours,

RALPH W. THOMAS

RT:ew

16642

December 13, 1961

RE: Priest Lake

Ronald J. Burns
301 Mohawk Building
Spokane 8, Washington

Dear Mr. Burns:

The Priest Lake water level control structure, owned by the State, is operated by the Washington Water Power.

The water in the lake is released each fall starting about October 15. The water is lowered to the natural outlet until the water level is raised in the spring.

State Statute provides that the high water level of the water shall not be over 3.0 on the gage at the outlet, or released below 0.1 on the said gage.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer
By

Ralph W. Thomas
Deputy State Reclamation Engineer

RWT:mr

16642

RONALD J. BURNS
ANTHONY, BAKER & BURNS
301 MOHAWK BUILDING
SPOKANE 8, WASHINGTON

December 11, 1961

State of Idaho
Hydraulic Engineers
(Or Department Concerned with the Water Level
of Priest Lake)

Boise, Idaho

Gentlemen:

I have a home at Priest Lake. I went up over the weekend and discovered that my water pipe was on top of the ground and that the Washington Water Power had lowered the level of the lake.

In checking with them, they told me that possibly it was a foot lower than last year, or normal. I then asked them if they were required to hold it at any certain level. They informed me that they did not have to hold it at any level.

My recollection is the Idaho Legislature passed a law wherein the lake level was not to be lowered below a certain point. Would you please advise me if this is correct and if you have any information on the level of the lake, I would appreciate receiving it.

My pipe now is practically on top of the ground, so I suppose I will be out of water for the rest of the year when the pipe freezes up.

Yours truly,


Ron J. Burns

RJB:dmh

16642

NEWS RELEASE - September 29, 1961

(to Spokane Chronicle and)
(Spokesman Review)

The Idaho Department of Reclamation announced today that the release of water from Priest Lake this year is to start Monday, October 9.

The Priest Lake water level control structure, owned by the State, is operated by Washington Water Power with lease arrangement under direction of the state reclamation engineer.

The state engineer said that it would require about one week for the lake level to lower approximately 12 inches. Thereafter, the control will be discontinued and the lake permitted to recede to such level as the natural outlet and stream inflows permit.

Substantial rains in the watershed area supplying Priest Lake may require a change in the planned release of water.

Copy - Geo. N. Carter ✓
State Reclamation Engineer
Capitol Bldg
Boise, Idaho

16642

RECEIVED

OCT 5 1961

Department of Reclamation

Spokane Daily Chronicle, Friday, Sept. 29, 1961. 5

THE VIEWER SHOULD REMEMBER AS:

Level of Lake to Be Dropped

Priest Lake water level will be lowered about a foot in the week beginning Monday, Oct. 2, the Idaho Department of Reclamation announced today.

Thereafter control will be discontinued and the lake permitted to recede to such level as the natural outlet and stream flows determine.

The water-level control structure is owned by the state and operated by Washington Water Power Co. under a lease arrangement under direction of the state reclamation engineer.

The Reclamation Department said any substantial rains in the Priest Lake watershed could require a change in the planned water release.

16642

RECEIVED
OCT 5 1961
Department of Reclamation

THE VIEWER MOVES AUTOMATICALLY

Level of Lake to Be Dropped

Priest Lake water level will be lowered about a foot in the week beginning Monday, Oct. 2, the Idaho Department of Reclamation announced today.

Thereafter control will be discontinued and the lake permitted to recede to such level as the natural outlet and stream flows determine.

The water-level control structure is owned by the state and operated by Washington Water Power Co. under a lease arrangement under direction of the state reclamation engineer.

The Reclamation Department said any substantial rains in the Priest Lake watershed could require a change in the planned water release.

16642

To: Mr. Geo. N. Carter, State Reclamation Engineer

From: E. Williamson, Inspector

As you will see by attached pictures, the water is flowing out of the outlet and there is water in the lake, so would report that everything is normal. Will turn in my expense account at a later date.

Respectfully submitted

E. Williamson

16642

STATE OF IDAHO

RECEIPTS TRANSMITTAL REPORT

4--REPORTING DEPT. COPY

DATE 6/9, 19 61DEPARTMENTAL REPORT NO. Special Deposit

AUDITOR'S CERTIFICATE NO.

14438

TREASURER'S CERTIFICATE NO.

14438REPORT FOR
COLLECTING
AGENCYDepartment of Reclamation

FUNCTION

Conservation & RecreationNO. 6

SUBDIVISION

Priest Lake Outlet Control
Structure FundNO. 17RECEIPT NUMBERS: FROM ----- TO -----PAGE ----- OF ----- PAGES

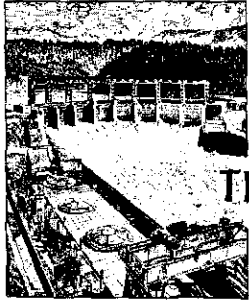
ACCOUNT CODE			SOURCE OF RECEIPTS		TOTAL RECEIPTS	
FUND	APPROP.	CLASS	DESCRIPTION—SOURCE			
63	---	3502	Annual payment under contract agreement for right to operate and maintain the Priest Lake Outlet Control Structure as per agreement dated March 20, 1961, and amended April 18, 1961 Warrant No. 97240 issued by The Washington Water Power Company, Spokane, Washington		\$1000	00
REFUNDS OF ERRONEOUS PAYMENTS (INDICATE OBJECT CODE NUMBER OF ACCOUNT TO BE CREDITED)						
			TOTAL		-	\$1,000 00

Special
Deposit

 IDAHO STATE TREASURER

One Thousand & No/100 - - - - -

16642



A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

RECEIVED

JUN 8 1961

Department of Reclamation

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

June 6, 1961

Department of Reclamation
State of Idaho
Capitol Building
Boise, Idaho

Attention: George N. Carter,
State Reclamation Engineer

Gentlemen:

In accordance with the terms of the contract between your office, Northern Lights, Inc., and this Company, as Assignee, dated March 20, 1961, as amended April 18, 1961, herewith is our check payable to your office in the amount of \$1,000. This payment is for the period July 1, 1961, to June 30, 1962.

Very truly yours,


Assistant Vice President

A. H. Wegner:c

16642

April 18, 1961

Mr. A. H. Wegner, Assistant Vice President
Washington Water Power Company
Post Office Drawer 1445
Spokane 10, Washington

Dear Mr. Wegner:

The amendment to the Agreement of August 12, 1960
between Northern Lights, Inc. and the State of Idaho proposed
by Washington Water Power Co., assignee of Northern Lights, Inc.,
is satisfactory to me.

I have accordingly approved the letter proposal
dated April 14, 1961 which I understand will in effect constitute
an amendment to the agreement.

Two signed copies of the letter amendment are
herewith enclosed. The original is attached to the agreement
on file in this office.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

Enc. copies of agreement

*Check 1000
June 8, 1961
for Contract 1445
July 1, 1961 to June 30, 1962
GNC:mr mb*

16642

hic 16642

April 18, 1961

Mr. A. H. Wegner, Assistant Vice President
Washington Water Power Company
Post Office Drawer 1445
Spokane 10, Washington

Dear Mr. Wegner:

The amendment to the Agreement of August 12, 1960 between Northern Lights, Inc. and the State of Idaho proposed by Washington Water Power Co., assignee of Northern Lights, Inc., is satisfactory to me.

I have accordingly approved the letter proposal dated April 14, 1961 which I understand will in effect constitute an amendment to the agreement.

Two signed copies of the letter amendment are herewith enclosed. The original is attached to the agreement on file in this office.

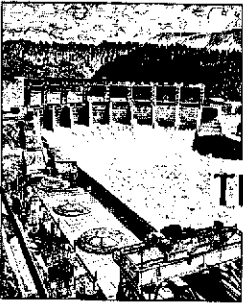
Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:ar

Enc. copies of agreement

16642



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

April 14, 1961

RECEIVED
APR 17 1961
Department of Reclamation

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

Re: Priest Lake Agreement

Dear Mr. Carter:

Reference is made to the Agreement of August 12, 1960, entered into by your office and Northern Lights, Inc., and the assignment thereof by Northern Lights to this Company, said assignment approved by your office March 20, 1961.

By the terms of the second paragraph of section 3 (page 3), it is contemplated that the assignee (this Company) will enter into an Agreement with Bonneville providing for reimbursement to the assignee for use of waters released from Priest Lake. At this writing it does not appear practical to enter into a suitable arrangement by May 1, 1961, due to the current negotiations for a coordination Agreement among all northwest generating utilities. We cannot take the risk involved in allowing the Agreement to become fixed until 1971, and would have to give notice of termination at this time. However, if the right to terminate could be extended for a year we would be willing to allow the contract to remain in effect and to comply with all terms of the Agreement during the period of the extension. Therefore, it is respectfully suggested that the Agreement be modified to defer the termination arrangement one year; i.e., to May 1, 1962.

Accordingly, it is proposed that the sentence beginning on line 26, page 3, of said Agreement of August 12, 1960, as assigned March 20, 1961, shall be and the same is hereby amended to read:

16642

Mr. George N. Carter

-2-

April 14, 1961

"In the event that the Cooperative or its assignee on or before May 1, 1962, is unable to enter into such Agreement or is unable to receive guarantees of compensation which it, or after assignment the assignee, shall consider adequate, the Cooperative or the assignee, at its option, may terminate this Agreement May 31, 1962, by written notice given to the State Reclamation Engineer on or before May 10, 1962, and thereafter this Agreement shall be of no further force and effect."

In all other respects said Agreement, as assigned, shall remain in full force and effect.

If you are in accord with the foregoing, it is suggested that two copies hereof be approved, on behalf of your office, in the space provided and return to us. On receipt thereof we shall forward a copy to Northern Lights, Inc., with whom we have discussed this arrangement and who concur in the extension as here proposed.

Very truly yours,

The Washington Water Power Co.

By


Assistant Vice President

A. H. Wegner:c

Approved - Date APR 18 1961

Department of Reclamation

By


State Reclamation Engineer

cc: Northern Lights, Inc.
% Glen Bandelin

16642

March 20, 1961

RE: Operating Agreement,
Priest Lake Outlet Control Structure
Bonner County, Idaho

Northern Lights, Inc.
Sandpoint, Idaho

Gentlemen:

I have, this day, signed in triplicate for the State of Idaho the operating agreement between Northern Lights, Incorporated and the State of Idaho for future control of the levels of Priest Lake.

I have also approved the assignment of the agreement to Washington Water Power Company.

Executed copy of the agreement is enclosed for your record.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:mr

Enc.

March 13, 1961

RE: Priest Lake Regulation and Control
House Bill No. 273 - 36th Session

Honorable Robert E. Saylie
Governor
Building

Dear Governor Saylie:

Now that House Bill No. 273, an act amending the release of storage water from Priest Lake, is a law I assume it is proper for me to now execute the contracts between Northern Lights Inc. and the State of Idaho relating to further regulation and release of the storage water in the lake.

You will recall that after a discussion in your office, in company with Mr. A. H. Wegner of the Washington Water Power Company on March 9, 1960, of this matter and of the implications of the contract and the assignment thereof to the Washington Water Power Company, that you gave your assent to execution of the contract by the state.

Will you please indicate your approval of signature of the contract by me as State Reclamation Engineer?

Sincerely yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:mr

February 7, 1961

Mr. William F. Brown, Executive Secretary
Priest Lake Association
Coolin, Idaho

Dear Mr. Brown:

I have noted your comments of January 21, 1961 on the proposed amendment of Section 70-507, Idaho Code - the Priest Lake regulation directive.

The State of Idaho has two principal points of concern in this matter: First to make certain Priest Lake levels are controlled to the nearest possible satisfaction of the residents and owners of shore property; and, Second to accomplish this end at the least expense to the state.

I do not believe there is anything in the proposed amendment which could be implied or construed to signify legislative approval of Northern Lights Inc. proposed power dam downstream from the outlet control structure. Such being the case it did not seem necessary to tie the amendment down to "the present site".

The other change in the wording of the amendment - changing "when" to "as" was discussed here and the substitution was not made to avoid as little change as possible in the present law. It seems that when an amendment to a law is proposed the fewer changes there are in the amendment the less questions asked.

I understand the bill to amend the section is about to be introduced.

Sincerely yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:mr

16642

IN THE SENATE

S. B. NO. _____

BY _____

AN ACT

AMENDING SECTION 70-507, IDAHO CODE, AS AMENDED, RELATING TO
CONTROL AND SUPERVISION OF THE PRIEST LAKE OUTLET
CONTROL STRUCTURE BY THE STATE RECLAMATION ENGINEER;
PROVIDING THAT THE STATE RECLAMATION ENGINEER MAY CONTRACT
FOR THE OPERATION AND MAINTENANCE OF THE PRIEST LAKE
OUTLET CONTROL STRUCTURE AND CONDITIONS THEREOF; PROVID-
ING FOR MAXIMUM AND MINIMUM LEVELS OF THE WATERS OF
PRIEST LAKE AND THE MAINTENANCE AND REGULATION THEREOF; AND
DECLARING AN EMERGENCY.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 70-507, Idaho Code, as amended,
be, and the same hereby is amended to read as follows:

70-507. STATE RECLAMATION ENGINEER TO HAVE SUPERVISION
AND CONTROL.--The Priest Lake outlet control structure shall,
when constructed, be under the supervision and control of the
State Reclamation Engineer, who may enter into contracts for
a period of one (1) year or more with persons or corporations,
by him deemed qualified, to operate and maintain, at their
sole expense, said outlet control structure or any other control
structure erected as a replacement thereof; provided, however,
that under no circumstances shall the water surface level of
Priest Lake be maintained or regulated by said State Reclamation
Engineer above 3.0 feet on the present United States Geological
Survey Priest Lake outlet gage with gage datum of 2434.64 feet

above mean sea level, datum of 1929, supplementary adjustment of 1947, or released below - 0.1 feet * on said gage; provided further, that the water surface level of Priest Lake shall be maintained at 3.0 feet on the United States Geological Survey Priest Lake outlet gage, from and after the time * * * each year following the run-off of accumulated winter snows, when the surface level of the waters of Priest Lake has receded to such elevation, until * * * the time after the close of the main recreational season, as determined by said State Reclamation Engineer, that said lake waters may be released and the surface level permitted to recede below said elevation 3.0.

SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this Act shall be in full force and effect from and after its passage and approval.

March 20, 1961

RE: Operating Agreement,
Priest Lake Outlet Control Structure
Bonner County, Idaho

Washington Water Power Company
P. O. Box 1145
Spokane 10, Washington

Attention: A. H. Wagner

Dear Mr. Wagner:

I have, this day, signed in triplicate for the State of Idaho the operating agreement between Northern Lights, Incorporated and the State of Idaho for future control of the levels of Priest Lake.

I have also approved the assignment of the agreement to Washington Water Power Company.

Executed copy of the agreement is enclosed for your record.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:mr

Enc.

16642



STATE OF IDAHO

OFFICE OF THE GOVERNOR

BOISE

ROBERT E. SMYLLIE
GOVERNOR

RECEIVED

MAR 20 1961

Department of Reclamation

March 17, 1961

Honorable George N. Carter
State Reclamation Engineer
B U I L D I N G

Dear George:

With reference to your letter of March 13, 1961 regarding the execution of contracts between the Northern Lights, Inc. and the State of Idaho relating to regulation and release of the storage water in Priest Lake, this letter will constitute my approval of your signature on the contracts as State Reclamation Engineer.

Sincerely yours,

A handwritten signature in black ink, appearing to read "R. E. Smyllie", written over a horizontal line.

GOVERNOR

RES:c

16642

March 13, 1961

RE: Priest Lake Regulation and Control
House Bill No. 273 - 36th Session

Honorable Robert E. Saylie
Governor
Building

Dear Governor Saylie:

Now that House Bill No. 273, an act amending the release of storage water from Priest Lake, is a law I assume it is proper for me to now execute the contracts between Northern Lights Inc. and the State of Idaho relating to further regulation and release of the storage water in the lake.

You will recall that after a discussion in your office, in company with Mr. A. H. Wegner of the Washington Water Power Company on March 9, 1960, of this matter and of the implications of the contract and the assignment thereof to the Washington Water Power Company, that you gave your assent to execution of the contract by the state.

Will you please indicate your approval of signature of the contract by me as State Reclamation Engineer?

Sincerely yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:mr

16642

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

1-28-60

MEMORANDUM

Subject PRIEST LAKE

File _____

Present Law:

Drawdown to begin between September 10 and October 31. Drawdown to be completed by November 20th.

Amendment Now Proposed:

Time after close of recreational season as determined by Reclamation Engineer that said waters may be released etc. etc.

No completion date specified on drawdown.

Pending Contract: Between Northern Lights Inc., Washington Water Power & State

Open gates at close of recreational season, not later than October 31, but not earlier than 1st Friday after Labor Day.

Drawdown completion date not specified.

AMB
1-28-61 *
see Dan
16642 McElowney

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

1-28-60

MEMORANDUM

Subject PRIEST LAKE

File _____

Present Law:

Drawdown to begin between September 10 and October 31. Drawdown to be completed by November 20th.

Amendment Now Proposed:

Time after close of recreational season as determined by Reclamation Engineer that said waters may be released etc. etc.

No completion date specified on drawdown.

Pending Contract Between Northern Lights Inc., Washington Water Power & State

Open gates at close of recreational season, not later than October 31, but not earlier than 1st Friday after Labor Day.

Drawdown completion date not specified.

S.H.G.

March 20, 1961

RE: Operating Agreement,
Priest Lake Outlet Control Structure
Bonner County, Idaho

Washington Water Power Company
P. O. Box 1145
Spokane 10, Washington

Attention: A. H. Wegner

Dear Mr. Wegner:

I have, this day, signed in triplicate for the State of Idaho the operating agreement between Northern Lights, Incorporated and the State of Idaho for future control of the levels of Priest Lake.

I have also approved the assignment of the agreement to Washington Water Power Company.

Executed copy of the agreement is enclosed for your record.

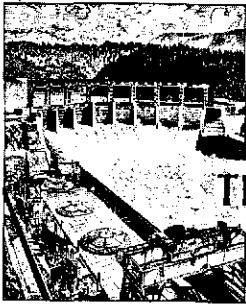
Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:mr

Enc.

16642



THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

March 29, 1962

A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

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

Re: Priest Lake Agreement

Dear Mr. Carter:

Reference is made to the Agreement of August 12, 1960, entered into by your office and Northern Lights, Inc., and the assignment thereof by Northern Lights to this Company, said assignment approved by your office March 20, 1961. Reference is also made to the letter of agreement dated April 14, 1961, amending said agreement so that the date prior to which this Company (the assignee) may terminate said agreement was extended to May 31, 1962.

By the terms of the second paragraph of section 3 (page 3), it is contemplated that the assignee will enter into an Agreement with Bonneville providing for reimbursement to the assignee for use of waters released from Priest Lake. At this writing it does not appear practical to enter into a suitable arrangement by May 1, 1962, due to the current negotiations for a coordination Agreement among all northwest generating utilities and other matters. Under these circumstances we cannot take the risk involved in allowing the Agreement to become fixed until 1971, and would have to give notice of termination at this time. However, if the right to terminate could be extended for two years we would be willing to allow the contract to remain in effect and to comply with all terms of the Agreement during the period of the extension. Therefore, it is respectfully suggested that the Agreement be modified to defer the termination arrangement two years; i. e., to May 1, 1964.

excuse
K.O. Stronge

16642

Mr. George N. Carter

-2-

March 29, 1962

Accordingly, it is proposed that the sentence beginning on line 26, page 3, of said Agreement of August 12, 1960, as assigned March 20, 1961, and amended April 14, 1961, shall be and the same is hereby amended to read:

"In the event that the Cooperative or its assignee on or before May 1, 1964, is unable to enter into such Agreement or is unable to receive guarantees of compensation which it, or after assignment the assignee, shall consider adequate, the Cooperative or the assignee, at its option, may terminate this Agreement May 31, 1964, by written notice given to the State Reclamation Engineer on or before May 10, 1964, and thereafter this Agreement shall be of no further force and effect."

In all other respects said Agreement, as assigned, shall remain in full force and effect.

If you are in accord with the foregoing, it is suggested that two copies hereof be approved, on behalf of your office, in the space provided and return to us. On receipt thereof we shall forward a copy to Northern Lights, Inc., with whom we have discussed this arrangement and who concur in the extension as here proposed.

Very truly yours,

The Washington Water Power Co.

By

A. H. Wegner
Assistant Vice President

A. H. Wegner:c

Approved - Date March 30, 1962

Department of Reclamation

By *Geo. N. Carter*
State Reclamation Engineer

16642

cc: Glenn Bandelin, Atty. for
Northern Lights, Inc.

LEGISLATURE OF THE STATE OF IDAHO)

(THIRTY-SIXTH SESSION

IN THE SENATE

S. B. NO. _____

BY _____

AN ACT

AMENDING SECTION 70-507, IDAHO CODE, AS AMENDED, RELATING TO
CONTROL AND SUPERVISION OF THE PRIEST LAKE OUTLET CONTROL
STRUCTURE BY THE STATE RECLAMATION ENGINEER; PROVIDING
THAT THE STATE RECLAMATION ENGINEER MAY CONTRACT FOR
THE OPERATION AND MAINTENANCE OF THE PRIEST LAKE OUTLET
CONTROL STRUCTURE AND CONDITIONS THEREOF; PROVIDING
FOR MAXIMUM AND MINIMUM LEVELS OF THE WATERS OF
PRIEST LAKE AND THE MAINTENANCE AND REGULATION THEREOF;
AND DECLARING AN EMERGENCY.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 70-507, Idaho Code, as amended, be,
and the same hereby is amended to read as follows:

70-507. STATE RECLAMATION ENGINEER TO HAVE SUPERVISION
AND CONTROL.--The Priest Lake outlet control structure shall, when
constructed, be under the supervision and control of the State Reclamation
Engineer, who may enter into contracts for a period of one (1) year or
more with persons or corporations, by him deemed qualified, to operate
and maintain, at their sole expense, said outlet control structure or any
other control structure erected as a replacement thereof; provided, however,
that under no circumstances shall the water level of Priest Lake be

maintained or regulated by said State Reclamation Engineer above 3.0 feet on the present United States Geological Survey Priest Lake outlet gage with gage datum of 2434.64 feet above mean sea level, datum of 1929, supplementary adjustment of 1947, or released below - 0.1 feet * on said gage; provided further, that the water surface level of Priest Lake shall be maintained at 3.0 feet on the United States Geological Survey Priest Lake outlet gage, from and after the time * * * each year following the run-off of accumulated winter snows, when the surface level of the waters of Priest Lake has receded to such elevation, until * * * the time after the close of the main recreational season, as determined by said State Reclamation Engineer, that said lake waters may be released and the surface level permitted to recede below said elevation 3.0.

SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this Act shall be in full force and effect from and after its passage and approval.

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

MEMORANDUM

January 27, 1961

Subject PRIEST LAKE

File _____

Russ Bishop and James C. Simpson

October 15 to November 20 should be the drawdown period, and

Hold the lake all winter at the November 20th stage, whatever it may be on that date, at least until April 1. Would require winter regulation of the gates.

No objection to small raises during winter. Probably they would not be controllable by man anyhow.

Desirable that lake be stabilized by November 20th. No drops after that -- dry docks the eggs.

Have been drops of 1.0 foot since completion of drawdown - 1955~~4~~1956. No significant drop in other years.

GMB.

STATE OF IDAHO
DEPARTMENT OF RECLAMATION

MEMORANDUM

January 27, 1961

Subject PRIEST LAKE

File _____

Russ Bishop and James C. Simpson

October 15 to November 20 should be the drawdown period, and

Hold the lake all winter at the November 20th stage, whatever it may be on that date, at least until April 1. Would require winter regulation of the gates.

No objection to small raises during winter. Probably they would not be controllable by man anyhow.

Desirable that lake be stabilized by November 20th. No drops after that -- dry docks the eggs.

Have been drops of 1.0 foot since completion of drawdown - 1955~~1955~~1956. No significant drop in other years.

YMB

16642

January 24, 1961

Mr. Stanley A. Wolfe
Pomeroy, Washington

Dear Mr. Wolfe:

You ask "when, approximately, they will begin to raise the water level of Priest Lake".

The level of Priest Lake is not raised by any artificial means such as manipulating the stop logs in the outlet control structure. The lake rises naturally when snow melt and spring run off begins. The openings in the outlet control structure are left wide open from the time they are opened in September or October of each year until stop logs are placed after the flood season when the lake reaches a 3.0 foot stage on the gates.

To give you an idea about the natural behavior of the lake I have looked up a few past records and find that the lake began to rise on:

April 5,	1959	control about	July 1
February 25,	1958	control about	June 13
April 5,	1957	control about	June 19
March 25,	1956	control about	July 2

A forecast date of when the lake level will raise, of course, depends on accumulated snow fall and the character of the spring, that is whether it is early or late.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:mr

16642

SUBJECT

TO

FROM

1955 - Lake dropped 1.1
feet after Nov. 20.

1956 - Lake dropped 1.0
feet after Nov. 20.

1957 - No significant
drop after Nov-20th
0.2 foot

DATE

INTER-DEPARTMENT MEMO—1

16642

SIGNATURE

WILBUR F. BROWN
LANDFALL
ROUTE 5 COOLIN
PRIEST RIVER, IDAHO

RECEIVED
JAN 23 1961
Department of Reclamation

January 21, 1961

Mr. George Carter
State Reclamation Engineer
Capitol Office Building
Boise, Idaho.

Dear Mr. Carter:

Relative to the present proposal of Washington Water Power and Northern Lights, Inc., to once again revise the wording of Idaho statute 70-507, we have at hand the wording of the proposed change with an identifying note appended "Draft 3-15-60 AHW". We are told that this is the proposed new wording and that you have a copy.

The Priest Lake Association can have no proper objection to a change in the present wording of the statute if such change will make it easier for the outlet control structure operator to be awarded "Down Stream Benefits" by B.P.A. and thus solve your problem of finding and paying for the structure operation.
(an operator)

Do not believe it does. } This Association most certainly does have objection to any change in the statute wording which might at a later date be interpreted to mean that such change signifies legislative approval of a hydro electric dam or an outlet control control at any other site except the present control structure site.

The wording of the proposed change might be so interpreted. If the wording were altered as noted (line 3, after the first word "shall", change "when" to "as"; line 8 add the words "at the present site" between "replacement" and "thereof") this Association would have no objection.

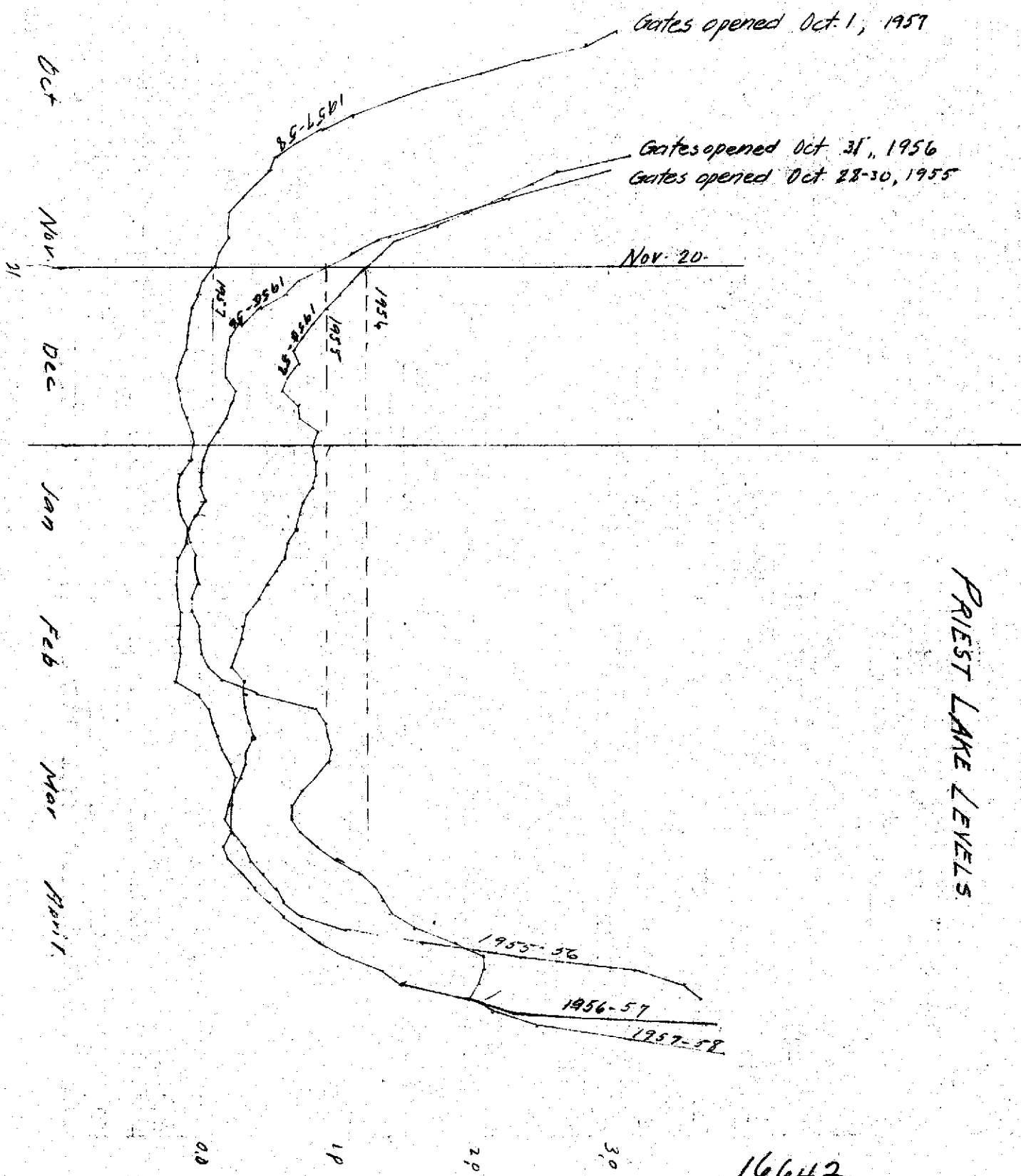
We have written this letter because we feel that you should be in touch with all of the local sentiment concerning this change and because we believe that you may be going to initiate the proposed change.

Kindest Personal Regards,
Sincerely,

Wilbur F. Brown
Wilbur F. Brown
Executive Secretary
Priest Lake Association

16642

18 20 30 Gage Height



PRIEST LAKE LEVELS



ROBERT E. SMYLIE
Governor

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
GEO. N. CARTER, STATE RECLAMATION ENGINEER
B O I S E

SUBJECT

Priest Lake stages

PROJECT

COMPUTED BY	Date	Date	Lake stage	CHECKED BY	DATE
	Antes closed	Gates opened	Nov. 20th		
1960	July 23	Sept 30	—	Dec	Jan 64 Feb 40 Mar 103
1959	July 1.	Sept 18	0.85 ✓	Dec 38	Jan 64 Feb 42 Mar 103
1958	June 12	Oct. 24	1.33 —	Dec 25	Jan 67 Feb 57
1957	June 19	Oct 1.	0.12 ✓	Nov 30	Dec 05 Jan 00 Feb 59
1956	July 3	Oct 31	.96 ✓	Dec 39	Jan 01 Feb 10 Mar 27
1955	July 24	Oct 28	1.24 —	Dec 91	Jan 90 Feb 44 Mar 44 April 366
1954	July 14	Oct 30	1.52 ✓	Dec 108	Jan 95 Feb 23 Mar 19
1953	Aug 18	Oct 17	.58 —	Dec 39	Jan 23 Feb 21 Mar 28
1952	Aug 19	Oct 19	.39 —	Dec 10	Jan 33 Feb 41 Mar 32
1951			3.08	Dec 208	Jan 32 Feb 55 Mar 21
1950	Storage began Aug 9,		3.12	Dec 378	Jan 371 Feb 170
1949				2.10	2.73 Feb 157

16642

January 18, 1961

MEMORANDUM

RE: PRIEST LAKE OUTLET CONTROL STRUCTURE

HISTORY

Legislative history of the Priest Lake Outlet Control Structure is found in the Idaho Code, Cumulative Supplement, Title 70, Watercourses and Port Districts, Chapter 5, Outlet Control Structures.

CHAPTER 5.—OUTLET CONTROL STRUCTURES

70-501. OUTLET CONTROL STRUCTURE FOR PRIEST LAKE AUTHORIZED.—The state reclamation engineer is hereby authorized to prepare plans and specifications for the construction of an outlet control structure to be located in Priest River which will regulate the level of Priest Lake located in Bonner County, Idaho, at a level which will preserve for the use of the people the beach, boating and other recreational facilities which are now located on said lake. (1950 (E.S.), ch. 61, para. 1, p. 87.)

70-502. CONSTRUCTION COMMENCED ON APPROVAL OF PLANS AND SPECIFICATIONS.—Upon approval by the board of examiners of the plans and specifications authorized to be prepared by section 72-501, the state reclamation engineer is hereby authorized and directed to commence construction of such outlet control structure. The provisions of section 67-2304, Idaho Code, as amended, shall have no application to the provisions of this act. (1950 (E.S.), ch. 61, para. 2, p. 87.)

70-503. ACCEPTANCE OF CONTRIBUTIONS—PRIEST LAKE OUTLET CONTROL STRUCTURE CONSTRUCTION FUND CREATED.—The board of examiners is hereby authorized to accept contributions from any person, partnership, corporation or association for the purpose of defraying the cost of construction of such outlet control structure. Such contributions, when accepted, shall be deposited in the Priest Lake outlet control structure construction fund, which is hereby created. (1950 (E.S.), ch. 61, para. 3, p. 87.)

16642

70-504. APPROPRIATION TO FUND.—There is hereby appropriated to the Priest Lake outlet control structure construction fund out of any moneys in the treasury not otherwise appropriated the sum of \$3,500.00, or so much thereof as may be necessary. (1950 (E.S.), ch. 61, para. 4, p. 87.)

70-505. MONEYS IN FUND APPROPRIATED TO PURPOSES OF ACT.—Any moneys now, or which may hereafter be, in the Priest Lake outlet control structure construction fund are hereby appropriated to the state reclamation engineer for the purposes of this act. (1950 (E.S.), ch. 61, para. 5, p. 87.)

70-506. EXEMPTIONS.—REVERSIONS OF FUND.—The appropriation herein made is expressly exempt from the provisions of section 67-3509, and chapter 36, title 67, Idaho Code, and shall be immediately available; provided however that upon final completion of construction of said structure all moneys in the said Priest Lake outlet control structure construction fund shall revert to the general fund. (1950 (E.S.), ch. 61, para. 6, p. 87.)

70-507. STATE RECLAMATION ENGINEER TO HAVE SUPERVISION AND CONTROL.—Priest Lake outlet control structure shall, when constructed, be under the supervision and control of the state reclamation engineer: provided, however, that under no circumstances shall the water surface level of Priest Lake be maintained or regulated by said state reclamation engineer above 3.0 feet on the present United States Geological Survey Priest Lake outlet gage with gage datum of 2434.64 feet above mean sea level, datum of 1929, supplementary adjustment of 1947, or released below -0.1 feet of said gage; provided further, that the water surface level of Priest Lake shall be maintained at 3.0 feet on the United States Geological Survey Priest Lake outlet gage, from and after the time during the high water season of each year when the surface level of the water of Priest Lake has receded to such elevation, until a period between the 10th day of September of each year and the 31st day of October of each year, during which period the drawdown of the water surface elevation of Priest Lake shall be commenced. The total drawdown of the waters of Priest Lake shall be completed by the state reclamation engineer by November 20th of each year. (1950 (E.S.), ch. 61, para. 7, p. 87; am. 1957, ch. 128, para. 1, p. 216.)

Chapter 5 was enacted in the 1950 First Extraordinary Session of the Legislature, ch. 61, H. B. No. 57. Section 70-507 was amended in the 1957 Session, S. B. No. 66, to spell out how the level of Priest Lake shall be regulated by the state reclamation engineer. The directive in brief is: After recession of the annual flood stage the lake stage shall be held at a 3.0 feet gage until a period between September 10 and October 31 of each year during which period drawdown of the lake shall commence. (This is done by pulling at a moderate rate the stop logs in the dam structure so as not to cause excessive flooding downstream.) Total drawdown of the lake shall be completed by November 20 of each year.

16642

From the files of this office it appears the outlet structure was built in 1950 with funds furnished by Washington Water Power Company. The contract agreement providing for construction of the dam stated that when completed "full right, title and interest in the outlet control structure shall thereupon vest in the State of Idaho".

Thus Idaho came into possession of a dam with the responsibility of operating it as directed in Section 70-507, Idaho Code.

Although the files are not entirely clear it appears Washington Water Power Company operated the structure, regulating it without cost or remuneration to the state for doing this work, until 1957 when, on April 25, 1957, the State Reclamation Engineer invited bids for the operation, maintenance and repair of the outlet control structure for the ensuing two years. (June 1, 1957 to May 31, 1959).

In response to the invitation, Washington Water Power Company bid \$7500 per year for the right to operate the control structure, and Northern Lights Inc., bid \$1.00 per year.

Washington Water Power's bid was accepted and the company did satisfactorily operate the structure during the calendar years 1957 and 1958.

At the expiration of the contract bids were again invited but none were received.

In the meantime Northern Lights Inc. and Washington Water Power Company were attempting without any success to negotiate a contract with Bonneville Power Authority for compensating power contracts in return for release of the Priest Lake storage when most needed for power generation on the government's down stream power plants.

No contract being in effect with either of these power companies and the State, or with the companies and Bonneville, Washington Water Power Company voluntarily and satisfactorily operated the Priest Lake Outlet Structure in 1959 and 1960 without cost to the State. The annual cost of operation is approximately \$3500.

Without a contract it is problematical how much longer Washington Water Power Company will operate the structure. If the company does not see fit to operate the dam in future years Idaho has the responsibility of somehow operating it at a cost of some \$3500 to \$5000 annually.

A signed contract between Northern Lights Inc. and the State Reclamation Engineer with a signed assignment to the Washington Water Power Company is in my hands for execution on the part of the State. By the contract the state will receive \$1000 annually for the next ten year period.

16642

The contract carries a clause to the effect that if Northern Lights Inc. or its assignee is unable to make a satisfactory arrangement with Bonneville Power before May 1, 1961 the agreement with the State may be terminated upon written notice given on or before May 10, 1961.

Such action taking place the State would again be without an operator for the dam.

A corollary to all the above and particularly to the contract in hand is that Section 70-507 needs to be amended to permit of more flexibility in the release period of the storage in Priest Lake. Bonneville Power Authority has stated that unless the law is amended, they are not attracted by a proposal to enter into a contract with a power organization involving the release of Priest Lake storage.

Attached is a draft of a bill which seems to meet the Bonneville Power Authority requirement.

From the standpoint of the State of Idaho we need to somehow get out from under the possibility of having to ourselves operate the outlet control structure in the interest of the recreational values of Priest Lake. The difference to Idaho financially is that between an annual revenue of \$1000 and an annual cost of some \$3500.

GEO. N. CARTER
State Reclamation Engineer

GNC:mr

16642

January 20, 1961

Mr. Robert G. Hodge
Assistant to the Governor
Building

Dear Mr. Hodge:

Attached is a package, all relating to the Priest Lake Outlet Control Structure in Bonner County.

It will be recalled that in conference with the Governor and A. H. Wegyner of Washington Water Power Company last March it was agreed I could sign the proposed contract for the State. However due to various hitches I have not yet signed it.

What I am principally interested in is to get this dam out of our hair with the best deal we can get for Idaho. This prospect is by no means certain but looks as if it is worth a try.

If we are still to proceed as planned the next move seems to be to get the proposed amendment of Section 70-507 into the legislature.

Documents attached are:

1. A memorandum on the history of the Outlet Control Structure.
2. Copy of contract.
3. Draft of bill to amend Section 70-507.

Strategy is left to your office.

Sincerely yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:mr

PRIEST LAKE CHAMBER OF COMMERCE

~~NORMAN, IDAHO~~

COOLIN, IDAHO
December 6, 1960

RECEIVED
DEC 8 1960
Department of Reclamation

Mr. George Carter
State Reclamation Engineer
Boise, Idaho

Dear Mr. Carter:

I believe that about a month or so ago the former Priest Lake Chamber of Commerce Secretary, Mrs. Perl Smith, wrote to you regarding the draw down of Priest Lake each fall. Since Mrs. Smith wrote, I have been elected as secretary of the Chamber. In looking through all the correspondence that I have, I have been unable to find any response to our request.

To refresh your memory, the Priest Lake Chamber of Commerce went on record as requesting the draw down of the lake be held off till October 15th. At the present, as you know, it is drawn down as "any time after Labor Day".

We would appreciate your opinion and what information we should have regarding this.

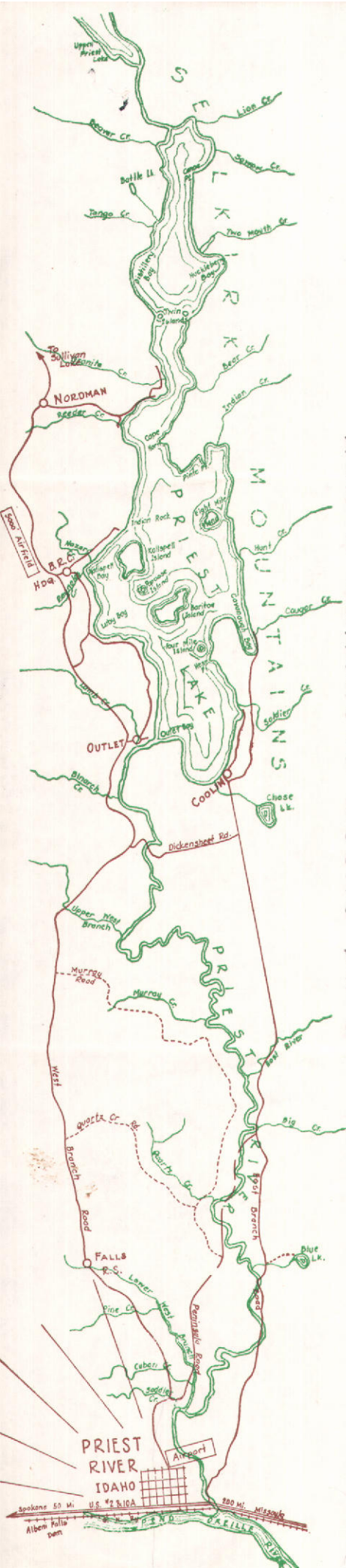
Thanking you in advance, I remain,

Yours truly,

Mona Bishop

Mona Bishop, Sec.
Priest Lake Chamber
of Commerce
Box 13
Coolin, Idaho

16642



PRIEST LAKE CHAMBER OF COMMERCE

NORDMAN, IDAHO

RECEIVED
OCT 2 01960

Department of Reclamation

October 19, 1960

Mr. George Carter
State Reclamation Office
Boise, Idaho

Dear Mr. Carter:

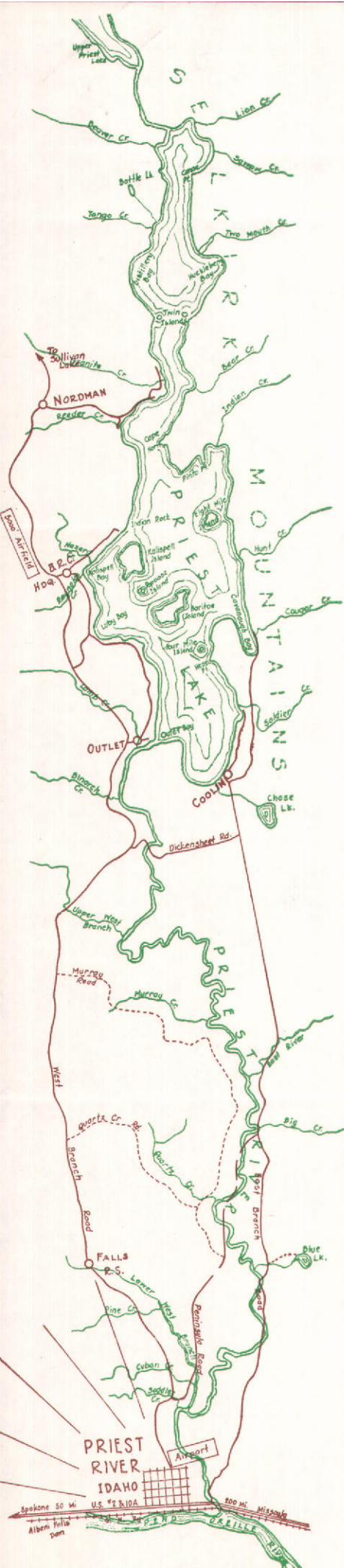
The Priest Lake Chamber of Commerce would like to request that the Priest Lake water level not be dropped until October 15th in future years.

Please advise us if this would be possible. The lake has dropped very rapidly this year because of the lack of fall rainfall.

Sincerely,

PRIEST LAKE CHAMBER OF COMMERCE

By Mrs. Perl Smith
Mrs. Perl Smith, Secretary



chap 125 - hwy 57

16642

September 20, 1960

Re: Water District No. 99

E. J. Elliott, Special Deputy
Water District No. 99
Coolin, Idaho

Dear Mr. Elliott:

After inquiry among the resort and cottage owners around Priest Lake and discussion with other parties of interest it is agreed, and agreeable I believe, to all parties concerned that the draw-down of Priest Lake shall begin September 30, 1960.

The draw down schedule will be to pull enough flash boards on September 30th to cause the lake to drop one (1) foot within a week or ten days, depending upon weather conditions; then pull the remainder of the flash boards and allow the lake to reach its natural level.

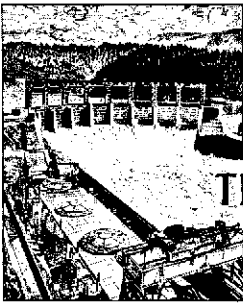
Very truly yours,

G. O. N. CARTER
State Reclamation Engineer

ENCrew

Washington Water Power Co.
P. O. Drawer 1145
Spokane, Washington

16642



A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

August 8, 1960

RECEIVED
AUG 10 1960
Department of Reclamation

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

Re: Priest Lake

Dear Mr. Carter:

While in Boise on Friday, August 5, I phoned your office but learned you were away. It was my intention to advise you of the status of our discussions with Northern Lights respecting Priest Lake,

On August 5, we forwarded to Northern Lights, three "original" copies of the proposed Priest Lake agreement which is now believed to be in form for execution. A print copy is enclosed for you.

Upon execution of the agreement and assignment, Northern Lights will forward the three copies to us. We will execute the assignment and forward to you for acceptance and execution by your office.

The paragraph appearing on page 3 beginning with line 18 and continuing to and including the first line on page 4 has been revised in accordance with the suggestion offered by Northern Lights on May 19, and our discussion with them on August 4. In all other respects the agreement and assignment is unchanged from the draft furnished you March 15, 1960.

Very truly yours,

A. H. Wegner
Assistant Vice President

A. H. Wegner:c
cc: Ora Beasely

P.S: "Beasely" - I have noted an error - refer to page 1, line 3, and page 5, line 23. The initial "R" appearing in George R. Carter should be changed to "N". Perhaps your office can make appropriate corrections, or we will make the correction here when you return the copies to us.

AHW

16642

May 16, 1960

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

Attn: A. H. Wegner

Gentlemen:

As you know, discussions have been held with this office by your Company and Northern Lights, Inc., relative to a contract for the operation of the Priest Lake Outlet Structure. It appears, however, that such arrangement, if completed, will not include attendance and operation of said Control Structure for the 1960 recreational season and the State, therefore, will be without an operating agent.

It is important that there be a qualified operator available to attend said Structure and regulate the out-flow from Priest Lake to make certain that the Lake level does not fall below 3.0 ft. on the commonly recognized Lake gage after recession of flood stages, and is held closely at the gage height until beginning of the release period.

If the Washington Water Power Company can see its way clear to undertake the attendance and operation of the Outlet Structure for the 1960 recreational season, in the same manner as you did in 1959, it will be greatly appreciated by this office. Of course you will be deemed to operate the structure pursuant to authorization and direction from this office.

Mr. E. J. Elliott of Coelin, Idaho, is the Special Deputy for the State of Idaho appointed by me to supervise, control and direct the regulation of the elevations of the waters of Priest Lake in the interests of recreation facilities around the Lake. You may avail yourselves of Mr. Elliott's services in reporting gage heights or in any other helpful manner.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:ew

cc: E. J. Elliott
Coelin, Idaho

May 16, 1960

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

Attn: A. H. Wagner

Gentlemen:

As you know, discussions have been held with this office by your Company and Northern Lights, Inc., relative to a contract for the operation of the Priest Lake Outlet Structure. It appears, however, that such arrangement, if completed, will not include attendance and operation of said Control Structure for the 1960 recreational season and the State, therefore, will be without an operating agent.

It is important that there be a qualified operator available to attend said Structure and regulate the out-flow from Priest Lake to make certain that the Lake level does not fall below 3.0 ft. on the commonly recognized Lake gage after recession of flood stages, and is held closely at the gage height until beginning of the release period.

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Mr. E. J. Elliott of Coelin, Idaho, is the Special Deputy for the State of Idaho appointed by me to supervise, control and direct the regulation of the elevations of the waters of Priest Lake in the interests of recreation facilities around the Lake. You may avail yourselves of Mr. Elliott's services in reporting gage heights or in any other helpful manner.

Very truly yours,

GEO. H. CARTER
State Reclamation Engineer

GHC:ew

cc: E. J. Elliott
Coelin, Idaho

16642

April 25, 1960

Re: Priest Lake Dam

A. H. Wegner
Assistant Vice-President
Washington Water Power Company
Spokane 10, Washington

Dear Mr. Wegner:

I have been expecting to hear something more about the prospective agreement between the State of Idaho, Northern Lights, Inc. and Washington Water Power Company.

I understand Mr. Bandelin was in town some ten days or two weeks ago when I happened to be out and was inquiring about the proposed contract.

Your draft of the contract, dated March 15, 1960, seems to be all as I had understood it would be. If and when you write a final draft for execution, please note my middle initial is "N" rather than "R", as appeared in the previous draft.

I assume that if and when the contract is ready for execution that the assignment carried on Page 5 and 6 is to be executed before the contract is signed by the State. Such is my understanding from previous discussions.

So far as I know I can execute the contract on behalf of the State whenever you people are ready to have it thus signed.

Very truly yours,

GEO. H. CARTER
State Reclamation Engineer

GHC:cw

April 25, 1960

Re: Priest Lake Dam

A. H. Wegner
Assistant Vice-President
Washington Water Power Company
Spokane 10, Washington

Dear Mr. Wegner:

I have been expecting to hear something more about the prospective agreement between the State of Idaho, Northern Lights, Inc. and Washington Water Power Company.

I understand Mr. Bandelin was in town some ten days or two weeks ago when I happened to be out and was inquiring about the proposed contract.

Your draft of the contract, dated March 15, 1960, seems to be all as I had understood it would be. If and when you write a final draft for execution, please note my middle initial is "H" rather than "R", as appeared in the previous draft.

I assume that if and when the contract is ready for execution that the assignment carried on Page 5 and 6 is to be executed before the contract is signed by the State. Such is my understanding from previous discussions.

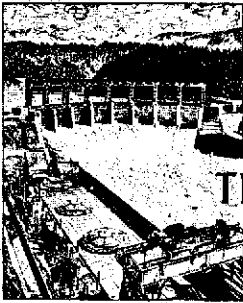
So far as I know I can execute the contract on behalf of the State whenever you people are ready to have it thus signed.

Very truly yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:sw

16642



A. H. WEGNER, ASSISTANT VICE PRESIDENT
RATES AND CONTRACTS

THE WASHINGTON WATER POWER COMPANY

POST OFFICE DRAWER 1445 SPOKANE 10, WASHINGTON

March 15, 1960

RECEIVED
MAR 1 6 1960
Department of the Interior

Mr. Ora Beasely, Manager
Northern Lights, Inc.
P.O. Box 712
Sandpoint, Idaho

Re: Priest Lake

Dear Mr. Beasely:

Following the conference with Mr. Carter at Boise on March 9 and my discussion with you in Spokane on March 10, it seems to me that before inviting further discussion or action on the part of Mr. Carter or Bonneville Power Administration, we should have our thoughts in agreement as to the proposed agreement - and the possible revision of Section 70-507 Idaho Code.

Priest Lake Agreement

Enclosed herewith is a copy of Priest Lake agreement, including the changes as we last discussed them, plus one revision. This is Section 3, second paragraph, second sentence, which I have revised to be more definitive. It now reads (changes underlined):

"In the event the Cooperative withdraws any part of the power production for its own use, it will assume and pay for that part of the cost of power production which is the same proportion of said cost as the amount of power so withdrawn is to the total power produced."

Idaho Code

Also enclosed is a draft of how Section 70-507 might be amended appropriate to the purpose of the above proposed agreement. The suggested changes are underlined.

Miller Evans, BPA, Portland, was here today for a

1664²

Mr. Ora Beasley
Northern Lights, Inc.

-2-

March 15, 1960

discussion of proposed Noxon "delivery point" to Northern Lights. Without going into detail, I advised him we were hopeful of working out with you a satisfactory arrangement re Priest Lake. I feel that as soon as the above contract is in final form we should arrange a conference with BPA.

Will appreciate hearing from you as to the draft of the contract, etc.

Very truly yours,


Assistant Vice President

A. H. Wegner:c

cc: Geo. Carter
Glen Bandelin

16642

February 17, 1960

MEMORANDUM

TO: Governor Robert E. Smylie
FROM: Geo. N. Carter, State Reclamation Engineer
SUBJECT: Contract Operation - Priest Lake Outlet Dam

I had hoped to catch you this morning to ask if you would be agreeable to a conference with Mr. A. H. Wagner of the Washington Water Power Company regarding an extension of the contract for the future operation of the Priest Lake Dam. Mr. Wagner had hoped to be able to meet with you either Thursday afternoon, February 18, or the 19th, but apparently that date is now out.

Upon your return will you kindly call me and advise when would be a satisfactory time for you to meet with Mr. Wagner and me to discuss this matter. I should have two or three days notice to advise Mr. Wagner when he might expect to meet you in Boise.

Sincerely yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:ew

*Conf. with Mr. Wagner
Mar. 9, 1960*

MEMORANDUM

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1000



RECEIVED
DEC 4 1959
Department of Reclamation

STATE OF IDAHO

OFFICE OF THE GOVERNOR

BOISE

ROBERT E. SMYLLIE
GOVERNOR

December 3, 1959

Honorable Geo. N. Carter
State Reclamation Engineer
B U I L D I N G

Dear George:

Thank you for your note of November 30,
relative to the Priest Lake Outlet Control Structure.
I would hesitate to appear to endorse an advance of any
proposed changes in Section 70-507, Idaho Code, in
view of the problems which might be raised by the
Wildlife and Recreational people.

I appreciate your desire to get the matter
determined but have a feeling we would be making more
trouble than we would remedy by executing the contract
at this time.

Very truly yours,

A handwritten signature, likely of Robert E. Smyllie, written in ink and enclosed within a large, hand-drawn oval.

GOVERNOR

RES:c

16642

November 30, 1959

Re: Priest Lake Dam

TO: GOVERNOR ROBERT E. SHILLIE

FROM: GEO. N. CARTER

Regarding a contract for operation of the Priest Lake Dam in future years, my answer to your question "is there any need for haste in executing the contract" is that if the contract were executed now, the State would be assured of 1960 operation without cost. Without a contract, I don't know what the Power Company might do.

Attached is one try at an amendment. This is the idea of the Washington Water Power Company with concurrence by Northern Lights, Inc. What it primarily can do is delay and/or slow down the release of the storage after the close of the recreational season. There would be no change in the operation during the recreational season.

I have been aware from my first knowledge of the law that the release of water prescribed therein does not fit a usual power plant requirement, - and I expect a slower release would not suit the fish people.

I would still like to see the contract executed to get the matter "out of our hair."

Respectfully,

GEO. N. CARTER
State Reclamation Engineer

Encl.
GNC:pmk

16642



RECEIVED
NOV 23 1959

STATE OF IDAHO

Department of Reclamation

OFFICE OF THE GOVERNOR

BOISE

ROBERT E. SMYLIE
GOVERNOR

November 20, 1959

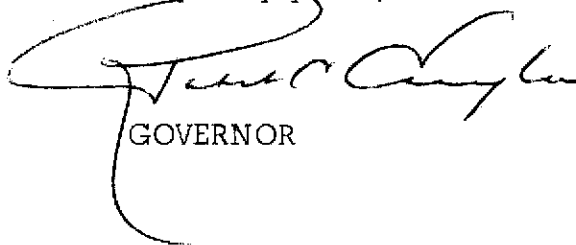
Honorable Geo. N. Carter
State Reclamation Engineer
B U I L D I N G

Dear George:

I have reviewed your letter of November 18 and the enclosed material relative to the Priest Lake Outlet Control Structure. If movement is afoot to amend Section 70-507, Idaho Code, in the next Legislature and if the Washington Water Power Company is willing to operate the structure this year, is there any need for haste in executing this contract?

The enclosures which you submitted are returned herewith.

Very truly yours,



GOVERNOR

RES:c
Encl.

16642

STATE OF IDAHO

COMMISSION

GLENN STANER IDAHO FALLS
R. J. HOLMES TWIN FALLS
ARLE JOHNSON BOISE
TOM FELTON MOSCOW
FRANK CULLER COEUR D'ALENE

ROSS LEONARD
DIRECTOR

Department of Fish and Game

November 3, 1959

RECEIVED
NOV 4 1959

Mr. George Carter
State Reclamation Engineer
State House
Boise, Idaho

Department of Reclamation
RECEIVED
NOV 23 1959
Department of Reclamation

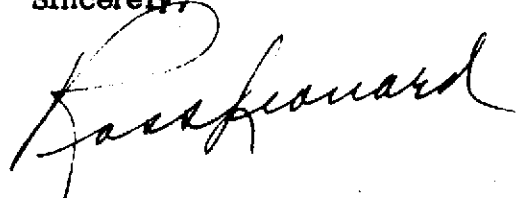
Dear George,

The proposal that the Fish and Game Department assume responsibility for the operation of the Priest Lake outlet has been discussed with the Idaho Fish and Game Commission. They are agreeable to our entering into such a contractual agreement with you providing that it might be terminated if it entails costs above the ability of the Fish and Game Department to assume or for any other reason, (and providing that should any of the water which is released downstream be sold for power purposes, the revenue will be deposited in the Fish and Game fund.) *impossible*

We will be happy to meet with you at your convenience to discuss this matter further.

Best personal regards.

Sincerely,



Ross Leonard
Director

RL:df

cc: Fisheries Management
T.J. Jones, III

16642

November 18, 1959

Re: Priest Lake Dam

Honorable Robert E. Smylie
Governor, State of Idaho
BUILDING

Dear Governor Smylie:

Northern Lights, Inc. and Washington Water Power, apparently working together, have renewed their efforts to negotiate a contract with the state for future operation and maintenance of the Priest Lake Outlet Control Structure.

Efforts to make such a contract last June were given up because the Bonneville Power Administration refused to enter into any contract with these people, giving as a reason that so long as the release of the Priest Lake storage was controlled by Sec. 70-507 Idaho Code, they were not attracted by the proposal.

Believing that all prospects were out I renewed to Ross Leonard the suggestion of having the Fish and Game Commission operate and maintain the dam, and have a reply from the Commission - copy attached.

The two provisos in the Commission's letter, I think rather weaken their offer.

1. They are uncertain of their ability to finance the operation and might ask for a termination of the contract. The difference in cost to the state between power company operation and Commission operation will be between \$3500 and \$5000 annually.
2. There is no possibility of the Fish and Game Commission or any other agency except a power company receiving a benefit from release of the storage

Attached is a copy of the amended proposal now being made by Northern Lights, Inc. It is identical with the one offered last June excepting the changes on page 3 and dates.

The strategy behind this, as I am informed, is that an effort will be made in the next legislature to amend Sec. 70-507 to meet B. P. A.'s objection to the limitations now controlling.

16642

Page Two - Continued - Honorable Robert E. Smylie

In the meantime, if this new contract is executed, Washington Water Power Co. will again operate the dam in 1960 without cost to the state as it did in 1959, thus getting us out of a dilemma plus some expense for which there are no earmarked funds.

I believe you gave verbal assent to the June, 1959 draft of the contract. I am favorable to executing this current draft, if you agree.

Respectfully yours,

GEO. N. CARTER
State Reclamation Engineer

GNC:ew
Enc. letter

cc: Ross Leonard, Director
Fish and Game Department

16642

STATE OF IDAHO

ROBERT E. SMYLLIE
GOVERNOR

COMMISSION

GLENN STANGER IDAHO FALLS
R. J. HOLMES TWIN FALLS
ARLIE JOHNSON BOISE
TOM FELTON MOSCOW
FRANK CULLEN COEUR D'ALENE

ROSS LEONARD
DIRECTOR

Department of Fish and Game

November 3, 1959

RECEIVED
NOV 4 1959

Department of Reclamation

Mr. George Carter
State Reclamation Engineer
State House
Boise, Idaho

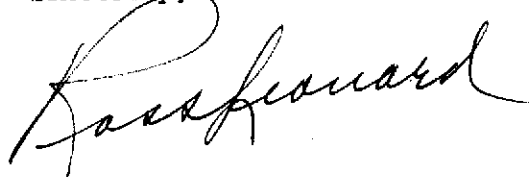
Dear George,

The proposal that the Fish and Game Department assume responsibility for the operation of the Priest Lake outlet has been discussed with the Idaho Fish and Game Commission. They are agreeable to our entering into such a contractual agreement with you providing that it might be terminated if it entails costs above the ability of the Fish and Game Department to assume or for any other reason, and providing that should any of the water which is released downstream be sold for power purposes, the revenue will be deposited in the Fish and Game fund.

We will be happy to meet with you at your convenience to discuss this matter further.

Best personal regards.

Sincerely,



Ross Leonard
Director

RL:df

cc: Fisheries Management
T.J. Jones, III

16642

4/8/59
10/13/59

*Council changes
= draft of 10-13-59*

1 THIS AGREEMENT entered into this _____ day of _____
2 1959, by and between Northern Lights, Incorporated, hereinafter called
3 the "Cooperative," and George A. Carter, State Reclamation Engineer,
4 Department of Reclamation, State of Idaho, hereinafter called "State
5 Reclamation Engineer," WITNESSETH:
6
7 WHEREAS, the State of Idaho owns an Outlet Control Structure
8 for the purpose of regulating the waters of Priest Lake, Bonner County,
9 Idaho, and
10
11 WHEREAS, said Outlet Control Structure is to be operated
12 under the direction of the State Reclamation Engineer in accordance with
13 State Water License No. 16642 held by the Governor of the State in trust
14 for all the people of Idaho and in accordance with Section 70-507, Idaho
15 Code, as amended by Chapter 128 of the Session Laws of 1957, and
16
17 WHEREAS, the State Reclamation Engineer desires to arrange
18 with a person or corporation with necessary organization, equipment and
19 experience and who can benefit from the operation of said Outlet Control
20 Structure, for the operation, maintenance and repair of said Outlet
21 Control Structure, and
22
23 WHEREAS, the Cooperative is a Cooperative Association,
24 lawfully qualified to do business in and operating in the State of Idaho, and
25 is carrying on its business of operating electric power facilities in Idaho
26 for the purpose of distributing and furnishing electric power and energy
27 in Idaho, and
28
29 WHEREAS, the Cooperative has the organization, personnel,
30 and equipment necessary to operate, maintain and repair said Outlet
31 Control Structure as provided by Section 70-507, Idaho Code, as amended
32 by Chapter 128 of the Session Laws of 1957, and
33
34 WHEREAS, the waters retained in Priest Lake when released

16642

1 at the close of the recreational season may contribute to the generation
2 of some additional electric power and energy on the Pend Oreille River
3 and other rivers of the area.

4 NOW, THEREFORE, in contemplation of the beneficial use
5 which, incident thereto, may inure to the benefit of the Cooperative, it is
6 agreed between the parties hereto as follows:
7

8 (1) The Cooperative, at its expense and as directed by the
9 State Engineer;

10 (a) on the receding stage following the run-off of
11 accumulated winter snows as the surface of the Lake
12 approaches elevation 3.0 feet, as shown on the gage of the
13 U. S. Geological Survey located at the outlet, near Coolin,
14 of said Lake, will operate said Control Structure to arrest
15 the outflow of the Lake and retain, for and during the main
16 recreational season, said Lake at elevation 3.0 feet at the
17 same time permitting, as nearly as practicable, the flow
18 of water below said Control Structure to continue with a
19 minimum of fluctuation provided that during those months
20 of the main recreational season said Control Structure
21 will be operated in such manner that said flow of water shall
22 be not less than sixty (60) cubic feet per second as recorded
23 by the U. S. Geological Survey "Dickensheet" gage;

24 (b) at the close of the main recreational season
25 will operate the Control Structure so as to permit the
26 release of water retained by said Control Structure
27 provided that such release shall be initiated on or before
28 October 31 of each year but shall not be initiated before
29 the first Friday following Labor Day, and shall be
30 completed not later than Nov. 10th of
31 each year
32

(2) The Cooperative, at its expense, will maintain and repair said Outlet Control Structure at or to its present condition of stability and utility throughout the term of this agreement. The Cooperative, at its expense, will replace as promptly as reasonably practicable said Outlet Control Structure, as presently constructed should same or any portion thereof be damaged or destroyed, during the term of this agreement, from any cause so as to render said Outlet Control Structure inoperative. The provisions of this Section 2 will be performed by the Cooperative as reasonably directed and required by the State Reclamation Engineer.

Unless terminated as hereinafter provided

(3) This agreement shall be in full force and effect beginning June 1, 1959, and shall continue in full force and effect until May 31, 1961, and thereafter shall continue in full force and effect from year to year unless terminated by either party effective May 31 of any year by written notice given to the other party not less than one year prior to said May 31.

Add the following after line 15, Sec. 3, as an additional paragraph:

The Cooperative or its assignee proposes to enter into an agreement with the Bonneville Power Administration for a term of twenty (20) years or more, effective beginning September 1, 1961, which agreement shall provide for the delivery by Bonneville to the Cooperative, or its assignee and the purchase by the Cooperative, or its assignee, from Bonneville of the additional 10,000 kw or more of firm power and energy resulting from the use of waters, hereunder annually retained in and released from Priest Lake, through the hydrogenerating plants of the U. S. Government located on the Columbia River. Unless otherwise agreed to by the parties hereto, in the event that the Cooperative or its assignee is unable to enter into such agreement with Bonneville on or before May 1, 1961, it shall advise the State Reclamation Engineer thereof by written notice given on or before May 10, and in such event this agreement shall terminate on May 31, 1961, and thereafter be of no further force and effect.

the Cooperative will continue nevertheless to make the annual payments provided hereunder, provided that in the event a kilowatt-hour tax is imposed by the State of Idaho upon the net output of said power generating plant, any amount so paid in any contract year shall be credited against the annual payment due hereunder for that year.

(2) The Cooperative, at its expense, will maintain and repair said Outlet Control Structure at or to its present condition of stability and utility throughout the term of this agreement. The Cooperative, at its expense, will replace as promptly as reasonably practicable said Outlet

~~notice given to the other party hereto within one year of the expiration of the term of this agreement.~~

(4) Each year during the term hereof the Cooperative will pay to the Department of Reclamation, State of Idaho, the sum of *One thousand dollars* (\$1000⁰⁰). ~~Payment of said amount for the first year will be made by the Cooperative within thirty (30) days after receipt of notice that this agreement has been executed on behalf of the Department of Reclamation, State of Idaho, and payment for each subsequent year will be made on or before the anniversary date of said notice.~~

Should the Cooperative, during the term of this agreement, construct a dam and power generating plant downstream from the Priest Lake Outlet Control Structure, which will render inoperative said structure, the Cooperative will continue nevertheless to make the annual payments provided hereunder, provided that in the event a kilowatt-hour tax is imposed by the State of Idaho upon the net output of said power generating plant, any amount so paid in any contract year shall be credited against the annual payment due hereunder for that year.

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(5) This agreement contains all the terms and conditions bearing upon the subject matter and will not be modified or varied except by written agreement executed by each of the parties hereto through authorized representatives. If at any time the terms hereof are not strictly adhered to or enforced, they will not thereby be deemed waived or modified but will at all subsequent times and dates be deemed in full force and effect.

(6) This agreement and the obligations assumed by the Cooperative may be assigned by the Cooperative to any other responsible individual or corporation only with the prior written consent and approval of the State Reclamation Engineer.

IN WITNESS WHEREOF the parties to this instrument have caused the same to be executed the day and year first above written.

NORTHERN LIGHTS, INC.

By _____
President

Attest _____
Secretary

DEPARTMENT OF RECLAMATION
STATE OF IDAHO

By _____
State Reclamation Engineer

ASSIGNMENT

For and in consideration of \$1.00 and other valuable consideration, Northern Lights, Incorporated, (the Cooperative) hereby assigns, transfers and sets over to The Washington Water Power Company or its successors (the Company), all of its rights and obligations under the above agreement dated _____ 1959, between the

1 Northern Lights, Inc., and George ^M. Carter, State Reclamation Engineer,
2 Department of Reclamation, State of Idaho, (the Agreement) subject to the
3 following conditions and provisions:

4 1. The Company agrees to perform all services provided
5 under the Agreement and assume all obligations of the Cooperative under
6 the Agreement, including any monies due to be paid pursuant to its terms.

8 2. The Company understands that the Cooperative may
9 commence construction at some time subsequent to June 1, 19⁶⁵~~63~~, of a
10 dam and power generating plant located below Priest Lake Outlet Control
11 Structure which will render inoperative said structure, and the Company
12 agrees that it will coordinate its operation of said Outlet Control Structure
13 in any reasonable schedule of the Cooperative which will aid in the con-
14 struction of said dam and power plant, provided such operation is not
15 inconsistent with the Agreement.

17 3. Upon completion and placing in operation of said dam and
18 power plant, this assignment shall be terminated provided that the
19 Cooperative shall give to the Company the first refusal of the right to
20 purchase the total power output resulting from the operation of the dam
21 and power plant for a period of twenty (20) years provided that during each
22 year of the last ten (10) years of the twenty-year period the Cooperative
23 shall have the right, on one years prior written notice to the Company, to
24 withdraw for its own uses up to one-tenth (1/10) of said total power output.

26 Payment for such power shall be in accordance with an agree-
27 ment to be executed between the parties and shall be based on the
28 Cooperative's net cost of power production. In the event the Cooperative
29 withdraws any part of the power production for its own use, it will
30 assume a proportionate part of the cost of power production. Cost of
31 power production shall include all fixed charges, costs of operation
32

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1 and maintenance, taxes and reasonable depreciation. Storage or head-
2 water benefits and the power or the right to purchase power resulting from
3 the operation of the dam shall be allocated between the parties in the same
4 proportion as the power produced at the power generating plant.
5

6 THIS ASSIGNMENT entered into by the respective parties
7 hereto this _____ day of _____ 1959.
8

9 NORTHERN LIGHTS, INC.

10
11 By _____
12 President

13 Attest _____
14 Secretary

15 THE WASHINGTON WATER POWER CO

16
17 By _____
18 Vice President

19 Attest _____
20 Secretary

21
22 The State Reclamation Engineer of the State of Idaho, hereby
23 consents to and approves of the execution of the foregoing assignment.
24

25 Date _____ By _____
26 State Reclamation Engineer

27
28
29
30
31 16642
32